

Tuesday, 28 April 1992

The SPEAKER (Hon. Ken Coghill) took the chair at 2.6 p.m. and read the prayer.

DISTINGUISHED VISITORS

The SPEAKER — Order! On behalf of all honourable members I welcome to the Public Gallery Mr Graeme Middleton, who is the guest of the honourable member for Benambra. He is accompanied by his wife, Claire, and son, Heath. Honourable members will recall that Mr Middleton recently completed a fundraising swim of the length of the River Murray.

QUESTIONS WITHOUT NOTICE

DEBT FOR EQUITY AGREEMENT

Mr KENNETT (Leader of the Opposition) — I wish I could swim that far.

Ms Kirner interjected.

Mr KENNETT — I challenge you to a swim down the River Murray. Why don't you and I swim the Murray, too?

I refer the Premier to her private written agreement with Mr Halfpenny not to proceed with plans for a \$6 million to \$8 million debt for equity deal without prior consultation with Mr Halfpenny, and I ask: will the Premier immediately table details of this extraordinary undertaking on this critical policy issue so that the people of Victoria can be let into the secret behind the deals the government is making with the Trades Hall Council; and what other verbal or written agreements does the Premier have with Mr Halfpenny regarding matters of public policy?

The SPEAKER — Order! The latter part of the question is too broad. The first part of the question is in order.

Ms KIRNER (Premier) — I thank the Leader of the Opposition for his question because it gives me the opportunity to say clearly that, unlike the opposition, which would be in constant confrontation with the unions and creating division in the community, the government will work with

industry and work with the unions on this important matter of public sector reform. After discussions and agreement with the authorities and discussions with the trade unions we will come to a final position on public sector authority reforms, which will in fact be a far better position for business enterprises in this State than has ever existed before.

I am proud of the fact that we have moved to a position of business enterprise reform not in the way the opposition would — it would sell off major entities such as the State Electricity Commission.

Mr Kennett interjected.

Ms KIRNER — Are you going to sell them off? It is very interesting that opposition members are quick to criticise but not quick to state their own policies. It is clear that they intend selling off the SECV, the Gas and Fuel Corporation and Melbourne Water. The opposition has think-tanks working behind the scenes right now planning how to do just that, so let us be quite clear about what the opposition is on about.

The government's position is to continue to consult with the unions to gain agreement with them and with industry and public sector authorities on public sector reform, which is what the opposition will never achieve because it will turn the State inside out with confrontation.

The letter exchanged between myself and the Trades Hall Council is a simple one. Its first point is that we will talk about the principles of public sector reform, and its second point is that we will reach agreement on those principles.

CRIME RATE

Mr McNAMARA (Leader of the National Party) — In view of the statement by the Chief Commissioner of Police that the Police Force is losing its battle against crime in Victoria "utterly and completely", will the Minister for Police and Emergency Services immediately put on hold the sale of those police stations in Victoria now on the real estate market that are part of a fire sale; and will the Minister explain why he failed to reveal that Victoria has the worst record for car thefts, burglaries and serious assaults in the Western World?

Honourable members interjecting.

The SPEAKER — Order! The honourable member appeared to ask two questions, the second of which invited an extraordinarily broad reply. I ask the Minister to limit the breadth of his reply.

Mr SANDON (Minister for Police and Emergency Services) — The chief commissioner is, this day, very angry over the story in today's newspaper because what he said has been taken completely out of context.

Honourable members interjecting.

The SPEAKER — Order! The Minister will pause while the House comes to order.

Mr SANDON — When the chief commissioner addressed the meeting yesterday he was explaining what is being done in this State to combat crime. We have recognised that the figures for crimes against property and car thefts have been high in some areas.

Mr McNamara — The highest in the Western World!

Mr SANDON — It has taken you three years to find out, so you're slow! We have known about that since the victimisation study was completed in 1989. The chief commissioner and the government are ensuring that this area is addressed by examining ways of integrating the community with the Police Department, so that the community becomes involved in a proper partnership with the Police Force.

We are proud of the approach we have adopted: through the Public Safety Anti-Crime Council the major players from both government and non-government sectors have been brought together to examine an integrated anti-crime strategy. This is a significant step in addressing issues of concern to the community.

It is not just a matter of looking at police numbers; it is a matter of looking at what police currently do and at the support mechanisms currently operating in the Victoria Police. That is why we have been examining a more integrated work force that gets more police out on the streets where the people want to see them. I want police patrolling our streets so that the Police Force has a higher and more visible profile. Our review of Police Force personnel will mean that this month an extra 50 police are out on the beat; a review of administration areas will free an extra 95 police; and as from July part-time public

servants will be employed in police stations to free more police for operational duties.

It is not just a matter of looking at police numbers and saying, "This is a way to address the problems of crime". In Ballarat last year the Leader of the Opposition said that more police will not solve Ballarat's crime problems. He is right about that. A broader strategy than examining numbers is required. We are looking at administrative support mechanisms.

Mr McNamara interjected.

The SPEAKER — Order! I warn the Leader of the National Party. He is well aware of the provisions of Standing Orders. He has asked a very broad question and he should enable the Minister to complete his reply without interruption.

Mr SANDON — The issue is not just about more police; it is about what police are currently doing and about freeing them for policing duties. It is also about smarter policing and using modern computer facilities to fight the crime rate. That is why I am happy and thankful that this week the Treasurer announced the support the government will provide for the Link program that will allow the police to go ahead with an additional \$15 million computer program package over the next four years. It will bring Victoria Police to the leading edge in fighting crime.

However, it is not just a matter of technology; it is about the community working in partnership with the police and the police responding to problems the community wants addressed. That is why I am pleased about the integrated anti-crime strategy and the local consultative councils that will help police to respond to local needs.

The government has a proud record of support for the Victoria Police. No other government department has had the increases the Victoria Police has had in the past 10 years. There has been an increase of more than 25 per cent in police numbers and an increase of more than 30 per cent in public servant numbers. When this government came to office Victoria Police had no helicopters, boats or planes, and there were few cars. There has never been such a major building program. One in four Victoria Police buildings is either new or refurbished.

The SPEAKER — Order! I ask the Minister to round off his reply. If there is insufficient time for

him to give a comprehensive reply I suggest that he ask that the question be put on notice.

Mr SANDON — It is the first time in two sessional periods that I have been asked a question by the shadow Minister, so I am sure you, Mr Speaker, will forgive my enthusiasm to put on the record the government's priority of supporting the police budget. That priority will continue, and we look forward to more resources and the community joining in partnership with the police to combat crime.

Mr Leigh interjected.

The SPEAKER — Order! The honourable member for Malvern is out of order, and I ask him to remain silent.

TEXTILE, CLOTHING AND FOOTWEAR INDUSTRY

Mr BATCHELOR (Thomastown) — I refer the Premier to weekend reports that the Australian clothing, textile and footwear industry is under serious threat, with 35 000 jobs on the line over the next 12 months. What action will the government take to protect Victorian jobs?

Mr Leigh interjected.

The SPEAKER — Order! I warn the honourable member for Malvern. I cautioned him a moment ago and he appears to be wishing to defy the authority of the Chair. I will take the appropriate action if necessary.

Ms KIRNER (Premier) — The Textile, Clothing and Footwear Industry Council has said that between 10 000 and 35 000 jobs in the industry will be lost over the next 12 months. That figure is similar to the estimate of 50 000 jobs that the unions say could be lost by the year 1995, and it is in addition to the 20 000 people who have already lost factory jobs. This is not simply a decline in the industry; it has brought the industry in Victoria and in South Australia to crisis point.

It is time that rate of job loss was declared unacceptable and we had a total review of how the textile, clothing and footwear (TCF) industry can be effective in Victoria. What we have to do is make up our minds as Victorians and as Australians whether we want the TCF industry — —

Mr Lieberman interjected.

Ms KIRNER — The honourable member for Benambra should know about it because his electorate is one of the most important regional areas for textiles. That is what we should make the prior decision on, whether we want a TCF industry, and if we do we must then decide how to go about not only having it but having it in a form that ensures that it will survive and develop in the future.

Mr Kennett interjected.

Ms KIRNER — I find it interesting that the Leader of the Opposition should interject, "You want to start fighting back, do you?" Mr Speaker, if the Fightback package were the basis for the TCF industry, the industry would be wiped out by the year 2000.

Mr Kennett interjected.

Ms KIRNER — I know it upsets the Leader of the Opposition to have to analyse the Fightback policy. I know that all over the weekend they tried very hard to get him to comment on the quotas and tariff issues, but no, no comments.

Mr Kennett interjected.

The SPEAKER — Order! The Leader of the Opposition is out of order, as he is well aware. The Premier is responding to an interjection that was disorderly in the first instance. I ask the Leader of the Opposition to remain silent. I also ask the honourable member for Keilor to remain silent.

Ms KIRNER — It was possible for the opposition to make some comment on tariffs because when the Leader of the National Party heard the rustling of canefields in Queensland he could come out and say, "We have to do something about this tariff issue on sugar". But he said nothing about the impact that Fightback would have on the manufacturing industry that is central to this State. How many canefields are there in the State of Victoria? Not many.

Honourable members interjecting.

The SPEAKER — Order! If the Chair requires the assistance of the Leader of the Opposition, it will ask him for it. I ask him to remain silent. I ask the Premier to address her remarks to the question that was asked.

Ms KIRNER — It is perfectly clear that Fightback would destroy the manufacturing industry, and the

opposition is not prepared to stand up to Dr Hewson on this matter.

In contrast, I took the opportunity at the Premiers Conference to discuss the TCF industry with John Bannon, the Premier of South Australia. We have decided to form a group to discuss the needs of the TCF industry and to argue that there needs to be a total review of TCF policy. That will start with a meeting between the appropriate Ministers — that is, Mr Lynn Arnold, the Minister for Industry, Trade and Technology in South Australia, and Mr White, the Minister for Manufacturing and Industry Development in Victoria. We will use as a base the 10-point plan we have been developing with the industry and the unions. After that discussion we will then call in the various sectors and all members of Parliament who are interested in the development of the TCF industry — of course, that will not include the opposition because it cannot and will not stand up to Dr Hewson. After those consultations have produced a recipe for recovery for the TCF industry, we will take that position to Canberra. I am still waiting to hear the position that the Leader of the Opposition intends to take to Dr Hewson on the TCF industry.

LOCAL GOVERNMENT COMMISSION CHAIRMAN

Mr I. W. SMITH (Polwarth) — I refer the Treasurer to the recent appointment of Mr Russell Badham to a senior executive service position in his department, a position previously held by Mr Justin Brennan, and I ask: was Mr Badham's position advertised in accordance with proper Public Service procedures and is this the same Russell Badham who has publicly claimed to be the Treasurer's best friend?

Mr A. J. SHEEHAN (Treasurer) — It is the same person. No-one in Treasury has been replaced. Mr Badham has been seconded to Treasury on a part-time basis to run a small major initiatives unit related to the development of the implementation of One Nation and Priority Victoria.

MAJOR PROJECTS PROGRAM

Mr MATHEWS (Oakleigh) — I ask the Minister for Major Projects whether he is aware of proposals that would have the effect of prejudicing the implementation of Victoria's major projects program. If so, what action is he taking to ensure that this prejudice does not eventuate?

Mr KENNAN (Minister for Major Projects) — I thank the honourable member for his question and his interest — and I think all Victorians are interested — in seeing the construction industry boosted in this country and in this State. Unfortunately the construction industry, in major projects especially, faces two main threats: one is the promise of the State opposition parties to slash capital works, which will have a devastating impact on employment generally and will also eat into major construction projects, especially projects such as the museum.

The second is that the Federal opposition has promised to introduce a goods and services tax that will apply to the construction industry and will affect materials that are used in the construction area as well as professional services. That means the costs of things in both the government and private sectors will rise significantly. Projects such as the Great Southern Stand would cost millions of dollars more to build. People would have to pay dollars more every time they used that sort of facility if it were constructed under the Federal opposition policy. It would mean that even feasibility studies for major projects of all kinds would be more expensive. It would add to the cost in the public and private sectors and add to the cost for consumers who use facilities such as the Scienceworks museum at Spotswood, which has had enormous attendances in recent times. It would cost more to build and cost more to attend if that sort of facility were built under opposition policies.

The Australian Federation of Construction Contractors has made a submission on this subject to the Federal opposition Fightback review and has said that the Fightback policy does not address even one issue facing the construction industry in this country. It has described the goods and services tax as having a cascading effect on the costs of construction.

Perhaps one of the opposition members here will do what Mr Braithwaite has done today — that is, resign — because he knows the impact the tariff reforms proposed by Dr Hewson will have. Perhaps the Leader of the National Party will become the Braithwaite of Victorian politics and take the honourable course and resign. His Federal counterpart would not wear this rubbish any more and has done the decent thing and resigned from the shadow Cabinet.

The SPEAKER — Order! The Minister is in order in providing information on matters his portfolio

has examined. However, he is not at liberty to use that as a vehicle for an attack on members of the opposition.

Mr KENNAN — Thank you, Mr Speaker; it was a rare and most uncharacteristic departure.

Finally, the action the government and the community need to take is to tell the opposition parties in this State that it is time they abandoned their promises to slash capital works; but more importantly it is time they told Dr Hewson that they do not want to hear any more of his goods and services tax.

LOCAL GOVERNMENT COMMISSION CHAIRMAN

Mr GUDE (Hawthorn) — I refer the Treasurer to an announcement in October of last year that the Local Government Commission will be abolished after the next election and ask: is it a fact that Mr Russell Badham, a former Ministerial adviser to the Honourable Frank Wilkes, former Mayor of Northcote and immediate past Chairman of the Local Government Commission, sought — and was given — sanctuary in a senior position in the Department of Treasury by this Treasurer, in the full knowledge of that announcement?

Mr A. J. SHEEHAN (Treasurer) — The facts are that Mr Badham was seconded from local government on a part-time basis first to the Ministry of Finance and then to Treasury to coordinate the Priority Victoria jobs statement and submission to the Federal government. He is working under secondment. There has been absolutely no change to his conditions of appointment — the period of his appointment, the rate of pay or any other conditions. The only thing that has changed is that he has taken on a significantly greater workload than he had before and is making this considerable contribution to a major policy initiative of the government that is aimed at getting Victorians working.

WORKCARE

Mr W. D. McGRATH (Lowan) — I refer the Minister for Finance to his government's proposed amendments to the Accident Compensation Act designed to control WorkCare's poor financial performance and ask: will he confirm that WorkCare has returned an operating deficit for the March quarter well in excess of \$100 million and advise when he will make this information public?

Mr HARROWFIELD (Minister for Finance) — I thank the honourable member for his question and for his somewhat blinkered interest in the WorkCare scheme. He should be aware that there is a well-established process for reporting the progress performance of WorkCare. For example, the week before last I tabled the actuarial report, which showed an improving performance for the WorkCare scheme. I will continue to make information available in the normal course of the process.

VCE STUDENT PROFILES

Mrs GARBUTT (Greensborough) — Will the Minister for School Education inform the House of the progress of the implementation of the VCE student profiles?

Mr POPE (Minister for School Education) — The VCE student profile has been developed by the Victorian Curriculum and Assessment Board (VCAB), which includes representation from this House. The student profile is a one-page summary that sets out information about a student's capabilities based on work completed during the VCE, and includes such matters as initiative, self-management, cooperative work, communication and so on. Obviously such information is far more worthwhile than the former school reference.

VCAB made the decision to implement student profiles in August last year. The employer representative on the board welcomed the student profiles and has said that as a resource they are an "extraordinarily important tool" for employers to use. Mr David Edwards, the head of the Victorian Employers Chamber of Commerce and Industry, said that employers "greatly valued the profiles" that had been put in place.

So it was with some bewilderment that last week I read of statements made by the shadow Minister for education, the honourable member for Prahran, who in his press release says:

The VCE demands all schools provide to the government an official profile for every student who completes the certificate.

He goes on to say:

The subjective comments of teachers will become an official document that is recorded by the government and students have no control over who has access to the information.

The honourable member is wrong on both counts. Neither the government nor the Victorian Curriculum and Assessment Board will decide whether schools participate in the Victorian student profiles; schools will make that decision. The answer to who controls the information is equally straightforward — unfortunately the shadow Minister keeps getting it wrong — students decide whether they want profile information released for tertiary selection purposes.

It would appear that there is some difference between the honourable member for Prahran and the Leader of the Opposition. The honourable member for Prahran has said, as he did incorrectly last week in his press release, that student profiles go out willy-nilly. He does not take into account exactly how they work, let alone how much they are valued — not just by employers but by students themselves.

The Leader of the Opposition has a different view from that of the shadow Minister. In a press release dated 22 March 1988 that deals with student profiles, the Leader of the Opposition said that a student profile could “be used in any application for future employment (or) admission to further education and training”. Student profiles are in place and will be used — and be of benefit to students — instead of the old school references, and they will be of great benefit to employers if the student wishes to submit his or her profile to the employer.

BUDGET DEFICIT

Mr BROWN (Gippsland West) — I refer the Treasurer to the Premier’s claim in her June 1991 economic statement that the Budget deficit for the 1992-93 State Budget will be \$836 million. Will the Treasurer confirm that the deficit for the next Budget will be that amount; if not, will he advise the House of the magnitude of the deficit he is planning to build into the 1992-93 State Budget?

Mr A. J. SHEEHAN (Treasurer) — It is interesting that the opposition has finally asked some questions about the Budget for this year and the planning for next year, because in the past few days it has been amply demonstrated across Australia that there is considerable financial pressure on all State governments in the delivery of current Budgets and the preparation of future Budgets.

In responding to the honourable member’s question I draw to the attention of the House the

communique issued by Premiers and Chief Ministers on Sunday, which says in part:

We are extremely concerned that without a meaningful increase in Commonwealth funding, the States and Territories face a combined Budget deficit of approximately \$7.3 billion in 1992-93 rising to \$12.5 billion by 1995-96, notwithstanding the expected recovery in the economy ...

These deficits are both long term and structural, not primarily cyclical, in nature and hence require a permanent not temporary solution. The current recession has exposed these deficits which had previously been masked by the buoyant levels of State revenues arising from the abnormal asset inflation of the 1980s. These deficits are due to a collapse of our own source revenues and a significant reduction of Commonwealth funding, not profligacy on spending.

All Australian States face a similar situation with the implementation of this year’s Budget and the framing of next year’s Budget.

While the Premiers and Chief Ministers were meeting on Sunday last, the G7 Leaders were meeting in Washington, and in part — —

Honourable members interjecting.

Mr A. J. SHEEHAN — I know the opposition will not like this, but in part it is reported in an article in the *Australian Financial Review* of 28 April 1992:

After a meeting that lasted nearly 4 hours longer than expected, the G7 acknowledged high global interest rates were hurting growth, but did not hold out much hope of them falling any time soon.

“We remained concerned that ... G7 economic activity this year would be below potential ...

The point is that at a national and international level governments are having difficulty framing Budgets within the earlier expected constraints. Victoria is in the same situation as the rest of Australia and the G7 nations. Victoria’s final Budget financing transactions for next year will be announced in the Budget.

“SHAPING VICTORIA’S FUTURE”

Mrs WILSON (Dandenong North) — Will the Minister for Planning and Housing advise the House of the implications for Victoria’s long-term economic and urban development of the government’s

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development plan *Shaping Victoria's Future*, which was released yesterday?

Mr McCUTCHEON (Minister for Planning and Housing) — I thank the honourable member for her question. Her interest in development in the Dandenong corridor has been considerable; she is a very energetic local member.

Honourable members interjecting.

The SPEAKER — Order! The Minister is entitled to answer the question without interruption. The honourable member for Dandenong North and other honourable members, most of whom wish to hear the reply, are entitled to hear it. I ask the Leader of the Opposition, and the honourable member for Berwick in particular, to remain silent.

Mr McCUTCHEON — The process for developing *Shaping Victoria's Future* has involved consultations around the State and there is strong consensus on the government's policy of curbing the sprawl of metropolitan Melbourne and building on the regional centres and the regional resources of the State. Better use can be made of regional centres in Victoria; we can encourage environmentally sound and sustainable development at the same time as we integrate jobs, transport and affordable housing.

To explain what slowing the sprawl of Melbourne means: in the 50 years to this year, regional population growth in Victoria increased from 1 million to 1.4 million, a 40 per cent increase over the period, while in metropolitan Melbourne the population increased from 1.2 million to 3.1 million, a 270 per cent increase. If we take the opportunities envisaged by *Shaping Victoria's Future* we could have growth in regional Victoria from its present population of 1.4 million to 2.2 million, which would represent a 60 per cent increase in the next 30 to 40 years, and slow down the rapid pace of growth of metropolitan Melbourne, the population increasing from 3.1 million to 4 million, which would represent only a 25 per cent increase. They are dramatic changes that could profoundly affect the development of the State and the opportunities that are available to Victorians.

The urban options are very closely integrated with the economic development of regional centres. The government's record over the past 10 years shows that it has done a great deal to prepare Victoria's regional centres for growth, development, investment and jobs. For example, the Bendigo

region had a significant growth of tertiary education facilities.

Honourable members interjecting.

The SPEAKER — Order! There is too much audible conversation. I ask honourable members on both sides of the House to lower their voices.

Mr McCUTCHEON — And currently there is a proposal to develop a \$300 million aluminium rolling mill. The Department of Food and Agriculture has moved to the Bendigo area and various agricultural industries will develop and capitalise on the regional economic strengths of that area.

Members of the opposition have not given any clue as to what they would do for Victoria. They have not got a clue about what they would do about urban development or slowing urban growth. I refer to this morning's *Herald-Sun*, in which the honourable member for Berwick, who is the spokesperson for the opposition, claimed — —

Ms Kirner interjected.

Mr McCUTCHEON — They do not. The honourable member for Berwick has said that *Shaping Victoria's Future* doesn't go far enough in curbing the urban sprawl. On every other occasion when I have heard him speak on the subject he has run away from strong measures to curb the urban sprawl. Two weeks ago on ABC radio, in commenting on Viccode, the code for urban growth, the honourable member for Berwick said:

What the government is trying to do is not let families have a nice-sized home with a big backyard; they are trying to squeeze people into little houses.

You cannot have it both ways; you cannot say that the government should do more to curb the urban sprawl and then criticise Viccode, which is a very advanced code! The opposition hasn't got a clue! What this State needs — —

Mr J. F. McGRATH (Warrnambool) — On a point of order, Mr Speaker, it is obvious that the Minister is now debating the issue. He is reading from newspaper clippings. If he believes a debate should be conducted, I suggest he make a Ministerial statement. I ask you to ask him to round off his answer.

The SPEAKER — Order! When the honourable member for Warrnambool raised the point of order, the Minister for Planning and Housing had been speaking for slightly less than 5 minutes. I ask him to round off his reply and to confine his remarks to matters directly relevant to the question.

Mr McCUTCHEON (Minister for Planning and Housing) — I would like to say that, in the face of the indecision of the opposition, *Shaping Victoria's Future* is giving a lead to Victoria. It is giving direction to our regional centres. It is backed up by the 2020 study in Bendigo and by economic regional development plans. I believe this government is the only government that has given any lead of this sort in the past 40 years.

COMMUNITY SERVICES VICTORIA FACILITATING SYSTEM

Mr PERRIN (Bulleen) — I refer the Minister for Community Services to the public exposé of a facilitating system relied upon by officers of Community Services Victoria to make a false claim of sexual abuse against an Italian family in Sunshine and ask: given that the facilitating system claimed to communicate with intellectually disabled people has now been shown to be a fraud, will the Minister advise the House whether her department has ceased relying on the facilitating system; and if not, why not?

Mrs SETCHES (Minister for Community Services) — I thank the honourable member for his undoubted and continuing interest in the welfare of intellectually disabled people. I do not remember his raising any matter like this since he has been in the House, but I am glad to see he is interested in this matter.

There continues to be a diversity of opinion among professional groups about the effectiveness of facilitated communication. That has always been recognised by all groups in this matter. In the absence of clear professional agreement about facilitated communication, it is Community Services Victoria policy to consider each individual —

Mr GUDE (Hawthorn) — On a point of order, Mr Speaker, it is obvious that the Minister is reading from notes. I wonder whether she will make them available to the House?

The SPEAKER — Order! I do not uphold the point of order. I have been listening to and watching

the Minister, and I do not believe she is reading from notes.

Mrs SETCHES (Minister for Community Services) — It is the policy of CSV to take every case on its merits and to work out exactly how the person is able to communicate with CSV. There will be continued support for the development of ways to assist people who prior to this had absolutely no way of communicating with anybody.

We have a duty of care to take on board what has been determined in work done recently in all avenues — that is, to work out a way of assessing what is and what is not able to be heard through facilitated communication.

CSV is currently preparing and developing guidelines and procedures to ensure that appropriate assessment of a person's ability to communicate is taken into account. The Public Advocate is involved in the process and supports the development of these procedures and guidelines, and a procedure for the validation of facilitated communication in CSV is a matter of priority. We will then have reference groups to ensure that suitable facilitated communication is used appropriately and as effectively as possible and is not misused or abused.

STAFFING OF MINISTRY FOR POLICE AND EMERGENCY SERVICES

Mr McNAMARA (Leader of the National Party) — Given the statement by the Minister for Police and Emergency Services that there has been an increase in the number of public servants supporting police over the past two years and the statement by the Chief Commissioner of Police that there has been a 14 per cent decline in the number of public servants supporting police, I ask the Minister for Police and Emergency Services who is correct, the Chief Commissioner of Police or the Minister?

Mr SANDON (Minister for Police and Emergency Services) — I will say it very slowly: I said that in the past 10 years the number of public servants has gone up by 40 per cent. By 40 — have you got it? In the past 10 years, 40!

COMMUNICATION FACILITIES IN PRISONS

Mrs HIRSH (Wantirna) — Will the Minister for Corrections inform the House what action the

government is taking to control the use of telephone facilities by prisoners in Victorian prisons?

Mr SANDON (Minister for Corrections) — Mr Speaker, today the government has introduced in Victoria's prisons a system that I believe is a world first; certainly it is a first in Australia. From today we will have a new computer-based telephone system to ensure that no harassing or threatening telephone calls, or other similar calls, are made by prisoners.

From today each maximum security prisoner in Victoria will be able to choose four telephone numbers. Those numbers will be checked out by Office of Corrections staff; the numbers will be rung to ensure that the potential recipients wish to receive telephone calls from that prisoner. They will be the only numbers the maximum security prisoner will be able to contact. This will ensure a proper balance —

Mr McNAMARA (Leader of the National Party) — On a point of order, Mr Speaker, and on a point of repetition, the Minister made that promise six months ago.

The SPEAKER — Order! There is no point of order.

Mr SANDON (Minister for Corrections) — What I announced some months ago was that I was starting the process to introduce the system.

Honourable members interjecting.

Mr Kennan — And you have done it.

Mr SANDON — And today it is up and running; it is there and has been delivered. Some people opposite think that when you say you will develop certain things those things happen immediately; but you do not pluck a system off the shelf and introduce it. It is not as simple as their minds!

This is a world first. This system will earn extra export dollars for Victoria and Australia. Some problems arose because prisoners were making harassing calls to former victims. I called for a new telephone system to be designed. It is absolutely new and unprecedented; it has not happened elsewhere in the Western World — or anywhere in the world. It is a new system designed to meet a particular problem.

The system was developed by Vistel Ltd, which is the Victorian government's telecommunications organisation and which has specialist knowledge. The development of this system is an indication of a need for organisations like Vistel to provide appropriate expertise.

From today in maximum security prisons — it has been in place for some months at the remand centre — and from July at Pentridge a modern system will be in place to ensure that those in the community who wish to have contact with prisoners can have that contact and that the harassment calls that have been made in the past will cease.

DISTINGUISHED VISITOR

The SPEAKER — Order! I welcome to the Legislative Assembly a visitor who arrived during question time. Cr Jim Tilkeridis is the Mayor of the City of Whittlesea and is present as a guest of the honourable member for St Albans.

STANDING ORDERS COMMITTEE

Youth Parliament Bills

Mr NORRIS (Dandenong) presented report of Standing Orders Committee on presentation of Youth Parliament Bills.

Laid on table.

PAPERS

Laid on table by Clerk:

Statutory Rules under the following Acts:

Port of Melbourne Authority Act 1958 — SR No. 48

Public Service Act 1974 — Public Service Determination No. 9

State Superannuation Act 1988 — SR No. 50

Transfer of Land Act 1958 — SR No. 49

Proclamations fixing operative dates in respect of the following Acts pursuant to Order of the House dated 25 October 1988:

Children and Young Persons Act 1989 — Sections 48(1) (except paragraphs (a) and (c) and paragraph (b)(ii), (iii) and (iv)), 49, 50, 51, 112, 113, 114 and 115; 16 April 1992 (*Gazette* No. G15, 15 April 1992)

Corrections (Remissions) Act 1991 — Whole Act except section 6(k); 22 April 1992 (*Gazette* No. G15, 15 April 1992)

Sentencing Act 1991 — Whole Act; 22 April 1992 (*Gazette* No. G15, 15 April 1992)

SUPPLY (1992-93, No. 1) BILL and WORKS AND SERVICES (ANCILLARY PROVISIONS, 1992-93, No. 1) BILL

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — By leave, I move:

That this House authorises and requires Mr Speaker to permit the second reading and subsequent stages of the Supply (1992-93, No. 1) Bill and the Works and Services (Ancillary Provisions, 1992-93, No. 1) Bill to be moved and debated concurrently.

Motion agreed to.

CONSTITUTION (GOVERNOR'S SALARY) BILL

Order of the Day read for resumption of debate.

The SPEAKER — Order! 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 16 April; motion of
Mr KENNAN (Attorney-General).**

Mrs WADE (Kew) — The coalition supports the Bill. The provisions contained in the Victorian Constitution regarding the Governor's salary are not clear. Section 7 of the Constitution Act 1975 states:

- (1) The Governor shall receive a salary at the rate of \$44 500 per annum or such higher rate as is for the time being applicable pursuant to an adjustment certified by the Premier and the Treasurer and shall defray the salaries of his staff his travelling and all other expenses out of such salary except to the extent that moneys are appropriated by the Parliament to meet expenses for services in connexion with Government House (including secretarial domestic and maintenance services).

It is not clear whether the present arrangements are in accordance with that section, whether, on a reading of the section, a higher salary has been certified by the Premier and the Treasurer, or

whether any of the Governor's salary is used to defray salaries of staff or other current expenses or, indeed, for other purposes. It appears from a reading of the section — which is framed in outdated terms — that staff salaries should be defrayed from the salary of the Governor; that is clearly impossible and inappropriate.

The Budget discloses that the total cost of the office of the Governor to the people of Victoria in 1991 was approximately \$2 million, which is a reduction from the previous year's allocation. However, the Budget does not provide a breakdown of the salaries for the Governor and persons employed in the Governor's office. The amount for salaries and allowances of the Governor and members of the Governor's staff for 1991 is shown as a single-line item of \$925 000, which represents a reduction of approximately \$42 000 in the previous year's figure.

Proposed new section 7(1) is much clearer and provides that the Governor is entitled to an annual salary equal to the annual salary payable to a puisne judge of the Supreme Court as fixed from time to time, less an amount equal to the income tax payable under the Income Tax Assessment Act of the Commonwealth. Proposed new section 7(1A) provides that the expenses of the office of Governor shall be met from money appropriated by Parliament for that purpose; and finally, proposed new section 7(1B) provides that, despite any other provision made under this legislation or any other Act, the right of the Governor to a pension payable by the State is suspended while he holds the office of Governor.

These provisions are much clearer. They not only provide for the Governor's salary to be maintained in line with the after-tax salary of a Supreme Court judge but also make it clear that the Governor's salary is for his personal expenses and that moneys for the salaries of staff and all other expenses, including maintenance, are to be provided by the government.

As I understand it, again from the Budget figures, the Governor receives an allowance of \$12 000 in addition to his salary; but that is not mentioned in the clause, so I assume the government intends to discontinue the allowance. If that is not the case the government should make the position clear.

The role of Governor is very important in our system of government. The first Victorian Governor was Sir Charles Hotham, who was appointed when representative government was granted to Victoria

in 1855. The position of Governor is provided for in the Victorian Constitution, where the Governor is referred to as "Her Majesty's Representative in Victoria". Indeed, in his inaugural speech the new Governor, His Excellency Mr Richard McGarvie, described Her Majesty as "a role model for the position of Governor".

As you would be aware, Mr Speaker, the Governor exercises the ultimate executive power in Victoria. He is responsible for summoning and proroguing Parliament and giving the Royal assent to all Bills passed by both Houses of Parliament. He is also head of the Executive Council for Victoria, and in that capacity he makes appointments to important senior government offices.

In that capacity the Governor also makes proclamations under various Acts of Parliament, and is responsible for the making of regulations and statutory rules under various Acts of Parliament, giving various approvals and performing other associated functions.

Although the majority of the Governor's functions are carried out on the advice of the Premier and Ministers of the government, a number of Governors and Governors-General have stressed their role in ensuring the regularity of these procedures. There is some interesting writing on this subject by Sir Paul Hasluck and Sir Zelman Cowen. By way of example I refer to some statements made by Sir Zelman Cowen. In an article entitled "The Monarch and Her Principal Representative in Australia" Sir Zelman says:

Save for urgent matters which may be specially admitted, the papers —

for Executive Council meetings —

normally come to the Governor-General at least 24 hours before the meeting. The various papers are supported by explanatory memoranda, and I satisfied myself that the explanations were clear and adequate and that the papers and proposals and procedures were regular. I was able to ask questions in advance of the meeting, principally through the Secretary to the council. At the meeting I would raise questions with the attending Ministers, so that they could take into account the doubts and concerns of a Governor-General before tendering advice. I was particularly concerned with the regularity of procedure, both when matters came up in Executive Council and also when advice was tendered to me on a variety of matters by individual Ministers.

I believe that this is a useful continuing role for the Governor-General; his experience serves the interests of regularity which, in the press of big, busy and complex government, may not always be assured.

They are important guidelines for a Governor, and I anticipate that the new Governor, who has practised as a lawyer and a Queen's Counsel and who has more recently been a Justice of the Supreme Court, will take a similar approach to that taken by both Sir Zelman Cowen and Sir Paul Hasluck. I have no doubt that that approach, which assists in ensuring regularity of government procedures, should be welcomed by the government.

Another Governor of Victoria who paid particular attention to this aspect of his role was Sir Henry Winneke. I refer to a description of his period of governorship contained in the *Victorian Year Book 1984*. I found the year book very interesting reading because it gives a description of the various Governors from 1855 until 1984 and describes how they exercised their roles. It describes not only the different approaches of various Governors but also the changing nature of the role of Governor over that period. The description of Sir Henry Winneke reads in part:

His deep knowledge of the legal and constitutional aspects of the Governor's office enabled him to make his own contributions to the work of Executive Council meetings, of which he only missed two during his tenure of office. He had legislation and other items of business sent back for review if necessary; the agenda was invariably voluminous, an aspect of State government not always fully recognised.

On two occasions Sir Henry Winneke reserved Bills for the Queen's assent; they were the Constitution Act 1975 and the Constitution (Governor's Pension) Act 1978.

I have no doubt that the Attorney-General would have considered whether the Bill currently before the House needs to be put to the Queen for Royal assent. As you would be aware, Mr Speaker, the changes made by the Australia Act 1985 of the British Parliament include a provision which deals specifically with this point and which states that no law or instrument shall be of any force or effect so far as it purports to require the reservation of any Bill or Act of the States for the signification of Her Majesty's pleasure thereon. That particular matter, which used to be of concern to the Governors, is no longer a concern. That is just one of the provisions in the Australia Act that clarify the status of the

Commonwealth of Australia as a sovereign, independent and Federal nation.

The duties I have mentioned are only part of a Governor's role. As we are all aware, the Governor is expected to represent the Queen at a wide variety of ceremonial and other functions. The Governor encourages various voluntary and artistic organisations and other endeavours. A wide general knowledge and good research ability are also prerequisites to taking up the position of Governor.

In conclusion, the coalition is pleased that the government has decided to deal with this issue by introducing a Bill in Parliament. The terms and conditions for the appointment of a Governor should be contained in our Constitution, and any attempt to do deals behind closed doors can only be an embarrassment to a Governor and adversely affect the office of Governor.

This Bill belatedly introduces the proper provision for Victoria's new Governor and future Governors. It recognises the importance of the office by incorporating these provisions in our Constitution. The Premier and the Attorney-General are to be congratulated for distancing themselves from the anti-monarchy rhetoric of the Prime Minister.

Mr KENNAN (Attorney-General) — I place on the record my thanks to the opposition for its support of the Bill. In particular, I thank the Leader of the Opposition, the Deputy Leader of the Liberal Party and the Leader of the National Party for their cooperation on the Bill. I also thank the honourable member for Kew for her cooperation and supportive remarks.

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

SUPPLY (1992-93, No. 1) BILL and WORKS AND SERVICES (ANCILLARY PROVISIONS, 1992-93, No. 1) BILL

Second reading

Debate resumed from 9 and 14 April; motions of Mr A. J. SHEEHAN (Treasurer).

Mr STOCKDALE (Brighton) — Although the House is debating the customary Supply Bill, on this occasion slightly more than the usual level of Supply is provided on a strictly pro rata basis. In essence the Bill deals with Supply from 1 July until the passage of the 1992 Victorian Budget.

It is a Supply Bill of good news and bad news. The bad news is that the Bill is expressly framed on the basis of the continuation of the policies that have brought Victoria to its knees. The good news is that the Bill provides Supply for the period until the last Budget of this Labor government.

The Supply Bill is set against the context of an ample demonstration over the past decade of the fact that the Labor Party cannot be trusted. The government cannot be trusted to competently administer our State or to tell the people the truth about what is happening in the State. It is now clear that the Labor Party cannot be trusted to meet even the minimum standards of integrity and propriety that the people are entitled to expect in a Parliamentary democracy.

The 1992 State Budget, which these Bills are designed to facilitate, will clearly be a Budget of deception. Honourable members will recall that the 1988 State election was conducted on the basis of a fraud. The government introduced a Budget, went to election without debating it, mounted a campaign around the Premier's fraudulent pledge and sought to cover up the disasters then coming home to roost so that the people would vote in ignorance of the government's economic performance. It is clear that an even more sinister fraud is planned by the government in the 1992-93 State Budget. The linchpin of the whole exercise is the deficit in the State Budget.

The House will be aware that the Victorian government deficit has become a major political liability for the Labor government. We were reminded of that last Friday with the belated release of the latest Niemeyer statement, which indicates that after only nine months of the Budget year the deficit was nearly \$200 million in excess of the forecast for the year as a whole. The forecast for the

Budget last year was \$1500 million. Nothing remotely approaching that figure had ever been forecast before in the State's history. The obvious reason for that figure was the disastrous record of 1990-91 when the government forecast a Budget deficit of \$660 million. The final outcome was a deficit of nearly double that figure.

Against that background, the government chose to play it safe; assuming that it would not be capable of reining in expenditure, it provided for a projected Budget deficit of \$1500 million. Yet eight months into the year the Premier, despite some slick language, ultimately conceded that the Budget deficit would blow out by at least \$130 million to a figure of just under \$1630 million.

The latest statement shows that the deficit is already running at \$1737 million after only nine months of the Budget year. That does not allow for more than \$800 million of manipulation. The government is bringing forward revenue and deferring expenditure artificially. The real deficit is already some \$2.5 billion once there is an adjustment for those devices.

The government has responded by suggesting that there has been a collapse in revenue, but its own figures show that that is simply not true. State revenue is running at about four times the forecast inflation rate. If there is any shortfall in revenue at the end of the Budget year it will indicate that the government overestimated the extent of its assault on the interests of the people of Victoria. It certainly cannot be said that there is a collapse of revenue when revenue is increasing by four times the inflation rate.

The Budget deficit has become the major political dynamic in the run-up to the next State Budget. The government is stuck with a major policy commitment that was made in June 1991 in the Premier's economic statement. She forecast what the Budget deficit would be for a number of years ahead. For 1992-93 the Premier forecast a Budget deficit of \$836.6 million. It is clear from the reporting of the 1990-91 Budget deficit that has since taken place and the current trend of the 1991-92 Budget deficit that there is little chance of the government reaching a Budget deficit figure of \$836.6 million under an honest Budget.

There are only three ways in which the government can meet that Budget deficit: one, by selling off the State; two, by cooking the books; and three, by both selling off the State and cooking the books. It is clear

that the government is prepared to follow the third course. It is engaged at present in a massive ramp of the State's assets by seeking to sell off in the middle of a recession anything that it possibly can — not only physical property but also future revenue flows — and to convert revenue flows into discounted cash sums in an effort to cook the books for the current year and to prepare the ground for cooking the books in the 1992-93 State Budget.

At the same time the government is preparing for the greatest fraud on the people of Victoria in this State's history. There are four elements to what is emerging now as the basis of manipulation: first, continuing manipulation to artificially defer expenditure and advance income. Last year the government conducted manipulations that totally falsified the deficit by more than \$800 million. It is clear that the government will pursue the same irresponsible tactics this year.

Secondly, the government is still engaged in a massive program of deferral of the State's interest payments. We are seeing debt and the interest on debt emerging as the State's largest single problem. It is not only a very rapidly growing expenditure commitment but also the basis of the present shaky credit rating of the State, notwithstanding the fact that Victoria's credit rating has been downgraded twice in the past two years.

The magnitude of the deception in the 1991-92 Budget is shown by the footnote indicating that \$984 million of Budget sector interest will be accrued but not paid at the end of this year. The government, by rescheduling interest payments and other devices, has rescheduled nearly \$1 billion of interest commitments which should have been paid this year but which will not be paid during this year. It did the same last year, albeit at a lower level. The net effect is to reduce the Budget deficit by \$170 million or thereabouts. In other words, the \$2.5 billion of real deficit currently on the government's books would be \$170 million higher had the government not accrued interest.

The third category of manipulation is the deliberate sabotage of the State's finances through deferred obligations. It is rolling forward into the next term of office any obligation it can roll forward. That is artificially reducing the deficit at the expense of adding still higher commitments for Victorian taxpayers in the future.

The fourth and new element is the so-called debt equity swap — or perhaps I should call it the debt

equity swindle. Here confusion reigns supreme, although the overall intention is clear. The government has said that between \$3 billion and \$8 billion of authority debt will be transferred to the Budget sector. In other words, the authorities will cease to be responsible for that debt and by some mechanism not adequately explained taxpayers will become liable for the debt and interest on it. The government does not propose to pay the interest on the debt. I shall return to that subject shortly.

Clearly, the government proposes over time to take dividends from the statutory authorities to reflect the full savings that the authorities make as a result of the transfer of debt. If we assume that something in the order of \$8 billion is to be transferred and that the cost of funds to the authorities is in the order of 10 per cent — a most conservative estimate — something in the order of \$800 million will be available for transfer into the Budget sector by way of notional tax collection and by way of dividends.

The Treasurer has said that he will not necessarily take all that yield from the authorities in the coming Budget year. It remains to be seen to what extent the government will take those receipts because the Minister assisting the Treasurer in relation to this matter said previously that nearly all of that amount will be taken in extra dividends. Potentially, in the order of \$800 million of additional taxes and so-called dividends could flow to the Budget.

However, were it honest the government would face the prospect of paying interest on \$8000 million worth of debt in the Budget sector, but at a hearing of the Economic and Budget Review Committee only a few weeks ago the Treasurer made it clear that he will not pay the interest on that debt.

Having said that the government will not necessarily take the whole of the \$800 million in additional dividends and tax yield, the Treasurer made it clear that the whole arrangement will be at worst revenue neutral from the government's point of view. In other words, to whatever extent the government does not extract the full benefit to the authorities in taxes and dividends, it is conceding that it will defer the interest on the debt taken over. The matter does not end there. The House will be aware that the government has been examining various ways in which it might reduce the effective cost of debt in the short term — albeit that the mechanisms employed involve higher overall costs in the longer term. The government has been examining the raising of \$2 billion with an effective interest cost of 2 per cent. The remaining cost of servicing that

fundraising would be deferred until the end of the loan period by way of shares — through convertible shares or indexed bonds — or other arrangements.

The government has diligently pursued the power to conduct interest swap deals. Although Parliament has not been prepared to give the government that power, the Auditor-General has established that the government has illegally undertaken interest swaps. The potential exists for the government to use all or part of the debt transferred to conduct interest swap deals to gain up-front payments. If the amount of the transfer is \$8 billion, it may well be that capital markets will not have the appetite to enable the whole of that amount to be used to raise up-front payments. Even if it is assumed that only a quarter of that amount would be used for interest swap transactions, based on the same ratio as the infamous \$200 million debt-interest rate swap with an up-front payment of \$35 million, some \$350 million of revenue could be brought into the Budget sector in the next financial year at the cost of the State's taxpayers incurring higher liabilities in future years.

Through three devices — increasing the dividends and the tax yields from authorities, deferring interest on the loans taken into the Budget sector and employing various devices to obtain up-front cash payments — the government could potentially raise somewhere between \$1000 million and \$1500 million to artificially reduce the Budget deficit and to create the illusion of expenditure restraint while committing Victoria to an even higher debt servicing burden in the future.

Not one of the Labor government's nine Budgets has been an honest document, because not one of the nine Budgets has told the people of Victoria what would happen during the coming financial year. The coalition is alarmed that the 1991-92 Budget is shaping up as the most dishonest and fraudulent of Labor's Budgets.

It is important for the House to examine the policies the Bill gives expression to as well as the policies of the Labor government over the past 10 years. During the 1980s economic growth rates throughout the world were high — and Victorian and Australian growth rates were relatively high compared to the rest of the world. During the 1980s the rest of the developed world put in place mechanisms to prepare itself for an even more competitive future in the 1990s that would enable it to take advantage of the opportunities to be offered in the 21st century. Victoria and Australia should have been preparing

for an increasingly competitive era, but the 1980s were the years in which the opportunities for growth were squandered.

In a recent article in the *Herald-Sun* celebrating the anniversary of 10 years of Labor government the Premier sought to measure the government's achievements by the number of cranes that had been on the horizon. There can be no more telling demonstration of the extent to which the government is oblivious to the damage it has done to our State than for a Labor Premier to claim in 1992 that the one symbol of the Labor government's success is the number of cranes that dotted the skyline during the 1980s. The excesses of the property boom proudly highlighted by the government contributed substantially to the destruction of the financial security of Victoria. Buildings all over town are empty and they are unlikely to be filled for five or six years, which is the result of the excesses of the government and the excesses of the capital markets. The government should point to the buildings not as symbols of its success in office but as symbols of its failures that have diverted resources away from those things that would provide long-term productive and competitive employment. It has given the money to the speculators who then brought the State to its knees.

Fundamentally, the Bill gives an account of the failure of the Labor government. During the past 10 years the Labor government has created a society of pain, a society which is divided and which has removed the basic human dignity of those who are dependent on the rest of the community. During the past 10 years the government has made a vicious assault on the interests of all Victorians and the worst hit victims are the poor, the disadvantaged and the underprivileged.

There are three dimensions to Labor's failures: firstly, the collapse of the State's economy and employment; secondly, the direct financial cost to families as a result of the failure of the government; and thirdly, the run-down of the State's capacity to provide services, especially to those who are dependent on the rest of the community.

I turn now to the collapse of the State's economy and employment. I shall begin by acknowledging the limited role of the State government in these areas. Indeed, one of the most telling criticisms of the past 10 years is that the government has pretended its policies, blueprints, glossy booklets and plans actually determined the performance of the economy. It was not only a case of the government taking its eye off the ball with the Victorian Economic Development Corporation but also in many cases of playing the wrong game. It was not the role of the State government to run a so-called macro-economic policy.

It is true that the primary responsibility for the collapse of the Australian economy and the Victorian economy rests with the Federal government and the current Prime Minister, but the Victorian government has made a substantial contribution to Victoria's being the basket case of the Australian economy. Victoria's recession is measurably worse than that in any other State. It is not correct for the Premier simply to blame Canberra because the situation in Victoria occurred not only because of a fundamental weakness in the Australian economy but also because Victoria's economic fundamentals are overlaid by a crisis in confidence directly born out of the failure of the government. I seek leave to incorporate table No. 1 in *Hansard*.

Leave granted; table as follows:

TABLE No. 1

Mrs KIRNER'S VICTORIAN RECESSION

ECONOMIC INDICATORS	REFERENCE	CHANGE IN THE LAST YEAR	
		VICTORIA	REST OF AUST.
Employment	Mar	-2.2%	0.0%
Unemployed Persons	Mar	+25.5%	+12.6%
Unemployment Rate as at	Mar	11.6%	10.5% *
Unemployment Rate Youth	Mar	44.9%	30.9% *
Consumer Price Index	Dec qtr	+1.7%	+1.5% *
Average Weekly Earnings	Aug qtr	+3.0%	+3.7% *
Persons on Unemployment	Nov	+85.7%	+55.7%
Number of New Dwelling Approvals	Jan	-3.3%	+19.9%
Value of New Residential Approvals	Jan	+4.1%	+9.1%

Real Value of Building Commenced			
-Residential Building	Sep qtr	-12.4%	+3.4%
-Total Building	Sep qtr	-10.5%	-7.7%
Real Value of Building Completed			
-Residential	Sep qtr	-25.5%	-5.1%
-Non-residential	Sep qtr	-40.5%	-16.4%
-Total	Sep qtr	-33.6%	-10.8%
Retail Turnover Trend	Feb	+2.2%	+4.8%
Retail Turnover -real terms	Dec qtr	0.0%	+1.4%
Bankruptcies	Mar qtr	+23.9%	+22.5%
New Capital Expenditure			
Structures	Dec qtr	-37.3%	-21.6%
Total	Dec qtr	-18.1%	-17.4%

* All States

Sources: A.B.S. statistics

Mr STOCKDALE — The table compares wide-ranging economic indicators on the performance of Victoria's economy with those in the rest of Australia. It shows the change in the last year on a wide range of indicators. In every case Victoria has fared worse than the rest of Australia.

The employment figures show that Victoria has lost 2.2 per cent of jobs that existed 12 months ago and the rest of Australia has had static employment in that period. In March the number of unemployed persons had grown by 25.5 per cent in Victoria but by only 12.6 per cent in the rest of Australia. The growth in unemployment in the rest of Australia was only half of that in Victoria. The unemployment rate in March was 11.6 per cent in Victoria compared with 10.5 per cent in the rest of Australia. The Victorian unemployment rate for young people in March was 44.9 per cent compared with 30.9 per cent in the rest of Australia. Those two figures show the tragic consequences of the collapse of the State economy, which is reflected in the human misery of unemployment for tens of thousands of Victorians and in particular the plight of unemployed young people.

Then we come to an area where we actually lead the rest of Australia. Unfortunately I refer to the growth in the consumer price index (CPI), which represents an assault on the living standards of ordinary Victorians. In the December quarter the CPI increased by 1.7 per cent in Victoria as against 1.5 per cent for the rest of Australia. Average weekly earnings have increased by only 3 per cent in Victoria as against 3.7 per cent for the rest of Australia. Victorians' costs are rising faster than they are in the rest of Australia but Victorians' incomes are rising less rapidly, and that gap represents living standards falling at a much faster rate in Victoria than they are in the rest of Australia. The number of

people on unemployment benefits in Victoria has increased by 85.7 per cent as against 55 per cent for the rest of Australia.

There are several measures of the level of economic activity in the State: new dwelling approvals; new residences; real value of building commencements; and real value of building completions. In every case Victoria lags behind the rest of Australia. Victorians are doing it harder than other Australians. The recession is deeper in Victoria.

The same applies to retail turnover. Both the trend figures and the real terms data show that Victoria lags behind the rest of Australia with barely any growth in this State as against small but significant growth in other States. The level of bankruptcies in Victoria is higher than it is in the rest of Australia, albeit by only a small margin. The other major activity measure, new capital expenditure on both structures and total investment, shows the decline is deeper in Victoria than for the rest of Australia.

The figures are based on a wide-ranging survey of economic indicators and show that Victoria is not just suffering the Australian recession but that the Australian recession itself is overlaid with an even deeper crisis born of the failure of the State Labor government. Why is the recession deeper in Victoria?

Mr Perrin — Labor government!

Mr STOCKDALE — I am reminded by the honourable member for Bulleen that the explanation might be summed up by the simple fact that we have a Labor government. However, so do a number of other States, and we have a Labor government at the Federal level. It is fundamentally a failure of Labor across the whole country.

There are four reasons why Victoria's position is worse than that of other States: a long history of profligate Budgets with rapid growth in debt and taxes; the unprecedented losses of the Victorian government that have eroded confidence and presented a financial cost to the Victorian taxpayer; the crisis of confidence born of things like the collapse and sale of State Bank Victoria and the collapse of the Pyramid Building Society; and the history of pandering to vested interests at the

expense of ordinary Victorians and, in particular, at the expense of industries that provide jobs.

The consequence of Labor's failure is not only the collapse of the economy but a sad tragedy in human terms of unemployment. I seek leave to incorporate table No. 2.

Leave granted; table as follows:

TABLE No. 2

COLLAPSE OF EMPLOYMENT UNDER Mrs KIRNER

	AUG 1990 (KIRNER)	MAR 1992 (LATEST)	
Employed persons*	2.0828m	1.9512m	-131 600
Unemployed*	147 100	255 900	+108 800
Unemployed rate*	6.6%	11.6%	
Employed women*	877 200	826 500	- 50 700
Unemployed women*	69 900	98 000	+ 28 400
Unemployment rate*	7.4%	10.6%	
Employed persons	2.0731m	1.9530m	-120 100
Unemployed	138 800	268 400	+129 600
Unemployment rate	6.3%	12.1%	
Employed women	872 900	828 200	- 44 700
Unemployed women	65 200	108 800	+ 43 600
Unemployment rate	6.9%	11.6%	
Unemployed youth	21 000	35 400	+14 400
Unemployment rate	19.3%	44.9%	
Job vacancies (ABS)	10 500	5 200(Nov 91)	-5 300
Jobs advertised (ANZ)*	4 473	2 852	- 1 621
Persons on U/B	87 130	211 429	+124 299
Victoria's share	19.5%	25.8%	

*seasonally adjusted

Source: A.B.S. Statistics and D.S.S. Statistics, ANZ Bank Bulletin

Mr STOCKDALE — The table shows a wide range of indicators of the state of employment in Victoria and compares the period between August 1990, when the current Premier assumed office, with the latest data available as at March 1992. Firstly, it shows with an asterisk the data that is seasonally adjusted. The next group of six entries shows the original unemployment statistics. On all counts it shows a sad and tragic story. The number of employed persons in the survey period, the current Premier's period of office, reduced by 131 600. Those Victorians, who were employed 12 months ago or for whom there were jobs 18 months ago, do not now have jobs. The number of unemployed Victorians has increased by 108 800. The

unemployment rate has increased from 6.6 per cent when the Premier came to office to 11.6 per cent on the latest figures.

The next group of figures shows the tragic impact of the collapse of the State economy and the way Labor has failed women. The number of employed women has declined by 50 700 and the number of unemployed women has risen by 28 400. The unemployment rate has increased from 7.4 per cent to 10.6 per cent so the impact of the Labor government's failure is savagely bearing upon women even in the official statistics.

As I shall argue later the reality is even worse because hidden unemployment is significantly higher among women. The original statistics, before they were seasonally adjusted, show the same picture emerging. The number of employed persons was reduced by 120 100 and the number of unemployed persons increased by 129 600, an increase in the unemployment rate from 6.3 per cent to 12.1 per cent. Again women are shown to be disproportionately bearing the burden of the failure of Labor's policy as are youth because an additional 14 400 young Victorians have been looking for work but have been unable to find jobs. The unemployment rate among young people is up from an unacceptable 19.3 per cent to more than double — 44.9 per cent.

We should reflect for a moment on the misery that represents. We are often told that in the days of the great depression of the 1930s one in three Australians could not get jobs. Yet today almost one in two young people are unable to find jobs. Consider the misery and compare it with the days when honourable members in this House were growing up and could look forward to leaving school with not only the prospect of a rewarding job but also an actual choice, and virtually an unlimited choice. For all practical purposes the realistic prospect was that we would be able to get a job in any occupation of our choosing and which we were able to perform.

That is not the prospect facing our young people today. As a father of three small children, and I know you, Sir, are a father of young children, it is alarming to consider the prospects they face in what will not be an overnight recovery. We have the prospect of a long, slow and difficult haul out of the depths to which we have been plunged over the past decade. That impact will be predominantly upon our young people. Many of the people leaving school, universities and other tertiary institutions last year and this year face the prospect of a decade on the dole.

It is not unrealistic to expect that even as the economy picks up our young people will not share proportionately in the opportunities that open up. Last year more than 20 000 people who satisfactorily completed 12 years of schooling, who wanted tertiary places and who had qualified for tertiary places, could not get them. They cannot be educated any further and, unfortunately, they have no realistic prospect of obtaining a job. That degree of competition also suggests that many of them will be locked out of rewarding jobs and will have to settle

for sub-grade jobs. We are consigning them to many years of abject misery and to frustration of their hopes. They cannot have the expectations that we had when we were growing up under Liberal governments in this State.

Perhaps the greatest tragedy of the failure of Labor in the past decade is that a whole generation of our young people have been consigned to the misery of unemployment and to the lack of the self-respect that comes from making one's own way in the world. Labor is creating a mendicant society among our young people. A whole generation of young people will be consigned to no job, no money, no hope, no support and no success in life. It is a national disgrace that nearly half our young people are looking for work and cannot find it.

The figures for job vacancies also point to a desperate situation; they have almost halved since the Premier came to office, down from 10 500 to 5200 as at November 1991. Job advertisements show the same pattern. The figure for persons on unemployment benefits has more than doubled in the same period and shows that Victoria is not merely representative of the national collapse of our economy, but again is harder hit than the rest of Australia. Our share increased from 19.5 per cent to 25.8 per cent.

That table, Mr Speaker, is a sad indictment and it must strike into the very hearts of the Labor members who came into this Parliament in the belief that they represented the workers, the poor, the underprivileged in our community. It represents a repudiation of everything the Labor Party has claimed to stand for throughout the whole of its history because, as I will argue later, the impact of Labor's recession that we did not have to have, the impact of the collapse of confidence and of the economy and of employment in this State falls disproportionately on those who are least able to handle that collapse.

It is clear — and I think now widely acknowledged even by the government — that the official figures substantially understate the number of people who want jobs but who cannot get them. It has been estimated, for example, that the changes in the participation rate in the official figures show that over the past twelve months more than 70 000 Victorians have stopped looking for work and have become so discouraged that they are no longer even undertaking the search for work that would qualify them to receive unemployment benefits and would count them as potential members of the work force

and therefore count them in the employment statistics.

If those 70 000 people who represent the change in the participation rate were added to both the labour force and the level of unemployment, the effective unemployment rate from March 1992 would be 14.3 per cent; 14.3 per cent of Victorians who a year ago would have been looking for jobs but have been unable to find them have now dropped out of the unemployment statistics only because they have become so discouraged that they have stopped even looking for jobs.

We have to add yet others to get to the real position. Literally thousands of unemployed Victorians do not appear in the official statistics because they received redundancy benefits at the time of the loss of their jobs. Until those people exhaust their redundancy benefits they do not appear in the official statistics. Thousands of unemployed Victorians choose not to register for unemployment, many of them elderly people with no realistic prospect of ever again finding jobs. The official statistics do not reflect spouses or family members who are dependent upon a remaining breadwinner — people who have lost their jobs but, because somebody else in their households can support them, they cannot obtain the dole, cannot obtain any other social security benefit and do not appear in the unemployment statistics.

Finally, a massive number of potential workers in Victoria are working fewer hours than they were a year ago or two years ago; it is the hidden

unemployment of people whose working days have been reduced from five to four or to even fewer and the thousands upon thousands of part-time workers whose working week has been substantially reduced and whose income has substantially reduced but who do not appear in the unemployment figures.

Indeed, it is conceivable that, because of the way the survey is conducted, where one full-time worker has lost a job and been replaced by two part-time workers, each working only a fraction of a week, the figures will show an increase of one in the number of people employed; if three people take that job on a part-time basis, two will be added to the number of employed persons. The statistics are again disguising the incidence of people whose hours have been reduced or who, for some other reason, do not appear in the figures.

The real unemployment figure is probably in the vicinity of 20 per cent and indeed among young people — although the situations I have just referred to will impact less upon young people — it is quite conceivable that the real level of unemployment exceeds 50 per cent. More than half of the young people who want jobs cannot get them because of the collapse of the economy due to the failure of Federal and State Labor governments.

The position has deteriorated sharply since the present Premier came to office. I seek leave to incorporate table No. 3.

Leave granted; table as follows:

TABLE No. 3

	KIRNER EVEN WORSE THAN CAIN	
	CAIN	KIRNER
JOBS LOST		
Unemployed Persons	147,000	255,900
Unemployed Youth	21,000	35,400
Unemployment Rate - Persons	6.6%	11.6%
Unemployment Rate - Youth	19.3%	44.9%
Increase in Unemployment	+29,500	+108,800
Increase in Unemployed Youth	+ 11.7%	+68.6%
Increase in Unemployed Women	+25.9%	+40.2%
People Leaving Victoria:		
- monthly average	897	1,349
- net increase	-19.0%	+64.2%
ECONOMY DECLINES		
New Motor Vehicle Registrations	+13.6%	-19.2%
Retail Turnover Trend	+10.2%	+1.7%

Retail Turnover Real Value	+0.1%	-2.6%
New Capital Investment	-6.9%	-34.1%
TAXES AND CHARGES SOAR		
Gas	+5.0%	+13.1%
Electricity	+5.0%	+11.4%
Water	+4.9%	+17.5%
Public Transport Fares	+4.1%	+34.1%
Drivers Licence Fees	0.0%	+26.3%
Third Party Insurance	+3.9%	+5.2%
Motor Registration	Abolished	\$70. pa
Education Allowance	\$100 per child	Abolished
BUDGET BLOW-OUT		
Interest as % of taxes	28.5%	30.2%
Budget Interest - % increase	+22.9%	+24.9%
Budget Deficit - % increase	+20.1%	+49.0%

Sources: A.B.S. Statistics, Victorian Budget Papers

Mr STOCKDALE — The table compares the record of the Kirner government with that of the Cain government. I suppose the preface one has to put on this table is that now the community realises the fraud that was perpetrated on it in 1988. If we were to go back in a time machine to inform the electorate of the real level of performance of the Cain government, there cannot be any doubt in anybody's mind that that government would not have been re-elected in 1988.

The record of the Cain government over its period in office — and table No. 3 relates to a comparable period of the Cain government's term of office — shows that it was nothing short of a calamity for the State of Victoria. The process of bringing a State to its knees began under the Cain Labor government, yet we can see that under the Kirner government the position in many cases is more than twice as bad as it was in the disastrous years of the Cain government.

On almost every indicator Victoria is substantially worse off than it was even in the worst of the Cain years. If we take unemployed persons, there were 147 000 people unemployed at the end of the comparable period of the Cain government. At the end of the Kirner government's period of office, there are 255 900 Victorians unemployed. The unemployment rate — and we are looking only at the official figures — was 21 000 in the Cain period and 35 400 in the Kirner period, up from 6.6 per cent to 11.6 per cent.

The youth unemployment rate went up from 19.3 per cent to 44.9 per cent. The increase in unemployment over those comparable periods was for the Cain period 29 500 and for the Kirner period

108 800. The increase in unemployed youth was 11.7 per cent in the Cain government's period of office and a staggering 68.6 per cent in the Kirner government's period of office. The increase of unemployed women was 25.9 per cent for the Cain period and a shocking 40.2 per cent for the Kirner period.

Victorians denied a meaningful vote in the ballot-box in 1988 have voted with their feet, so that in the Cain period we had an average net migration of 897 Victorians every month, and now we have 1349 Victorians leaving the State, fleeing the Labor government and its failures.

If we look at the economic indicators we see that there was an increase in new motor vehicle registrations in the Cain government period, but a fall of nearly 20 per cent in the Kirner government period. Retail turnover rose much more strongly in the Cain period but is virtually static in the Kirner period. It is the same in retail turnover real value — a marginal increase, virtually static, in the Cain period; a 2.6 per cent decline in the Kirner period.

The saddest statistic, apart from the unemployment figures, is new capital investment, the hope of the future, the investment in our infrastructure and in our industry, the hope of providing secure jobs in the future, the hope of providing a competitive economy, the hope of new jobs in Victoria — down 6.9 per cent in the Cain period and down 34.1 per cent in the Kirner period.

The next thing honourable members can see is the direct cost to families. As bad as the Cain government's period of office was, and as savage as the assault on the living standards of ordinary

Victorians was during that time, it has been wildly exceeded during the Kirner period of government.

We see that gas charges, which increased by 5 per cent under the Cain government, have increased by 13.1 per cent under the Kirner government; electricity charges increased by 5 per cent under Cain and by 11.4 per cent under Kirner; water rates increased by 4.9 per cent under Cain and by 17.5 per cent under Kirner.

Public transport fares have increased more than eight times the rate in percentage terms under Kirner than they did under Cain. The increase in drivers' licence fees, which was zero in the Cain period, is 26.3 per cent for the Kirner period; third-party insurance went up by 3.9 per cent under Cain as against 5.2 per cent in the Kirner period; motor registration fees were abolished by the previous Premier but reinstituted at an even higher level, at \$70 per annum, by the current Premier.

In considering direct support for families — —

Mr Evans — Will the Premier be able to read all this?

Mr STOCKDALE — We know the Treasurer will not be able to explain it to her!

I refer to direct support for families. The education allowance, which was so proudly presented as the centrepiece of the Cain government's pledge, was \$100 a child per annum. What did Ms Kirner do? She abolished it! The allowance had served its purpose; it had bought Labor victory — in 1988 it was re-elected on a fraud — and there was no longer a need to go on spending the money.

The costs to which I refer are borne directly by Victorian families, not by any imaginary family that is part of some abstraction. The costs are presented on the basis of the paradigm case selected for the metropolitan area by the government itself.

The table also shows the sad story of the Budget blow-out. Interest as a percentage of taxes rose by the disastrous figure of 28.5 per cent under Mr Cain and by 30.2 per cent under the present Premier. Budget sector interest increased by 22.9 per cent under the Cain government; it has gone up by 24.9 per cent in the Kirner years.

Then comes another alarming indicator for the future of the State: the Budget deficit which increased by 20.1 per cent in the Cain years is up a staggering 49 per cent in the Kirner government years. That is calculated on the basis of the Budget estimates, which the government already concedes understate the actual level of the deficit!

Therefore in terms of both financial prudence and economic performance — in particular, in the direct cost to Victorian families — the Kirner government is even worse for Victoria than the most disastrous years of the Cain government.

The cost does not end there. With the misery of unemployment, there is also the psychology of depression, which is robbing people of enjoying the life that is left to them, given the massive increase in taxes and the savage increases in charges driven up by mismanagement, debt and interest on debt, as well as by bogus dividends.

Then there is the final slap in the face for those who voted for Labor in 1988: the repudiation of the Premier's pledge. The people who trusted Labor one more time in 1988 are reminded one more time that they cannot trust a Labor government! As her very first act on coming to office, the present Premier repudiated the central element of the 1988 election, the Premier's pledge. I seek leave to incorporate table No. 4 in *Hansard*.

Leave granted; table as follows:

Table No. 4

THE BROKEN FAMILY PLEDGE

Item	(Metropolitan Case)			
	88-89 (\$)	89-90 (\$)	90-91 (\$)	91-92 (a) (\$)
SECV	522.19	548.33	583.44	620.28
GFCV	352.90	370.55	390.25	412.91
MMBW	434.16	455.57	497.19	535.21
Public Transport	195.00	203.00	256.80	272.21
Drivers Licence	19.00	19.00	22.00	24.00

Third Party Insurance	257.00	267.00	267.00	281.00
Motor Registration	24.70	0.00	0.00	70.00
Education Expense Allowance	(200.00)	(200.00)	(0.00)	(0.00)
Total	1,604.95	1,663.45	2,016.68	2,215.61

Breach of Pledge (extra cost to families) to date	\$610.66
	per annum
	\$ 11.74
	per week
Increase in only two Kirner Budgets — per annum	\$552.16

Increase in Family Living Costs Under Mrs Kirner
(Family of four, for 1990-91 and 1991-92)

Abandoned Family Pledge	\$552.16
Net Increase in other taxes, fees & fines (b)	\$559.44

Total cost to families - per annum	\$1111.60
- per week	\$ 21.38

Notes (a) Includes known rates and charges applying as at October 1991

(b) Increase in taxes, fees and fines, net of motor vehicle registration, drivers licence fees, Public Authority Contribution

Sources: Budget Papers and Statutory Authority Schedules

Mr STOCKDALE — Table No. 4 shows what the family pledge would have represented for average Victorian families, based on the government's figures, if it were still in force. As the table indicates, the figures come from government sources — that is, from the Budget Papers and the charges scheduled by statutory authorities.

If we take account of only the basket of services included by the government, the additional costs in just two Kirner Budgets amount to \$552.16 per annum for the government's own selected typical metropolitan family.

So much for the pledge "You won't pay \$1 more"! All honourable members will remember the newspaper advertisements and the pledge given in the former Premier's election speech, hand over heart, and the statement, "This is not just a promise; this is a pledge. I am signing my name to it".

Honourable members know what the former Premier's name was worth; we know he breached the pledge even before the ink on it was dry! But in his defence, we would all have to concede that his breach was nothing compared with the breach of the current Premier. Not only did she repudiate the pledge when she came to office, but the extra cost to families is a staggering \$11.74 a week! With tax increases, the total additional cost for the government's own typical family is \$21.38 a week.

As the official statistics in table No. 2 show, income has not increased at the same rate as have taxes and charges. The result is that the living standards of Victorian families are falling. The purchasing power

of their earnings is falling because this government is taking more and more of what they earn by way of taxes and charges. The tables represent direct documentation of the extent to which the government was elected on a fraud in 1988 and the way it has worked a savage trick on the people of Victoria.

The figures in the tables represent the abandonment of everything that the Labor Party has claimed it has stood for in its history. The Labor Party's political appeal has now been shown to be based on a phoney compassion. Honourable members hear a lot of rhetoric from Labor spokespersons, particularly the current Premier and the Treasurer.

With their hearts on their sleeves, members of the Labor Party talk about Labor standing for workers, the poor, the disadvantaged and the underprivileged. The figures in the tables show the reality: that they are the people who can least afford high-spending, incompetent governments.

In fact, Labor's traditional support base, the people for whom Labor says it stands, have most to fear from Labor governments like those that have been in power over the past 10 years because they disproportionately bear the cost of Labor incompetence and failure. They bear the cost of Labor's increases in taxes and charges; they bear the cost of Labor's broken promises. Labor incompetence and its deliberate policies have increased the burden of government on people and have run down services. The failures impact most on those who are least equipped to deal with them.

Labor has broken every promise it made on State taxes and charges. In 1982, the former Premier, Mr Cain, said that there would be no increase in taxation. Yet the 1982 election was followed not only by what the then Treasurer called a search for creative revenue measures but by increases in taxes the like of which this State had never seen before, with increases in taxes and the introduction of a number of new taxes.

In 1985 the government was re-elected on the promise that no increase in taxes would extend beyond the movement in the consumer price index.

As the opposition documented during the last election campaign, more than 3000 taxes and charges increased at a higher rate than the increase in the consumer price index.

In 1988 the government was re-elected, based on the Premier's pledge. That pledge was smashed by Mr Cain's government and has been repudiated by Ms Kirner's government. I seek leave to incorporate in *Hansard* table No. 5.

Leave granted; table as follows:

TABLE No. 5

TAXATION	TAXATION INCREASES 1981-82 — 1991-92
	Increase in Real Terms (%)
Payroll Tax	38.8
Land Tax	103.9
Financial Institutions Duty	New tax
Debits Tax	New tax
Stamp Duties	39.6
Tattersalls	3.6
Totalizator	36.8
Motor Registration Fees	24.6
Drivers Licences	137.8
Petroleum Franchise	127.8
Tobacco Franchise	197.7
Liquor Franchise	68.2
E.P.A. Licence	68.6
Statutory Authority Imposts	247.2

Source: Budget Papers

Mr STOCKDALE — The table shows the increase in various State taxes over the period 1981-82 to 1991-92, not just in nominal terms but in real terms. The government was elected and re-elected on a commitment that taxes would not increase faster than inflation. Table No. 5 measures the extent to which that promise has been broken.

The table shows that payroll tax — the largest single element in the State's taxation base, which on its own represents more than a third of the revenue collected through State taxes and which is a direct tax on the jobs of Victorians — increased by 38.8 per cent more than inflation, an increase of 38.8 per cent in real terms.

The table also shows that land tax has doubled in real terms during the period the government has been in office. Thousands of employees in the retail industry in particular have been driven out of work because the government has savagely and deliberately chosen to place increased reliance on land tax. The table lists two new bank account taxes that have been introduced by the current

government — financial institutions duty and debits tax — and details the increases in real terms for a number of other taxes: stamp duties, 39.6 per cent; drivers licence fees, 137.8 per cent; and petroleum franchise fees, 127.8 per cent. The tobacco tax almost trebled and hidden taxes on gas, water, electricity and other statutory authority services increased by 247 per cent, nearly 3.5 times the hidden taxes that were being paid when the Labor government came to office!

Despite the phoney compassion about which the Labor Party constantly lauds itself, the increases in taxation have been focused in areas where, by and large, they impact most heavily on the poor. Regressive taxes like the hidden taxes on gas, water and electricity have been the subject of the biggest increases under the Labor government. Taxes on tobacco, which are paid disproportionately by the poor and disadvantaged, have nearly trebled in real terms. Basic costs like drivers licence fees and petrol taxes have more than doubled in real terms since the Labor government came to office. It is the poor and

disadvantaged who disproportionately bear the cost of Labor's failure on the taxation front.

The second feature of the sad failure of Labor also bears disproportionately on the poor and disadvantaged in the community. It is not the wealthy who use government schools; it is predominantly those who depend on the rest of the community. Yet, we see the destruction of standards, the institutionalised cheating, the lack of confidence and the destruction of the aspirations of people in the government school system. The lasting achievement of the Premier is that she will be remembered for presiding over the destruction of the Victorian education system.

It is not the wealthy who depend upon the public hospital system; it is the poor and disadvantaged who must fight their way into public hospitals. When the current government came to office 8000 people were on hospital waiting lists. Today the number of people on hospital waiting lists approaches 30 000. Beds in public hospitals are closed because the government has consistently cut funding in real terms. Hospitals are obliged to admit private patients to the remaining beds in order to supplement their public funding with income from private patients and health funds. The health system is teetering on the edge of collapse. The victims are not the wealthy or those in secure situations but the poor and disadvantaged who depend on public facilities for basic health care.

I turn to public transport, and I shall deal with roads later. It is not the wealthy who use the public transport system but the poor and disadvantaged. Labor has hit those people with huge increases in fares but the system still manages to lose more than \$2 billion a year. The system is unreliable, uncomfortable, expensive and suffers from declining patronage.

Next we have the basic responsibilities of government: the provision of roads and law and order services. Again the community faces a run down in the State's capacity to provide basic services. Roads around Victoria are degenerating into rubble, particularly in country areas. Councils are forced to abandon any attempt to even maintain many roads because the government has given such a low priority to the maintenance of this most fundamental of services, both in an economic sense and in terms of benefits to the community.

An article on the front page of the *Age* this morning records the ultimate disgrace in Victoria and deals

with an official report that has unearthed scandalous mismanagement in the State's mental institutions, one of the areas of high priority identified over the past few years by the Labor Party and an area where there is a need for real compassion. Unfortunately many of those citizens cannot fend for themselves and their families are often unable to provide for them.

What greater example could there be of an area where everyone must agree that the State has a fundamental responsibility to care for those who cannot care for themselves? There is no argument here about the appropriateness of State aid or the need for the government to run hospitals — this is clearly a class of citizens who on any measure are dependent on the rest of society. However, because those people have little political clout the government considers them deserving of no more than rhetoric. Services have been run down even more than has been the case historically.

I admit that this is not a phenomenon of just the past 10 years. The report in the newspaper this morning discloses that the State's capacity and readiness to provide for people who have no other refuge has deteriorated under this government. It is not just a matter of political judgment; it reflects the destruction of the capacity of Victoria to provide even basic human dignity for people who depend upon the public purse for that dignity. Those people are now deprived of basic dignity because the government has run the State into the ground.

Not only is the Victorian economy in a state of collapse but the State's Budget is mortally wounded and has reached the stage where only tricks with mirrors and subterfuge can allow the government to put together a barely credible Budget each year. When one unearths all the tricks and cons, it is clear that the Budget is not a document of integrity.

The people who are dependent upon the State are among the worst victims of Labor's mismanagement. The poor, the disadvantaged, the sick and the mentally incapacitated are bearing the costs of Labor's policies. It is Labor supporters, not Liberal supporters, who should be demanding that the Labor Party put an end to the mockery of government, call an election, and face the people for what it has done over the past 10 years.

None of the things I have mentioned happened by accident; they are the result of losses incurred through Labor's deliberate policies and incompetence. I seek leave to incorporate table No. 6.

Leave granted; table as follows:

TABLE No. 6

LABOR'S CONTRIBUTION TO VICTORIA'S INDEBTEDNESS	\$ MILLIONS
1. Increase in Victorian State net debt	18781
2. WorkCare : accumulated deficit	1832
3. Government superannuation : unfunded liabilities	13723
4. Sale and lease back of rolling stock : cost	764
5. Treasurer's stock market losses	918
6. Treasurer's foreign exchange losses	714
7. Pre-WorkCare government worker's compensation — unfunded liabilities	179
8. VEDC reported losses	156
9. Victorian Investment Corporation losses	74
10. Interest forgone on DITR industry assistance loans	30
11. VEDC subjected to a contingent liability to repurchase units in VET	700
12. Transport losses	11148
13. State Bank and Tricontinental	3129
14. Tennis Centre subsidies	144
15. Liabilities on account of Budget sector long service and recreation leave entitlements	700
16. Liability of Portland Smelter Unit Trust	466
17. Farrow Group of Building Societies	657
18. Debt owed by government to Emergency Services Superannuation Scheme	226
TOTAL	\$54341

Source: Victorian Budget Papers, Auditor-General's Reports, Annual Reports, ACC Actuarial Report

Mr STOCKDALE — The information contained in table No. 6 was taken mainly from official government sources and documents the Labor government's contribution to State liabilities. Nearly \$55 billion has been added to the State's liabilities over nine Labor Budgets through the failure, incompetence and incorrect priorities of the current government. That figure, which represents more than \$55 000 for each household in Victoria, is really beyond the comprehension of most Victorians. It is a staggering indictment of the government!

Much of that debt bears directly on the State Budget and the eroding of Victoria's capacity to provide a dignified lifestyle for people in our mental institutions or proper standards and infrastructure growth in the public services upon which so much of our community depends.

Since 1985 the rhetoric of the Labor government has been about expenditure restraint. The Leader of the Opposition mounted a campaign from the early 1980s, after taking up that position, to make Victorians aware of the need to reduce government expenditure and the burden of government on those businesses that create wealth and employment in our State. The response of the Australian Labor Party was to adopt that rhetoric!

From 1985 onwards the Budget speech each year has been replete with the rhetoric of fiscal responsibility and expenditure restraint. Even last year the

government made the claim that \$600 million of expenditure reductions were built into the Budget, but only when the figure was analysed did it become clear that the Treasurer was talking about reducing \$600 million off the forward Estimates for the continuation of this government's disastrous policies.

I suppose that rhetoric and that claim made last year are a recognition by the Labor Party of the force of the criticism that the opposition and groups such as the Institute of Public Affairs have been making over the past eight or nine years: that it is a high-spending government and therefore has been a high-borrowing and high-taxing government in order to maintain its policies — policies that the State could not afford because it could not afford the level of expenditure.

Implicit in the Grants Commission figures is a recognition that Victoria spends more than it needs. If the State spent the standard expenditure of other States the Budget expenditure would be \$1 billion less than it is this year! So, ironically, the government has acknowledged in its Budget speeches and in other forums the impossibility of continuing the policies upon which it has embarked.

Mr Speaker, I seek leave to incorporate in *Hansard* table No. 7, which shows the real picture.

Leave granted; table as follows:

TABLE No. 7

PROFLIGATE BUDGETS 1981-82 — 1991-92

Item	Increase in Real Terms (%)
Recurrent budget expenditure	45.9
Capital budget expenditure	1.6
Total budget expenditure	38.5
Taxation (Government definition)	62.4
Taxes, fees and fines	63.9
Taxes and authority imposts	72.1
Budget sector net debt	63.9
Public sector net debt	43.1
Public sector indebtedness	116.9

Source: Victorian Budget Papers

Mr STOCKDALE — Table No. 7 shows increases in real terms for a series of Budget measures and the extent to which government spending has raced ahead of inflation. The table reveals the real increase in recurrent Budget expenditure, capital Budget expenditure and total Budget expenditure. The recurrent Budget expenditure has increased by 45.9 per cent in real terms since 1981-82. Capital expenditure — the State's investment in the future, its investment in maintaining its infrastructure and building up the infrastructure — has increased by only 1.6 per cent over that period! Total Budget expenditure has increased by 38.5 per cent.

Based on any measure of taxation — whether it be the government's narrow definition or the statistician's definition of taxes, fees and fines, or whether it be all taxes and authority imposts, the hidden taxes — taxes have increased dramatically:

by approximately 62 per cent. Taxation, including statutory authority taxes, has increased by 72.1 per cent in real terms! There has been a massive increase in debt and indebtedness. State public sector indebtedness as a whole has more than doubled in real terms during the period of Labor government. That is not a sign of a fiscally responsible government. The situation is contrary to the Premier's and the Treasurer's claims during question time today and indicates a profligate government that has engaged in high spending and high taxing, culminating in an increase in debt. The Budgets reflect the failed ideology of the Labor Party.

Mr Speaker, I seek leave to incorporate in *Hansard* table No. 8.

Leave granted; table as follows:

TABLE No. 8

A SHIFT OF RESOURCES TO GOVERNMENT

Item	1981-82	1991-92
	(% NFGDP)(1)	(% NFGDP)(1)
Recurrent budget outlays	9.8	13.2
Total budget outlays	13.6	15.1
Taxation	4.1	5.6
Taxes, fees and fines	4.4	5.8
Taxes and authority imposts	4.7	6.5
Budget sector net debt	12.5	16.4
Public sector net debt	25.4	29.1
Budget sector indebtedness	21.6	38.1*
Budget sector interest	0.9	1.8
Public sector interest	2.5	3.6
Budget deficit	0.7	1.5

* 1990-91

(1) Victorian Non-Farm Gross Domestic Product

Source: Victorian Budget Papers

Mr STOCKDALE — Table No. 8 reflects the ideology of the Labor Party. It shows the extent to which the government has driven resources in

Victoria out of the private sector and into the public sector. It shows a massive shift of resources from the productive private enterprise sector of our economy

into the government sector, where by and large the resources have been inefficiently used.

All Victorians should know one set of statistics which compares government businesses, not the whole of government, with the private enterprise sector in Australia as a whole over the past 15 years. The annual average return on capital in the public sector over that period has been 1.6 per cent; in the private sector it has been 14.9 per cent.

Against that background it is obviously unsustainable to have a shift of resources into the public sector and to have the public sector use force of law — the government's capacity to put its hands into the pockets of industry and families — to put resources under the control of the government and enable it to use them inefficiently. Indeed, the Cain and Kirner Labor governments have thrown the resources against the wall; they have wasted them, and have incurred huge losses in speculative ventures.

Recurrent Budget outlays as a proportion of non-farm gross domestic product have increased from 9.8 per cent in 1981-82 to 13.2 per cent in 1991-92. Total Budget outlays have increased from 13.6 per cent in 1981-82 to 15.1 per cent in 1991-92.

The drain of government on the rest of the economy — that is, on the private sector — is reflected in the substantial increase in taxation as a proportion of non-farm gross domestic product

(NFGDP). The figures represent the extent to which government appropriates to itself a share of everything Victoria produces. Through taxation and statutory authority imposts, the government is taking 6.5 per cent of everything the State produces in the current year!

Budget sector interest as a proportion of NFGDP has doubled during the period the government has been in office, from 0.9 per cent to 1.8 per cent; it has increased slightly less across the public sector as a whole.

The Budget deficit as a proportion of the State's gross domestic product (GDP) has doubled during the period the government has been in office. In many cases there has been not just an increase in the extent to which government is burdening the rest of the economy — driving people out of jobs — but a doubling of the demands that the government makes on the rest of the economy.

The government now taxes everything the State produces to pay the government sector interest bill at twice the rate it did in 1982! Is it any wonder that the State's taxes have increased so rapidly?

The same position applies in relation to debt. Mr Speaker, I seek leave to incorporate in *Hansard* table No. 9, which shows the debt incurred during the decade of Labor government.

Leave granted; table as follows:

TABLE No. 9

VICTORIA UNDER LABOR—A DECADE OF DEBT 1982-1992

A MASSIVE DEBT BURDEN

1. Victorian Public Sector Net Debt

1981-82 \$11 174 million or \$2818 per capita

1991-92 \$29 911 million or \$6714 per capita

Per Capita increase in real terms +27.4%

2. Victorian Public Sector Total Indebtedness

1981-82 \$15 174 million or \$3800 per capita

1991-92 \$61 561 million or \$13 818 per capita

Per Capita increase in real terms +94.4%

3. A Crippling Interest Burden

(a) Share of State taxes required to pay Budget Sector interest

1981-82 22.2%

1991-92 30.2%

(b) Interest and Government "dividends" as a percentage of major authorities' revenue

Authority	% Interest & "Dividends"	
	1981-82	1990-91
GFCV	18	42
SECV	40	42
MMBW	45	58

Sources: Victorian Budget Papers

Authority Annual Reports

Mr STOCKDALE — The table complements the previous table and shows in absolute and in per capita terms the massive increase in debt under the Labor government. In case there is any argument about the significance of inflation, the table shows the per capita increase in real terms. State net debt has increased by 27.4 per cent. The State indebtedness of the public sector as a whole has nearly doubled in real terms on a per capita basis, by 94.4 per cent. Despite the massive shift of resources by a huge increase in State taxation, the proportion of State taxation — revenue required to pay public sector interest — has increased from just over 22 per cent to more than 30 per cent. The same position is true of most of the statutory authorities where bogus government dividends and interest are consuming a massive proportion of the total operating revenue.

Almost half of the bills paid for gas and electricity by Victorians go to pay taxes to the State government and interest on debt. Almost 60 per cent of the charges we pay for water, drainage and sewerage go in government taxes and to pay interest on debt.

Mr Speaker, there has been much debate — indeed, you have participated in it — about the relevance of the trickle-down theory. There is argument that everyone in the economy benefits from high economic growth, including the poor and the disadvantaged. The debate rages on, but at present it has little relevance to Victoria in any practical sense.

However, it is now clear that the Labor Party has deluged the poor and the disadvantaged with misery. Misery is not trickling down from the failure of Labor, it is pouring down in a deluge upon the poor and the disadvantaged in our community.

The cost of Labor's decade of failure bears first, worst and longest on the poor and the disadvantaged. The message in the western and northern suburbs — Labor's heartland — and the lesson in the eastern suburbs seats to which Labor clung by subterfuge in 1988 ought to be that those are the people bearing the cost of the failure of the Federal and State Labor governments, and that the State is in deep recession. The people in those

suburbs and their children have lost their jobs and have little prospect of gaining new ones because the collapse in our economic fundamentals has been overlaid with a critical lack of confidence by virtue of the failure of Labor at the State level.

The victims of Labor are its own supporters, and independent polls all show that people are aware of that fact. Labor is at risk of losing seats such as Williamstown because the people in those traditional Labor areas see themselves accurately as the first, worst and longest of the victims of the Labor failure.

We should see now a rejection of Labor's incompetence and its policies which are simply out of tune with the times. We should see a rejection of the savage cost to Victoria of falling family living standards, of human misery, of the collapse of our industry and of our uncompetitive situation in world markets.

The electorate should reject the 10 years of wasted opportunity in our State — 10 years that brought the State to its knees, and during which one has seen the misery brought about by the failure of Labor. In walking through our streets one can see fear on people's faces. If they are not unemployed, they fear they will lose their jobs. Unemployment is figuring in the polls as the greatest concern of nearly three-quarters of Victorians.

The Premier is engaging in disgraceful rhetoric by playing upon the fear of people about the unemployment her government has created and trying to curry political favour and claw the government back from the political oblivion it faces after the next election.

This is the time the people should not forget. We will need to remind people in the future that the price of Labor's incompetence is the same as it was in the period between 1972 and 1975 when history shows that the Federal Labor government, at the most fundamental of levels, simply could not deliver.

The government has robbed Victoria of the growth years and consigned us to an uncompetitive position which leaves tens of thousands of our young people with no jobs and no prospect of jobs. It has created misery and left people confined to a decade of fear.

There is no real prospect of a good education. If you are ill, you cannot expect to get into a hospital if you cannot afford private insurance. Public transport is losing a huge amount of money; we have to pay for it, but we cannot use it. People are frightened to walk out of railway stations at night and into car parks. They are frightened to walk the streets, and every time they return to their homes they are afraid they will find a burglar inside.

Government is not delivering on the fundamental responsibilities of State government in a civilised society. We are on the verge of the destruction of civilisation in our community for the great bulk of our people, and Labor has consigned those who are genuinely dependent on the support of the rest of the community to being denied even the basic human dignity of proper care in State institutions or in institutions supported by the rest of the community.

These situations are not accidents; they are not the results of a world recession or the results of the bad policies of the Federal Labor government. These are the results of all of those things being overlaid by the dishonest and incompetent Victorian State government. The people will not forget it, and when the Budget is delivered in August, or whenever the government is prepared to face the people, the people will pay back Labor for the years of misery that the government has inflicted on them.

It is appropriate that the honourable member for Doveton and the Treasurer are sitting virtually alone in this Chamber at the commencement of the debate on the Supply and works and services Bills. To the extent that any member of this government will be remembered, people will look back and remember the Premier for destroying the State's education system, and they will remember the two architects of the destruction of the State's economy and the running down of public finance in this State who are now seated at the table.

The people of Victoria will not forget when they are given the opportunity of casting their votes on the policies embodied in these Bills.

Mr SEITZ (Keilor) — I support the introduction of the Bills. It is traditional for them to be passed by

the House, and for that reason not only do I support the Treasurer in presenting the Bills but I also support the government for their preparation and for stressing their importance in providing security, safety and consideration to our community.

It is imperative that salaries continue to be paid and that works and services continue to allow for planning and development for the State. They are especially important for a stable government. We need to plan ahead for certain works to be carried out so that people are not waiting for recurring costs to be paid and so that development continues.

As we have seen through the Prime Minister's One Nation statement, forward planning is important for infrastructure in Victoria so that we can prepare submissions to the Commonwealth government on those sorts of issues. Stable financial management is particularly important for people involved in the Public Service so that they can plan ahead for our Budget expenditure. Moneys need to be allocated for specific projects.

The people in the electorate I represent welcome the Bills, and I have assured them that I will urge Parliament to speedily pass them through both Houses because we need the projects in our area to continue. They are also important for private contractors working on government contracts which flow from one Budget year into the next. The Bills allow those works and services to continue.

I am sure many honourable members are witnessing work on projects in their own electorates, whether it be road construction, the building of schools or the refurbishing of hospital facilities. That work needs to continue. The jobs may have commenced, but even if they are still in the planning stages, the money is needed for work to start as soon as possible.

In the electorate I represent extra funding has been received from the Federal government for the western ring-road. Moneys from this Budget are necessary to move on from the engineering point to the surveys that need to be carried out. The ring-road involves momentous tasks from many different sources, and the required money must be allocated.

Public servants are often enthusiastic about planning works and services for our community, and the Bills assist government departments in planning ahead so that funds for particular projects continue to flow. The western ring-road is an example of that. VIC ROADS told the Federal Minister for Transport and

Communications and the Victorian Minister for Transport that it would be able to spend in the required time all the money allocated in the Budget for the project. However, the Victorian Minister was concerned that the forward planning that should have been carried out on the project be carried out.

The additional funding is a windfall from the Federal government; we now have an extra grant to speed up the development of infrastructure in the north-west, and that is welcomed. Many people need to be made aware that it will be a tremendous boost to the economy and an asset for the whole of Melbourne when the West Gate Bridge is linked up with the roads leading to Geelong, Ballarat and the Calder Freeway. The link will allow speedier access to the business centre of Melbourne and the Docklands for many Victorians.

When I was elected to Parliament, Pascoe Vale Road was a major arterial road leading to the Hume Highway, but as a result of decisions made by the early planners, it has been nothing but a disaster. If the ring-road had been planned then and continued from the West Gate Bridge there would have been far better access for commuters. It would have created a different face for industry and residential development in the north-west.

That is part of what is being debated here and what the Bills represent: long-term planning and development of our roads. The Supply Bills provide funds to the Treasurer and his department so that they can plan ahead until the Budget is passed in November. If one had to wait until then before these works could be carried out, the working period available would be reduced to some eight months. When one considers the construction work necessary, one has to consider that in the winter months foundation and tunnelling work is slowed down.

One also has to consider the people who actually work out in the elements. The Bills will enable them to plan their work for the better months so that rain and inclement weather do not interfere.

The provisions of the Bills will be of benefit to my electorate in particular because it is a growth area. They will allow for the continuation of construction of stage 2 of the Taylors Lakes Secondary College. The passage of the Bills will mean that it will not be necessary for all works to stop on 30 June 1992 until Parliament passes the next Budget.

The Supply Bills need to be supported because they allow for current salaries to be paid, works to be carried out and the continuation of contractual obligations that the government has. People have said to me, "I cannot see any work starting yet on the project". In many cases the public is not aware that these sorts of projects take one to two years planning and involve design and concept development, negotiation with abutting landowners and acquisition of land suitable for the projects. All those things can take some time.

Extra funds have been allocated through the Federal government's One Nation statement and the Priority Victoria statement for the electrification of the Sydenham railway line. Planning for that has been taking place for some time. It requires negotiating for the acquisition of extra land for the railway station and the car park to be built. V/Line is relocating a station to a new position at Sydenham adjacent to an area in respect of which a permit has been granted for the construction of a shopping centre; also, there is a proposal for the location of another station on land near Taylors Road, and VIC ROADS has been planning and negotiating with the Commonwealth government in an attempt to acquire Commonwealth land for car parking in that area.

We need to prepare and develop all those things so that projects can proceed when tenders for the construction work are called. If you do not own the land you intend to build on you cannot sign a contract with a developer for construction work to commence. The government has, from its early days, planned for development to continue over one, two or three Budgets. The Bills will assist in that process.

In the growth area of my electorate Kings Park Secondary College is being built. It will accommodate a year 11 and 12 campus. A child-care centre and kindergarten will be built on that school site and it is hoped we will be able to plan and develop an arts complex, thus creating a complete community hub. The local council is aware that the government is going ahead with its timetable to build school facilities, so it is committed to building council facilities on the school site land that it leases from the government.

The Bills will enable local councils such as the Keilor City Council to plan ahead and allocate funds to enable them go ahead and plan with confidence. Local councils would like to have an early indication of the available funding for road construction so they can plan ahead.

Most members of Parliament are aware that the passage of the Supply Bills will enable that to occur. For that reason I support the Bills. I ask that honourable members in another place allow these Bills a hasty passage through their various stages. Often the wheels of government are thought to be slow but the passage of the Bills will enable the works to be carried out, the contracts to be fulfilled and the salaries of public servants to be paid.

One hears the cry for an early election, but that can be put aside because there will be stability in Victoria. I listened to the previous speaker from the opposition highlighting all the things that he regards as being wrong, such as the steps taken by the former Treasurer and the current Treasurer. Honourable members know the previous Budget was prepared and delivered by the former Treasurer and not the current Treasurer.

I support the Treasurer's plans and developments for government business enterprises. I support his plans for addressing the management of interest payments and for getting confidence back into the economic scene. I support his encouragement of Victorian business so that it has a better understanding and respect for the management of the Victorian economy. The Treasurer has outlined in the House and in detailed public documents plans to bring Victoria back to a sound economic footing.

I support the Treasurer's proposals to reduce Victoria's debt level, which is not as high as many people assume. Victoria's debt level requires sensible, economic plans. I urge honourable members in this House and the other place to support the Treasurer and the Minister for Manufacturing and Industry Development when they debate the Bill that will regionalise government business enterprises, consolidate all debt into one allocation and rearrange their financial management, including the equity swap proposal. I encourage honourable members on both sides of the House to consider the future of Victoria as their first priority so we can get back our confidence as a State and a nation.

Victorians must work together, as they have done in the past, to bring out their ingenuity and overcome the economic problems created by the media and other commentators, including those monitoring the monetary position of Victoria. It is important that all members of the community understand what is happening so that they can work their way through the problems experienced in the 1980s, a decade of

big spending, to put Victoria back as No. 1 in the economic scene.

Victoria and Australia must retain their world reputations for global borrowings in order to attract low interest rates. Recently, interest rates have been a lot higher than in the past and greater debts have accumulated. I urge honourable members, the media and the Victorian public to recognise that as Victorians we should work with confidence to develop this State and nation and no longer talk about doom and gloom. World financiers and banks will then assess Victoria and Australia in a new light. It is important that we talk down the problems rather than build them up.

I urge honourable members to give the Supply Bills a speedy passage through both Houses. I support the Treasurer and congratulate him on his work in preparing a Budget later this year that will pleasantly surprise honourable members, especially through its documentation and explanation to the community on how Victoria will achieve its economic recovery.

Mr STEGGALL (Swan Hill) — Following the contribution of the honourable member for Keilor I am almost lost for words. In a few words I can sum up what this State needs: it requires productivity, jobs and incentives. Do honourable members recall when we used to have incentives? Unfortunately, there is none now. We need meaning for our lives and direction for our communities for what we are, who we are, what we stand for and where we are going. We need clear directions on the operation and running of Victoria. We need to set some goals and governments should be in the position of assisting and providing the infrastructure to achieve those goals.

In addition, we need confidence to go ahead to improve our State's position, to improve our way of life and to ensure that our people have meaningful occupations and jobs and have something to live for. For heaven's sake, after listening to the contribution from the honourable member for Keilor for the past 20 minutes I wonder whether any member of the Labor backbench understands what 10 years of Labor government has done to Victoria, to our communities, to our children and to the people we represent! Perhaps in the Keilor electorate it has not hit home, but I can assure the House that it has hit hard in Swan Hill and in most country areas and suburbs of Melbourne. Many people have expressed concern about their futures, their goals and intentions and what direction they should take while

this Labor government winds itself into oblivion over the next few months.

It is a pity Victorians cannot have a public debate on the issues through an election so that all the opposition policies can be issued, debated and argued. The opposition could then show the people of Victoria a goal, a direction and the confident way ahead. All the hard work that has gone into those policies will satisfy not only people in the city but also those in the country.

The honourable member for Keilor asked for a hasty passage for the Supply Bill. I suggest too many Bills have been passed hastily through Parliament. In his commentary on the current economic position of Victoria the honourable member for Brighton gave one of the best speeches I have heard in this House. His contribution was first class. He challenged the government to provide answers. Will the Treasurer answer some of the honourable member's questions? I believe not. No government member will answer the criticisms made by the honourable member. What do government backbenchers feel about these measures?

For an hour and a half the honourable member for Brighton criticised the government on the Supply Bill. He pointed out that we are hurting and explained why we are hurting. At the end of the debate the Treasurer will not answer the questions that have been put.

A number of former Treasurers may argue about how the State is performing, the policies that are being pursued and how those policies will turn the State's economy around. I do not believe the Bill will turn the State's economy around. I have no confidence in the Labor Party's approach to economics in this State or in this country.

It would be true to say that after 10 years of a socialist government the only support it receives is from the city. It has walked away from country Victoria and turned its back on productivity, wealth creation, employment, food processing and export production. Victoria will not go ahead without a strong country base. My electorate is worried about its future. We watch with interest the Fightback proposals of the Federal opposition and look forward to the introduction of proposals of that type. They will create more production and development which, in turn, will create jobs.

Under the Victorian government country people do not count. Country people are asking: "Why are we

here; do we count; and does anyone care?" The answer is, no.

The honourable member for Brighton highlighted the problems of the escalation of debt and the servicing of that debt, and the problems in country Victoria. He identified some of the reasons why country Victoria has been ignored. 10 years ago Australia had a stronger export base on which to fund and service imported products and goods. That balance has worked well throughout our history. Australia has developed primary export industries; as a country Australia has not tried to develop secondary industry from its wool, wheat and other major primary industries. Australia must do that through the value-added concept. There is nothing to that purpose in the policies and directions of the Labor Party. The role of country Victoria is to supply an income wealth through primary exports in order to allow our major city, our State and our country to import the manufactured products and goods that they desire.

If a balance sheet of Victoria's income and expenditure were produced and split into regions there would be a huge leaning towards the larger cities in the consumption of imports. It is the cities that drive the desire for the huge import bills that the country regions have the job of paying for.

Australia's small manufacturing base is dwindling. Many factories and other industries in our cities have long gone; they are setting up their operations in the Philippines and in Malaysia.

The Victorian Trades Hall Council and the union movement dominates the Labor Party. The union movement is the Labor Party, and that is reflected in the government's policies and the way it has delivered the supply of goods and services over the years. It has sought to protect its mates, but in the process it has driven away industry and created difficulties for the future.

I should like to hear some answers to the questions raised by the honourable member for Brighton from Labor backbenchers and Ministers. However, the government will run away from answering questions on this Bill, as it has done with other Supply Bills.

The Bill finances the expenditure of funds for the next four months. The protocol of the Bill is to contain no new policy initiatives. Later in the year the Appropriation Bill will introduce the

government's new initiatives of the Priority Victoria statement. That Bill will be debated in due course.

The Supply debate shows up the government's lack of ability to service debt. The government has turned interest swaps — and the fear of future interest swaps — into an art form. What does debt equity exchange mean and what is the future of the financial deals that the government will try to put into place when it introduces the Budget in August if, in fact, it sees its time out until August?

Today I wish to address a problem regarding imported food and the food processing industry in Victoria. To do so I must traverse some ground concerning the Federal government because the inspection of imported foods is causing an enormous headache for the Victorian food producing and processing industries. The community, particularly in my electorate, is looking for answers.

While the law says one thing, namely, there is no difference in the inspection of imported food from the standards and regulations applying to locally produced and processed food, why is it that the standards applied to the local products are different from those applying to the imported goods with which they compete on the supermarket shelves? What has caused that?

I have been working with officers from Health Department Victoria to try to get to the bottom of the problem about regulations covering the standards and quality of imported foods. It is difficult to understand why there is no desire by the State or Federal governments to overcome the existing inequities.

In preparation for his One Nation statement, the Prime Minister spoke to many industry bosses, including Doug Shears. In January Doug Shears told the Prime Minister that we are now importing more cans of food than Australia is producing. Australia is one of the top food producing countries. But what impact did that have on the Prime Minister?

Perhaps he should also have been told that almost 95 per cent of imported canned and frozen food enters Australia without any scrutiny. Theoretically, any local or imported processed food stuffs must meet the same stringent quality standards. That accords with the official bureaucratic line repeated ad nauseam.

A letter I received from the Minister for Health, dated 5 March 1992, states:

The Food Standards Code 1987 is the legislative standard for food content and labelling applying in this State whether it be locally produced or imported products ... there are no exemptions under the Food Standards Code to imported packaged food not complying with the standard.

In the real world it is a different story. A limited inspection policy, an under-resourced inspection service and the usual tangle of State and Federal red tape allows tens of thousands of imported products to be slipped quietly onto supermarket shelves without even visual inspection. The Australian Quarantine and Inspection Service (AQIS) is unable to state how many separate products are imported into Australia and what percentage of the total is tested, although an unwary customs official guessed that the figure would be about 5 per cent.

Inspection procedures for imported foods at the point of entry began only two years ago with a program for testing high-risk food under the auspices of the National Health and Medical Research Council (NHMRC), and in the absence of any other suitable body the Imported Food Risk Assessment Committee (IFRAC) was formed to supervise the procedures.

The committee was a technical and consultative body comprising technical representatives from the NHMRC, representatives from government analytical laboratories, consumers, importers and the State government. It met only twice in 18 months. That committee has now been superseded by the National Food Authority (NFA), a Federal agency operating under the auspices of the Federal Department of Community Services and Health; that body was formed as a result of legislation enacted in August last year.

Risk assessment policy for imported foods is included in the enabling legislation of NFA which now oversees the work of AQIS, itself a branch of the Federal Department of Primary Industry and Energy. If that does not leave us with the opportunity for confusion at the Federal level, nothing will!

Under the auspices of NFA, AQIS divides imported foods into the categories of high, medium and low risk. The basis of the classification is solely the danger to public health which the product poses, or

the illness risk. AQIS declares it is confident it is successfully netting the highest risk products.

At present there are 11 categories of high risk foods: crustaceans, cooked and frozen, but not canned — because canned products are deemed to have undergone a sterilisation process; crustaceans, cooked and chilled; scallops; pistachio nuts; seaweed and kelp; Italian wine; canned mushrooms; peanuts; pepper; and coconut.

The eight medium risk products are: crustaceans, cooked and raw — and this time they are inspected for heavy metals, for example, cadmium; peanuts — also inspected for heavy metal and pesticide residues; cheese; dates; figs; fish — especially flake, which is the shark species; pasta containing egg; and strawberries. Foods which have been found to be contaminated are either re-exported or destroyed.

Throughout Australia seven inspectors work for AQIS. It is interesting that some products that have met the standard have subsequently been regarded as below the re-export standard. In addition to the seven inspectors throughout Australia, others also inspect on behalf of AQIS; for example, in Perth a pool of inspectors rotates with the total number looking at imported products at the point of entry, at any one time being equivalent at best to nine inspectors.

AQIS advises that imminent changes to policy will result in the broadening of their powers. However, given their legislative duties it is hard to visualise a major shift in emphasis. Other customs inspections include the community inspection branch whose activities are focused on complaints or on specific health risks. At the moment the branch is looking at selected foods from at-risk countries in the vicinity of Chernobyl. Again, the emphasis is only on illness risks. There is no legislation enforcing inspection of food quality or labelling. The community protection branch of the Australian Customs Service has advised that tinned foods get a free run because the food is precooked.

The customs service randomly inspects all imported foodstuffs. Its computers select 3 per cent of all imports for scrutiny at any one time, which means that only a small percentage of imported foodstuffs is checked — and then only for contamination. The bulk of food imports that fall into the low-risk category are allowed to enter Australia without checks provided the correct documentation is attached. No national coordinated program exists for the inspection of low-risk foodstuffs, as a result of

which most imported foods fail to comply with Australian regulations.

The Pappas Carter Evans and Koop report, which honourable members will hear a great deal about in the near future, cites figures for the failure rates of the retail sampling of imported foods. The figures in the study show that in 1988, the last time such tests were done, 59 per cent of all products tested failed to meet Australian standards. In particular, 52 per cent of all imported products failed to meet labelling standards, and 23 per cent failed to meet compositional content standards. The study was based on tests conducted by State chemical laboratories and Health Department Victoria on foodstuffs from 38 countries on sale at 26 different retailers.

The Pappas Carter Evans and Koop report also contains the results of surveys carried out by Health Department Victoria on six food groups imported from Asian countries. The surveys show that 100 per cent of products imported from Japan failed to meet Australian labelling standards. The figures for other Asian countries include those for Taiwan, 93 per cent; Thailand, 92 per cent; China, 90 per cent; Hong Kong, 82 per cent and Malaysia, 63 per cent. In all, 81 per cent of the products tested failed to meet State labelling standards.

Comparisons between Australia's inspection program and the programs of other countries show that at the point of entry Australia inspects 16 per cent of food types, whereas in the United States of America, Canada, the United Kingdom and New Zealand all imported foodstuffs are inspected.

In Australia the minimum sampling rate for shipments sampled is 5 per cent, whereas the figure for Canada is 20 per cent. The Pappas Carter Evans Koop report states that Australia appears to inspect a more limited range of imported food types than other countries and at less frequent rates. Both the United States and Canada have more flexible inspection systems. The US Food and Drug Administration Agency uses an import alert list that is continually updated to identify countries and products that pose the highest risks — and all products on that list are tested.

The Canadian government proposes to introduce a two-tiered risk grouping based on the compliance history of high-risk suppliers importing high-risk foodstuffs to ensure that every shipment is checked. Very few such shipments are tested in Australia. Once the foodstuffs have entered the country their

testing becomes the responsibility of State health authorities. Imported foodstuffs can be scrutinised in two ways, the first of which is random sampling. Under the Food Act, municipal health inspectors are required to randomly purchase three samples of food for every 1000 people in each municipality. The figure also includes samples taken as a result of complaints. Last year in Swan Hill the health inspector took 30 such samples, all of which were examined and sent away for analysis.

Random sampling is spread across all purveyors of food in each municipality, such as supermarkets, corner shops, pubs, fast food outlets and restaurants. The selection process can hardly be termed random, because inspectors are likely to take samples more frequently from local outlets where food is prepared on site and where deficiencies can more easily be monitored and rectified. Inspectors should focus their energies in areas where they will have the most impact, especially as frozen foods or canned goods on the shelves of supermarkets where they will have most impact.

In the past 12 months the Swan Hill health inspector has submitted only one imported product for testing, a curry powder which had been purchased at a local supermarket and which was sent for testing because it was found to have an excessive bacterial count. Although the inspector sent a letter to the importer, the matter was not followed up and he is unaware of any response having been made.

Local health inspectors face obvious difficulties in trying to get action on the testing of imported products. Although in theory any line of food, whether local or imported, can be withdrawn from sale on the basis of a health inspector's report, in practice it rarely happens. Health Department Victoria is slow and ponderous and is loath to act on reports. Municipalities find it harder to take action on imported foodstuffs than on local products because of the impossibility of prosecuting foreign producers in the same way as local producers. To its credit, last year the Swan Hill City Council successfully prosecuted the importer Lymfest Pty Ltd for selling adulterated food — an incident we called the "Bee in the Egyptian jam jar affair" — which, it must be said, is not a common occurrence.

The issue was taken up with the Minister, who in her response said that when the Food Act is next amended particular consideration will be given to amending section 16(4), which states:

If the defendant in any proceedings under this Act in respect of any food proves to the satisfaction of the court that —

- (a) he sold the food in question in the same state as it was in at the time he purchased it; or
- (b) if he sold the food in question in a different state from the state it was in at the time he purchased it, that change in state did not cause any contravention of this Act in relation to that food —

he shall be discharged from the prosecution.

Australia's policing of its regulations falls well behind those of other countries in trying to get a level playing field. I look forward to the Food Act being amended in the near future.

Not before time Health Department Victoria is in the process of formulating a Statewide sampling program that will incorporate into a central database all the results of the three analytical laboratories that test municipal food samples. The advantages of the incorporation will include a less local and more Statewide strategic approach to food surveillance; the forwarding of all data to the department each month, which will allow high-risk products to be identified and targeted; and less wasteful duplication, such as occurred when health inspectors from five municipalities submitted samples of yoghurt from the same company for testing.

This is a step in the right direction, even though imported food will not be scrutinised more closely than locally produced food. The effectiveness of the data base will depend on Health Department Victoria's use and dissemination of the information it acquires.

The point of sale program is virtually useless as a monitor of the quality of imported products not only because of the extremely low sampling rates — it is estimated that only 0.3 per cent of all food types are sampled — but also because of the difficulties associated with following up and prosecuting foreign producers and importers. Health Department Victoria admitted as much to Pappas Carter Evans and Koop interviewers:

Unlike NSW, we have no dedicated food inspectors. Our 300 to 360 environmental health officers are responsible for a range of activities including identifying environmental contraventions and enforcing the Health Act. I couldn't possibly tell you

how much of their time is dedicated to the inspection of food, let alone imported food products.

The State Chemistry Laboratory also whistled the same tune:

We haven't reviewed the State's performance on imported food inspection for years, nor do we plan to in the future. Non-health related issues are simply not an issue.

We have set standards for local content labels but we have not done so for imported food. Throughout country areas food processors are not impressed by the government's progress in this area.

Consumer complaint is another way the matter can be dealt with. The quality of imported food may be scrutinised as a result of consumer complaint. A case last year involving imported Chinese walnuts bears examination because it shows how the system works. When the walnuts were purchased they were found to be infested with insects. The matter was reported to the local health inspector who tested the sample visually. He then visited the point of sale to establish whether they had become contaminated there. Other municipalities were contacted. They also identified the problem.

The packaging plant was visited where it was demonstrated that it was unlikely that the insects had entered the walnuts at that point because the operation was sound. The nuts had been refrigerated while awaiting packaging. Clearly the insects had been brought into Australia in the walnuts. At this stage the Australian Quarantine and Inspection Service became involved. Although the walnuts had all the appropriate documentation — a fumigation certificate from Hong Kong — it was found that they had been infested with eggs when they entered Australia. The eggs were prevented from hatching earlier because of refrigeration at the packaging stage. The eggs hatched in the warmth of the supermarket. The importer voluntarily withdrew the product but one is left wondering about the value of the fumigation certificate that accompanied the imported walnuts. Although a consumer complaint may initiate a chain of response which ultimately may result in the withdrawal of an import, the mechanism is slow, unwieldy and almost impossible to generalise across the whole State, let alone the nation. What of the deficiencies that consumers cannot readily identify by sight or taste?

In regard to other point of sale product inspections, firstly, the Australian Consumers Association does

not do routine testing of imported products to ensure they meet the Australian food standards. As part of a special focus on particular foods — for example meat pies and fish fingers — an imported product which falls into a special category may be tested. Secondly, the Federal health department's market basket survey analyses a particular consumer basket of food for nutritional and health standards, which may include some imported items. As a one-off feature, the *Age* Epicure section on 28 January informally trialled selected local and imported canned tomatoes on the basis of price, visual inspection, drained weight, additives and usefulness in cooking. Unfortunately this is not a regular event! Those who read the article with interest found that the Australian product was of the highest quality of all the products tested. That is a subject that will be debated at length when the legislation dealing with tomatoes is addressed.

The Pappas Carter Evans and Koop report pointed out that, unlike the United States of America, Australia does not require that overseas plants and factories exporting canned goods to Australia be certified. In contrast the United States conducts annual audits of overseas canned food processors at the factory's own expense, enforces stringent requirements and imposes loss of certification for non-compliance until the plant is reinspected. No comparable program exists in Australia. It is obvious the implementation of such a program would create an excellent opportunity to train food inspectors at little cost to the Australian taxpayer.

It is worth comparing the complete lack of scrutiny of overseas plants with procedures for supervising local food processors. Inspection of domestic products is almost always more rigorous than that of imported processed food. The Pappas Carter Evans and Koop report suggested that 12 to 30 samples are taken by health departments at each plant each year and there is a health department audit four times a year. I understand this is the theory rather than the practice. Some companies have advised that although theoretically some manufacturers come under the jurisdiction of municipal health inspectors, monitoring is done by exception rather than the rule, and if there is a consumer complaint. Inspectors have authority to regularly inspect but tend not to do so. My local health inspector suggested that inspectors take their responsibility in this area most seriously indeed. They inspect rigorously and often. These divergent views suggest that a range of approaches are adopted depending upon the energy of the inspector involved and the priorities of the municipality concerned.

Factories that export also come under the jurisdiction of the Federal Department of Primary Industries and Energy. The inspectors take their jobs seriously. They visit randomly and remove samples of processed products or raw materials like meat to test that the quality control of exports is held at a high level. Local companies can also pay AQIS to assess the quality of their exports. However many choose to give their own warranties on products to their clients. Strangely enough the same tests and same standards are not applied to imported food products, which compete at favourable prices, usually from corrupt and subsidised markets.

In conclusion, clearly there is negligible enforcement of Australian food standard regulations upon imported food products. Only about 5 per cent of imported food is sampled. Foreign factories are not subjected to any scrutiny. The sampling weight by health department point of sale inspections are so low as to be useless as a measure of imported food quality. In these circumstances imported products will continue to erode the local market share. If we persist in allowing the entry of goods that are not required to be at the standard of locally processed food, either in terms of materials used, packaging or labelling, our domestic food processing industry may soon disappear. It will be wiped out by the high cost of compliance with arbitrary regulations and because of unfair competition with frequently inferior products.

It is interesting to note that the report suggests the biggest impost on Australian food processing companies that are competing with imported products is work practice costs. The government's own report shows that work practices account for 40 per cent of the extra cost of local products compared with imported products. Honourable members may wish to take up that point during the debate on the Supply Bill. Honourable members representing country Victoria know that people working in productive areas are looking for assistance, support and goodwill from those who govern and those who wish to govern. It is amazing to find that no responsibility is taken for locally produced products. In fact, regulations imposed on local products are not imposed on imported products and local products are tested but imported products are not.

When one examines jobs, work practices and the productivity that is needed, one realises we can do it, but we are not. We are not talking about the price of labour, we are talking about work practices and the attitudes of government. We are talking about

education and the skills level of our own producers and processors. We are talking about making this country mobile and productive. We could put three shifts in the factories instead of one. We could ensure that we meet the competition from overseas fairly and squarely, both at the factory level and at the retail outlet.

I feel strongly about these issues. We have done a lot of work to try to identify how the imported food product is treated by our own regulatory departments in Victoria and throughout Australia and they have not fared well, and I am not aware of any great will or desire from the Federal or State governments to try to change that. I hope that very soon, perhaps starting with this debate, we might start looking to our own productive areas so there is an ability to compete with imported produce.

We are wasting many of our assets. Throughout country Victoria huge assets are just sitting idle because we have no markets, no incentive and no desire as a community to gear up. Look at the irrigation areas of Victoria. They are some of the best in the world. We have done all the engineering, harvesting and distribution of water and it is the best anywhere in the world. However, we have not done the work on the productive side and that is because although we may wish to develop the product and the programs that are needed for Australian and overseas competition we are not able to compete nationally or internationally. We have to change that. It is our responsibility and I do not believe this government will be able to do it.

Mr NORRIS (Dandenong) — I support the Bill, and I congratulate the honourable member for Swan Hill on what I thought was an excellent contribution. I look forward to reading it in *Hansard* at my leisure and I recommend that other honourable members do the same. He spoke from the heart on a matter that should be close to the hearts of all Victorians and Australians. A level playing field does not exist when it comes to Australian foodstuffs and imported products. I agree with practically everything the honourable member for Swan Hill said, but at the end of his contribution he almost spoiled it. He did not quite spoil it; he trod the razor's edge. He said, "The main problem is work practices". I thought he was going to say, "wage levels".

Those who are in government and those who hope to govern have to address this difficult question. I think I am right in saying our dear Prime Minister was in Indonesia recently. I think I read that

somewhere. I also read that the average daily rate for an Indonesian person working in the processed food industry has risen from \$2.20 a day to \$2.80 a day. An average worker at the Shepparton Preserving Company (SPC) would be earning around \$80 a day. That is a difficulty we have to address.

As the honourable member for Swan Hill said, SPC is a classic example. Its people sat down with the unions — there was a confrontation which I believe could have been avoided, but I shall not apportion blame — and they worked out a deal, and SPC appears to be performing well. We can do it if there is a will on both sides.

One of the difficulties is a problem both the opposition and the government face, and I speak of our Federal friends. I shall not call it the “big lie” but it is the ridiculous proposition called the “level playing field”. In my opinion there is no such thing. I hope I will not see one in my lifetime because we appear to be the only dills on the face of the earth attempting to get onto one whereas our opponents know how to play the dumping game the honourable member for Swan Hill mentioned. Governments have to examine this problem. We have foreign food dumped on the market and we are trying to compete with it.

I congratulate SPC on its recent press release featuring a tin of tomatoes. I think it was a good one. We have to have a campaign. It is unAustralian for any one of us to go into a supermarket and choose a foreign product when there is an Australian product on the shelf. We have to get the message home. You might pay a few more cents, but so what? If it is keeping a local industry viable we have to be prepared to pay that bit extra.

I call upon the agriculture Ministers at both the State and Federal levels to come up with a real campaign. They should not leave it to the poor companies to build up campaigns. We should get behind it 110 per cent. Look at the labels on supermarket shelves. Some people just pick things up. I examine every label when I go shopping on behalf of my better half. I shopped last Saturday and I looked closely at every label. I hope all honourable members do. I will not buy anything imported. I insist on buying Australian products.

Sometimes it is difficult to discern what information is provided on the labelling of a product. Look closely at the containers of concentrated juice: they

usually consist of something that has been dumped from Chile or somewhere else.

I congratulate the honourable member for Swan Hill on his contribution and I hope all honourable members read it. We have to address this matter with our Federal colleagues because everyone appears to have a different agenda from the situation that currently exists in Australia. Sugar is a classic example. Federal politicians are in a dilemma over sugar. They are looking at the electorates that produce it. Apparently under the One Nation program most tariffs will be phased out over time.

The honourable member for Swan Hill has a bigger dilemma because the Fightback package will phase out all tariffs by the turn of the century. It is a devil of a problem but we have to err on the side of local industry. I believe Australians should get behind local products. We have to keep hammering that home. Unfortunately, when people shop they often do it unthinkingly. They will grab something that is 2 cents cheaper or is a product they have seen advertised on television. Buy Australian! I do not believe the campaign has been properly orchestrated or funded. We should not leave it to local companies to try to gear up campaigns.

Apart from being a loyal Victorian and Australian supporting local industries, I have the H. J. Heinz Company Australia Ltd in my electorate. Heavens above, you will not find a better product than an Australian one. We have tomatoes dumped here and our growers cannot get buyers. Our primary produce is ignored while we buy products from overseas.

The honourable member for Syndal has just come into the Chamber. He should read my remarks before he says anything. For his benefit I repeat that both sides of the House have problems and if he does not believe that, I suggest he read the Fightback package as closely as I am reading the One Nation package.

My message is, “Buy Australian and support the Australian primary producer”. I am sure that is also the message from the honourable member for Syndal and I again congratulate the honourable member for Swan Hill on his excellent contribution.

A matter that received a lot of attention in today's press related to remarks made at a public lunch yesterday hosted by a group that called itself the Supporters of Law and Order and addressed by Chief Commissioner Glare. The *Herald-Sun*, which

possibly has the distinction of being the only newspaper that has its copy proof read at the headquarters of the Liberal Party, gave it 4-inch headlines like "Shock, horror, crime roams the streets" and so on.

This should be put into perspective. We can all run scare tactics. In 1982 we possibly ran some scare tactics too, because law and order was an issue then and I entreat honourable members opposite to look back at the records of 1982. Law and order is still an issue in 1992 and it will be an issue in 2002. It will always be an issue but we have to be careful to keep it in perspective. The *Herald-Sun* seems to enjoy running fear and terror campaigns and I am sure its editor-in-chief, Mr Piers Akerman, has received some sort of decoration from the Liberal Party for the efforts he has been making on its behalf but if he continues to run fear campaigns he will sell out the principles not only of his publication but also of humanity and good government.

Honourable members opposite should be objective in their moments of reflection, and I am sure they reflect when they go home from this House after a hard day, put on their slippers by the fire, play their favourite Beethoven record and try to unwind. I think they would agree that of all the Ministries in these tough economic times the Ministry that has been able to continue to receive its slice of the cake has been the Ministry for Police and Emergency Services.

We all owe a debt to the Minister for Police and Emergency Services for the incredible job he has done. I have never had the pleasure of sitting at a Cabinet meeting.

Mr Maclellan interjected.

Mr NORRIS — The honourable member for Berwick has certainly had that pleasure on many occasions and in his time in office I am sure he fought hard around the Cabinet table for his share of the cake. It must be difficult with the pressing problems in education, health, roads, community services and police and emergency services to insist on one's share of the cake because one believes one has a greater need than one's colleagues around the table.

Year after year the Minister for Police and Emergency Services has delivered, and he should be congratulated for it. It is an extremely difficult portfolio, as the honourable member for Mornington would know because he was the shadow spokesman

for some time. Police recurrent expenditure in the 1991-92 Budget was \$589.1 million. When we came into office in 1981-82 it was \$239 million.

Mr Coleman — What percentage outlay was that?

Mr NORRIS — You are the mathematician, you work it out! I failed eighth grade arithmetic so I can go only on statistics. Police numbers are an issue. Mr Glare said yesterday he wants another 2000 police. Somebody else probably wants another 2000 road sweepers and another wants 2000 lavatory attendants. Everyone wants more people. Surely honourable members opposite would agree that throwing numbers at a problem will not solve it.

Honourable members opposite have a soft spot for Great Britain and we all remember how terribly upset they were when your predecessor, Mr Speaker, removed the Union Jack from above this building. I have never seen such a furore in this House. The weeping and gnashing of teeth went on for weeks. Why the Union Jack was ever flying above the building of the Victorian Parliament is beyond me but nevertheless it hurt honourable members opposite when it was taken down.

The United Kingdom means a lot to honourable members opposite. The conservative government in Great Britain, led by Mr Major, has been re-elected for a record fourth term. Three of those terms were under Maggie Thatcher, the Iron Maiden, who said she would show new right politics to the country — and she did. She was popular and she was tough on law and order. She was almost on the verge of castrating rapists and bringing back the cat-o'-nine-tails and the rack.

The last figures published in Britain showed London as the crime capital of Europe. After a record term of conservative governments British prisons are packed to the doors, crime roams the streets and London is the crime capital of Europe! The point I make is that throwing numbers at the issue will not solve it. Britain has deep community problems.

The Minister for Police and Emergency Services tried to point out at question time this morning but he was not given the opportunity because of interjections from the opposition that Mr Glare's comments about crime statistics were taken completely out of context. Mr Glare was quoting a survey done in 1989.

An honourable member interjected.

Mr NORRIS — If that is the *Herald-Sun* headline, it should be put on a 6-inch nail and hung in the lavatory! If Mr Glare was misrepresented, as I believe he was, possibly he should make another statement about it. He was quoting from a survey done in 1989 and the gentleman who prepared that survey was on the Ramona Koval radio program this morning trying to put the record straight because the *Herald-Sun* had leapt on it like a rat on a bit of hot fat. The *Herald-Sun* got onto it quickly and made a banner headline out of it.

The survey was done in January 1989. It was a study done as part of an international crime victim survey conducted by the Australian Institute of Criminology and covered a dozen or so countries in Europe plus the United States of America, Canada and Australia. The survey took place simultaneously at the end of January. On a sample of 2000 only — which is not a large sample — the survey measured the differences in the more common offences and suggested that Australia's crime rate was second only to the United States of America and Canada. The survey showed, as many surveys have shown, that crime is much worse in urban societies.

Mr MACLELLAN (Berwick) — On a point of order, Mr Speaker, the honourable member for Dandenong is obviously quoting from a document and I wonder whether, in accordance with the practice of the House and as it is probably the answer to the question that the Minister could not get into question time, the honourable member could make the document available, identify it and explain whether it is the notes prepared for the Minister in answer to the Dorothy Dix question he was asked earlier in the day.

The SPEAKER — Order! Will the honourable member identify the document?

Mr NORRIS (Dandenong) — It is from the Current Affairs Monitoring Service, which I hope the honourable member for Berwick subscribes to. It is dated today, 28 April 1992, and it is a verbatim account of the interview that took place on the Ramona Koval show this morning. I would be happy to supply it to the House. If the honourable member for Berwick wants multiple copies, I will supply those to him as well, and I hope he distributes them to his electorate.

The SPEAKER — Order! The honourable member may proceed.

Mr NORRIS — As I was saying when I was so rudely interrupted, the survey showed, as many surveys before have shown, that crime is very much worse in urban societies. We have the most urbanised society in the world; this is the great Australian phenomenon, a country of the great outdoors. More Australians live in large cities per head of population than is the case in any other country in the world. Those are not my words, they are the words of Mr John Walker, the senior criminologist.

Honourable members opposite may scoff and laugh at him, but he is the senior criminologist at the Australian Institute of Criminology. If the honourable member for Berwick wants to sit and snigger and laugh and titter about this, let him laugh at the words of the senior criminologist from the Australian Institute of Criminology because it is his words that I am quoting.

I repeat that the survey showed, as many surveys have shown, that crime is very much worse in urban societies; people who live in large cities are more likely to become victims of crime. We are one of the most urbanised societies on the face of the earth. So of all the countries surveyed, including the United States of America and Canada, we are by far the most urbanised society, and when one takes that into account one finds that Australia has a slightly lower criminal rate than one might expect.

If honourable members opposite are being objective and fair, they will read those comments and they will take them into consideration. There are statistics and there are statistics, and then there are damned lies. I suggest that Mr Glare's words were taken out of context. The *Herald-Sun* selectively picked the bits it thought would make a sensational headline and went for it.

Another interesting fact about the survey was that it took place simultaneously in 14 countries at the end of January. That is normally an extremely good idea in research terms, to do things simultaneously. The problem is that Australia was the only Southern Hemisphere country and therefore it took place at the height of the Australian summer, the height of normal crime statistics, and it took place in the depths of the European winter, the lowest base for crime in society.

I notice that the honourable member for Berwick is tittering; I hope he is not tittering at the remarks I have just made because I am quoting Mr John Walker, the senior criminologist from the Australian

Institute of Criminology; they are not my words. If the honourable member for Berwick wants to titter at those words, he is tittering at the most senior criminologist in the country. Mr Walker said that the fact that the figures were taken at the height of our summer and at the depths of the European and American winters ought to be taken into consideration.

As the honourable member for Berwick would know — I think he at one time held the police shadow portfolio — from his detailed research that crime figures in the winter are lower in Australia because people are at home a lot more. There is less chance for break-ins and so people's homes are better protected because they are out a lot less than they are during the summer months. Unfortunately, too, there is excessive drinking in the summer months, and that has an effect on crime levels.

As the honourable member for Berwick would know from that very fine survey done by Dr Bartholomew at Pentridge Prison a few years ago, 72 per cent of all inmates of Pentridge were alcohol affected when they committed their crimes. People are inclined to drink a lot more during the summer months, which adds to the crime rate, whereas in the depths of a European winter, which is much more severe than our winters, people are at home and able to protect their properties. They are not out on the streets being mugged or whatnot, and crime figures drop. The honourable member for Berwick is nodding his head; I presume he is not going to sleep, so I am sure he agrees.

I come back to my point that Commissioner Glare was deliberately and mischievously misreported by the *Herald-Sun* to get a headline. And I congratulate the government on the program it has undertaken. One in four police buildings in this State in our term of office has been replaced or refurbished. I remember when we came into office we had these antiquated, dilapidated buildings all over the place. We had them in the electorates of Berwick, Noble Park, Dandenong, Ivanhoe, Portland, Mornington, Forest Hill and Moe. We have since undertaken a great capital works rebuilding program.

I am delighted to say that only this morning my colleagues at Dandenong and I met with the building liaison group to finalise details for the building of a new police complex in Dandenong. The government inherited a debacle with police buildings, and the rebuilt Dandenong building will be one of the finest Police Force buildings in Victoria. I am delighted with the leadership of Chief

Superintendent Jackson, a wonderful Victorian and a wonderful policeman. We are honoured to have him in the force and I am honoured to have him out in Dandenong controlling that district.

I am delighted that the new police and court complex in Dandenong will be a absolute showplace. It will be a wonderful monument not just to law and order but to the government police rebuilding program and to those who have managed time after time to get that extra slice of cake at Budget time. I am looking forward very much to the turning of the first sod very soon. Before that, of course, the new complex at Frankston will be opened, and it will be another tribute to the Minister, to be followed by an even better one at Dandenong.

A lot of people ring members' electorate offices suggesting such measures as bringing back the cat-o'-nine-tails, pulling out fingernails and cutting off the hands of thieves and other offenders, and my electorate office has such callers, but this government, with the support of the opposition, which has been very supportive in this matter, has done a lot for crime prevention. I think all honourable members will agree that we are talking about a community problem and, as the honourable member for Ivanhoe will agree, just throwing money at the problem will not provide a solution.

It is something that we are all involved in but unless there is some sort of cooperative spirit among all members in the House, and particularly among members of the community, the crime rate will continue to increase as it is increasing all over the world, because it is mainly an urban problem and we live in the most urbanised society in the world.

Because time has flown by I will just quickly touch on the arts, something a little lighter. Melbourneans do not realise until they have travelled overseas that what they have on offer in the arts in Melbourne is better than what is available in any city of comparable size in the world. Wherever in the world one travels one will not find a city of similar size that has as much presented artistically as Melbourne has. For example, over the Christmas period five top professional musicals were being performed in Melbourne. *The Phantom of the Opera*, a splendid world-class production, was being performed at the magnificent Princess Theatre across the road from Parliament House; at Her Majesty's Theatre *Buddy* was being performed; *Return to the Forbidden Planet* was on at the Comedy Theatre; *Hair* was playing at the Athenaeum; and at the State Theatre one could

see *The King and I*. As I said, five top musicals were running at the same time in this city.

At any given time, one can see a production of the Melbourne Theatre Company; one can go to the opera — the Australian Opera now; the Victoria Opera season will be in full swing soon — or one can go to the ballet or visit the National Gallery of Victoria and countless other arts associations.

Melbourne is the centre of Australia's film renaissance. I am sure that you, Mr Speaker, along with many other honourable members, have seen the film *Proof*. I am also sure that honourable members who have read their airmail copy of the *London Observer* will have noted that *Proof* was listed as one of the 10 best films in 1991. That is the first time in many years that an Australian film has appeared in the *London Observer* as one of the 10 best films of the year. *Proof* was made in Melbourne with a Melbourne cast by a fine Melbourne production team.

The Melbourne-made film *Spotswood* has been released in 116 cinemas in the United States of America. By a stroke of genius, the producers had Anthony Hopkins perform in *Spotswood* before he won his Academy Award and received such high acclaim for his performance in *The Silence of the Lambs*. The producers did a wonderful bit of casting in gaining Anthony Hopkins for *Spotswood* and, as I said, that has now been released in some 116 American cinemas.

In Melbourne we have just enjoyed the Comedy Festival, during which something fantastic could be seen night after night. Next we will have the New Wave Festival. There is always something artistic happening in Melbourne. As I said, I do not know of a city of similar size anywhere in the world that has the range and quality of artistic performances available in Melbourne.

Mr PERRIN (Bulleen) — The Supply (1992-93, No. 1) Bill is important. I have been disappointed by government speakers because I think the most important issue in this State is unemployment but honourable members have heard nothing from the two government speakers on this topic. Not only have they not mentioned unemployment but they have not explained its impact. I should have thought that the debate on the Supply Bill, presented in the dying days of this government, would have provided the ideal opportunity for government members to explain how Victoria has reached its

highest level of unemployment at any time in its history.

Honourable members have spoken on all kinds of topics but not one member of the government has referred to the most important issue of the day. No doubt can exist that this State needs to go to an election and it needs to go as soon as possible. If an election is not held, everything that has ever been achieved in this State will be lost.

Having mentioned losses, I refer to the greatest tragedy this State has witnessed over the past years: the losses incurred by this grossly incompetent and foolish Labor government. I have here a list of losses that total \$12 187 million. They reflect gross incompetence and the loss of taxpayers' money. In every instance, taxpayers must foot the bill for the government's losses.

I refer to a few of the organisations that have incurred losses. At their peak, the losses of WorkCare reached a staggering \$4249 million. At their peak, third-party motor vehicle insurance lost \$2278 million. The State Electricity Commission (SEC) and other statutory bodies suffered stock market losses of some \$918 million; foreign exchange losses in the SEC amounted to \$714 million. The Victorian Economic Development Corporation (VEDC) and the Victorian Investment Corporation (VIC) lost in excess of \$135 million. State Bank Victoria and Tricontinental Corporation Ltd will cost Victorian taxpayers in the order of \$3 129 million. The National Tennis Centre has lost something like \$26 million and the Pyramid Building Society losses that will be picked up by the taxpayers of Victoria are some \$657 million. All of those add up to \$12 187 million and represent gross incompetence and losses incurred by the government.

One must understand the effect of the losses because they will impact on every level of Victorian society. I refer to WorkCare losses, to which the government's reaction was to ram up WorkCare levies. I ask: what has been the effect of that?

Mr Maclellan — More unemployment!

Mr PERRIN — As the honourable member for Berwick interjects, the effect has been more unemployment. Clearly labour has become too expensive for employers. The result has been an incentive to reduce staff.

I refer also to the Transport Accident Commission because Victorians know that we are paying for its

losses. We are also paying increased third-party insurance premiums every time we pay our motor vehicle registration fees. The extra cost of picking up those losses has been something in the order of \$85 per vehicle per year. All Victorians are paying for the losses incurred. The losses of the SEC and VEDC have to be picked up by Victorian consumers.

However, the two losses about which I am most concerned are those relating to State Bank Victoria and Tricontinental Corporation Ltd. The Auditor-General has said that the cost of those losses will be \$3 129 million and they must be picked up by Victorian taxpayers. I ask honourable members to reflect on how Victorians will be affected by those losses. I will now tell honourable members what is the effect: firstly, State Bank Victoria has gone; the State Insurance Office will be sold off as will other assets of the State. That action is being pursued in an endeavour to raise the finance required to cover the cost of the losses incurred.

The effect of selling State assets is a loss of revenue to the State of the order of \$50 for every Victorian for each year forever. That revenue is foregone forever. The loss will cost an average family of a mum and dad and two children effectively \$200 a year, or \$4 a week; that will have to be picked up by Victorians.

I refer to the Pyramid petrol tax. From the Auditor-General's report honourable members are aware that the losses incurred by the Pyramid group will cost Victorian taxpayers some \$657 million. I ask honourable members to reflect on how those losses will be financed. The answer is that every time any Victorian goes to a service station the losses of the Pyramid Building Society will be funded through a petrol tax. The cost will be some \$20 for every Victorian for every year. For the average family of four persons the cost will be \$80 a year. On top of that, motorists must pay \$70 motor vehicle registration fees, as provided in the last Budget.

I am concerned that during the debate on this, the last Supply Bill of this government, the gross incompetence and losses suffered by Victoria are being continued. All honourable members will agree that Victoria is having the recession that the Prime Minister, when he was the Federal Treasurer, said we had to have. Victoria has experienced the worst of the recession and seems to have the worst economic outlook, yet we have heard nothing at all about it from the government.

Government members do not seem to believe there is a recession. Two speakers from the government

side of the House have participated in this debate and neither mentioned the fact that Victoria is experiencing the worst of the recession.

To illustrate how bad the economic downturn is I shall quote from the January 1992 issue of the *MBAV Building and Construction Quarterly Economic Review*, a publication of the Master Builders Association of Victoria. An article headed "Economic Outlook" says in part:

The recession has taken heavy toll of the construction industry. In the year to the September quarter of 1991, when real GDP fell by nearly 1 per cent, construction's contribution fell by 10.1 per cent ...

The States have fared differently too. In the past year Queensland has recorded the smallest fall in employment, Victoria the largest.

Not one member of the government has spoken about either unemployment or the recession we had to have, even though the Supply Bill provides an excellent opportunity for honourable members to speak about those matters.

The March unemployment figures, the most up-to-date figures available to me, show that Victoria, with a rate of 11.6 per cent, has the highest unemployment level in Australia. It is staggering that members of a government that is about to go to the people and be defeated have not mentioned that Victoria, which is feeling the economic downturn most severely, has the highest unemployment level in Australia.

It worries me most that while 11.6 per cent of Victorians are unemployed young people are feeling the worst effects of the recession. The figures available for the March quarter show that almost one in two of Victoria's young people are unemployed. That is an absolute disgrace!

I am interested in whether any Labor member of Parliament will debate youth unemployment, which is running at approximately 46 per cent. All honourable members will know a young person who has finished schooling, has passed, but has not been able to get into a college or university and has not been able to find a job. Approximately one in two young people are in that position. It is a disgrace that we have to debate this situation.

I have given the raw statistics and I shall now concentrate on the effects unemployment is having on people. The honourable member for Brighton

said that families are in crisis and are breaking up. A huge number of social problems seem to be emerging because of the terrible unemployment created by the Labor government.

I shall quote the latest statistics from the Salvation Army concerning the emergency relief it provides. In one of its publications the Salvation Army says that in 1988 it provided relief in 72 767 cases; by 1989 the figure had dropped slightly to 71 509; in 1990 it skyrocketed to more than 102 000; and to 30 June 1991 the Salvation Army had provided emergency relief in more than 86 616 cases.

The cost of providing that relief went from approximately \$2 million in 1988 and 1989 to \$3 million in 1990, and \$3 million of emergency relief was spent in the nine months to September 1991. That is clear indication of the social cost of unemployment.

I am staggered that we are talking about this issue and that the effects of unemployment have not been analysed. During the debate on the Budget I spoke about a family that was so destitute that the parents put their children into family care and, because they were concerned, parked outside the family care agency and lived in their car so that they could be close to their children. It is a disgrace that families are put into situations like that in this day and age in Victoria.

Families in Melbourne are breaking up and people are even prepared to live in their cars to keep their families together. That sort of thing happened in the great depression!

An honourable member interjected.

Mr PERRIN — It was one of the family care agencies in Melbourne, I think in South Yarra.

Another agency concerned about unemployment is the Family Action organisation. The Reverend John Taylor, Executive Director of Family Action, has warned of the severe effects of high unemployment and its attendant social consequences. The organisation was so concerned that it wrote to every State and Federal Minister and shadow Minister. In an item headed "Unemployment" the autumn 1992 issue of *Family Action in Focus* says:

Opposition members and the Australian Democrats have responded, though at the time of going to press no responses have been received from either State or Federal government Ministers.

Welfare agencies that are concerned about the social impacts of unemployment have written to State and Federal members of Parliament and although they have received answers from opposition and Australian Democrat members they have had no responses from State or Federal Ministers.

I have seen many effects of unemployment in my own electorate. I reiterate the point made by the honourable member for Brighton that many people who are unemployed never show up in the statistics. There are people in my electorate who are unemployed, but because they have received redundancy packages and are eking out an existence on those packages they do not show up in the statistics and are not included in the 11.6 per cent overall unemployment figure for Victoria.

Mr E. R. Smith interjected.

Mr PERRIN — It is not a matter of pride; they have sufficient money from their redundancy packages to eke out an existence and they do not show up in the statistics.

I am sure you will agree with me, Mr Speaker, that many people are affected by unemployment. People have told me that their houses are under threat, their marriages are breaking up or that disputes and violence are occurring in their families.

Just before Christmas the local welfare organisations in my electorate ran out of money.

Sitting suspended 6.30 p.m. until 8.3 p.m.

Mr PERRIN — Prior to the suspension of the sitting I outlined the government's losses and the high rate of unemployment. Victoria has had its credit rating downgraded twice by the two major credit rating agencies. Victoria now has the lowest credit rating of any State in Australia. That is disastrous for the Victorian taxpayer because it means the State will pay more for its borrowings.

On 4 February 1992 Standard and Poors — Australian Ratings issued a statement on Victoria's credit rating, particularly in reference to the Budget sector and statutory authorities such as the Gas and Fuel Corporation of Victoria, the State Electricity Commission, Melbourne Water and the State Insurance Office. It says:

Victoria does not rate as highly as the other larger Australian States in view of the limited fiscal flexibility available to the State government on account of its

relatively high debt servicing burden and the subdued nature of the State's medium-term economic prospects ...

Low business and consumer confidence is still evident in the State following the difficulties experienced by certain Victorian-based financial institutions in 1988-1989 and 1989-90 and the declining nature of some of the State's more highly protected manufacturing industries.

On the State's future prospects the statement says:

Outlook — negative.

It goes on:

Victoria's rating outlook is negative associated with the limited room available for slippage in budgetary performance, and doubts about the capacity for corrective adjustment, in meeting the fiscal targets underpinning the State's current rating.

In other words, Victoria has no prospect of improving its credit rating in the future because the outlook is negative and, unfortunately, this will impact on the government's cost of borrowings.

Moody's Investors Service has also downgraded Victoria's credit rating twice. On 4 March 1992 it issued a statement that contains the following:

Victoria's main problem, the inability to control recurrent expenditure, remains the major negative element and, contrary to the government's claims, is still largely unaddressed.

In other words, both Standard and Poors and Moody's Investors Service clearly state that Victoria's credit rating will not be upgraded to the level of the ratings of other States in the near future because the government cannot control its Budget or its destiny. It is an indication of the impact of the government's policies on all Victorians.

I turn now to the different ways in which the government has cooked the books, particularly the Budget.

Mr Steggall — And fiddled the figures.

Mr PERRIN — Yes, and fiddled the figures. The government has distorted the Budgets it has presented to the House. The opposition has estimated that the total amount of the government's fiddles is approximately \$812 million. The

government has deferred Budget expenditure. The opposition has identified approximately \$400 million of deferred Budget expenditure relating to: grants to non-government schools; reimbursements to municipalities for rate subsidies; library grants that are deferred; reimbursements that are not paid; the replacement of ambulances; superannuation contributions; and finance charges not paid.

The other area in which the government has fiddled the books is revenue collection that is brought forward from future Budgets. The opposition has identified \$190 million of fiddles. The recall of advances amounts to \$97 million. The revenue collection for the Farrow group amounts to \$64 million. Transport charges amount to \$13 million. Other areas include the racing industry and traffic notices.

Accruing interest is another means of fiddling the books. The government has deferred accrued interest so that it does not show up in the current Budget. The net effect is that some \$202 million of accrued interest is not shown in the 1991-92 Budget. The honourable member for Brighton correctly indicated that the situation is even worse than that. The government is loading the interest so that interest is paid when the loans become due. It is an indication that the government is not capable of producing an honest Budget.

The next area I shall cover is the Budget deficit. Speculation has arisen about whether the Budget will come in on target, and that target is supposed to be a deficit of \$1500 million. It is staggering to me that that target would be acceptable to a reasonable and respectable government and that the government would allow borrowings of \$1500 million in one year to balance its Budget, but that is the situation.

The figures for the nine months to March this year show that the Budget deficit has blown out to \$1737.3 million, yet the Treasurer's response is that the Budget will come in on target and that we can achieve a reduction of \$1737 million to \$1500 million! Of course, I do not believe that is possible because the government has never been able to balance its Budget since the day it was elected and things are getting worse from year to year.

I turn now to the borrowings of the State and particularly to the debt levels. The debts of this State total approximately \$61 500 million, which works

out at about \$13 800 per head of population. The borrowings are important not so much for the debts they have incurred for the State but for the interest costs that must be paid from the Budget. At present approximately 30 per cent of our taxes are used to pay interest. People should understand that our taxes are not being used to provide services such as schools, libraries, police and public transport; 30 cents in every \$1 is used to pay interest on the debts of the State.

One has to add to those debts the hidden debts, and they are many. The unfunded liabilities within the government's superannuation scheme have moved from \$4000 million in 1982 to an estimated \$17 700 million in 1991, which is an absolute disgrace.

The Victorian community has experienced 10 years of hard labour from the government. Any economic indicator one would like to examine shows that the situation has got worse since the days of a conservative government in this State. It does not matter whether one looks at employment, spending, taxation increases or public transport fares; one finds that in the last 10 years the increases are far beyond what one would expect to coincide with the population increase.

Things have not improved under the Kirner government as opposed to the Cain government; they became worse yet again. Under the Kirner government youth unemployment in particular has got worse. The number of new motor vehicle registrations has decreased and taxes and charges, particularly for gas, water and electricity, have soared. We all remember the former Premier's pledge, which has now been discarded, to fix gas, water and electricity charges so that those services would not cost a dollar more. That promise went out the window.

Public transport fares have increased by 34 per cent under this government; driver's licence fees have increased by 26 per cent and gas, water and electricity charges have increased by an average of 13 per cent. The people acknowledge that and they want a change of government. I look forward to an election; I would have one tomorrow. I am happy to go to the people. I trust the people. I am not afraid of the ballot-box because I know the record I have put to the House tonight would stand our side of politics in good stead in fixing up the problems I have outlined tonight.

Mr HAYWARD (Pahran) — I am happy to participate in this debate, but I am sad to have to bring before the House examples of what I consider to be gross hypocrisy on the part of the government in the area of education. I again refer the House to the statement made by the Premier entitled *Priority Victoria* and, in particular, to the section under the heading "Upgrading our Schools", which states:

Schools will benefit from an \$8 million program.

Sadly, despite that rhetoric, it appears that large cuts are being made to education programs, and sadly it appears that those cuts are being made in areas that can least bear them. It is not necessary to take my word for that. I refer the House to today's *Keilor Messenger* newspaper with the headline "\$3m school cash cut". The report states:

The State government is trying to play down \$3 million in cuts to schools in the western metropolitan region. Government officials and the member for Niddrie, Mr Bob Sercombe, said the region would not suffer because of cuts to the works and services budget, part of \$10 million slashed Statewide so the education department could meet its budget.

That is a rather strange situation because the honourable member for Niddrie is reported as saying later in the article that the cuts were no greater in the Western Region than elsewhere. There are eight regions and if it is the case that there is a \$3 million cut in one region and that the cuts in that region are no greater than elsewhere, the figure should be eight times \$3 million, which is \$24 million rather than \$10 million.

On the other hand, if the honourable member's statement as reported by the *Keilor Messenger* is correct and the cuts are only \$10 million, a \$3 million cut in the western region means the western region is bearing nearly one-third of the cuts. I believe that is victimising the western region and is very much against the interests of that region.

I have had the opportunity of talking with a number of principals and teachers in western region schools where some excellent programs are being conducted. Despite the burden of the huge bureaucracy in education and despite the attempts by the government to undermine what those individual schools are doing, my observation is that those schools are very creative and that they are seeking in innovative ways to find answers to many of the problems facing them. Those schools now have to bear a much greater burden than they have

in the past because, increasingly, we are tending to expect more of schools. In fact, we are expecting too much of schools, particularly in dealing with social problems.

As the teachers and principals in these regions have said to me, the problems and pressures of the recession and the burdens placed on families are reflected in the schools and the teachers have to do more than they have been expected to do in the past in attempting to help students and their families. Therefore it is sad that the government has imposed a \$3 million cut on schools in the western region. The principals and teachers have told me that because of those cuts many of the innovative programs that the schools had under way will be restricted. It is even worse if the western region is bearing almost a third of the overall cuts. That is a terrible indictment of the government and shows that it has gotten its priorities wrong and is discriminating against a region of Melbourne that needs the maximum amount of support. Clarification is needed on this issue. We need to know whether the western region is bearing a higher proportion of those cuts than are other regions. The government should immediately redress that situation.

Another major problem facing schools in the western and other regions of Victoria is the government's plan to cut back on administrative staff in schools. It intends to change the formula for the appointment of administrative staff in schools. The net effect will be a net reduction in administrative staff in most schools. The staff are very important to schools for a variety of reasons: they facilitate and support the proper and effective administration of the schools and they give vital support to principals and teachers. Many principals and teachers say they are being asked to bear an increasingly higher administrative burden. That diverts their time and efforts from performing a fundamental and vital educational and leadership role — the role of teaching and giving support to students.

This hypocrisy goes on and on. Rather than upgrading Victoria's schools, sadly, the action of this government is undermining them. I refer to the Werribee Secondary College, which is in your electorate, Mr Speaker. I know you are very familiar with and supportive of it. I recently visited that college and was horrified at the working conditions under which a number of teachers work.

As you would be aware, Mr Speaker, one of the staffrooms is a converted storeroom, and that is a very unsatisfactory situation. There is a question of it being a fire hazard; it is overcrowded, and it is difficult for the teachers to hold proper discussions with the students there. It is vital, especially for Victorian certificate of education (VCE) students, for teachers to discuss individual projects with their students and give them advice.

When visiting the Ballarat North Primary School I was very concerned to note the shocking condition it was in. There is no proper insulation so it is very cold in the winter and stiflingly hot in the summer. There are problems with the roof and the fundamental structure of the school. Another example is the Wantirna Primary School.

Mrs Hirsh interjected.

Mr HAYWARD — No doubt the honourable member for Wantirna will be able to make her contribution to the debate.

The SPEAKER — Order! If the honourable member for Wantirna wishes to make a contribution she should await her opportunity.

Mr HAYWARD — I should be happy if the honourable member for Wantirna could provide other information which corrects the information I have. My information shows a very sad situation. I wonder whether the honourable member for Wantirna will be able to tell us at a later stage whether it is true that there are only five toilets for 380 students. I have been given that information by teachers at the school, the school council and other people directly involved with the school. It will be a great relief to me, and I am sure to the students, if they learn they have more than five toilets!

The students at that primary school have to queue to go to the toilet. That is a fundamental facility, a basic physical amenity. Teachers of the school have said they are worried because the young children face potential bladder problems because they are reluctant to queue to use the toilet and sometimes contain themselves until they arrive home. It will give me great relief if the honourable member for Wantirna is able to dispute that information. It will certainly bring great relief to the students involved! The problem has been extensively covered in various newspaper reports, of which the honourable member for Wantirna is no doubt aware.

I recently visited the Heywood Secondary College where the space available to students and teachers is inadequate and is undermining their ability to handle the complex VCE-type situations. I saw VCE students having to work in the canteen.

While the government alleges it is helping and supporting schools it is undermining them through the extraordinary situation relating to school cleaning. The government will not allow schools to contract out this work. In an endeavour to save money it has reached a strange agreement with the Federated Miscellaneous Workers Union of Australia — and this is documented and not open to dispute. In summary, the agreement imposes a rigid formula on schools as to the amount of cleaning that is available to them. They have to designate what are called low usage areas. This is set out in a memorandum from the chief general manager of the former Ministry of Education and Training, which states:

Once a school principal has received notice of above entitlement space, the following guidelines are to be used in identifying low usage area:

the low usage area defined by the school must result in a reduced cleaning requirement for the cleaner(s). Schools may not continue to make full use of facilities and have those facilities cleaned less frequently — this would result in a decline in cleaning standards which the department will not endorse.

It is extraordinary that important areas of schools are now cleaned only once a week, resulting in schools being unable to use them regularly. The net effect is that schools are being deprived of vital facilities and space.

This is a serious issue for VCE students, who are already facing many complex problems. They require special facilities and space to complete their tasks. The union agreement dictates what will be taught in schools, what programs will operate and how school facilities will be used. It has been suggested to me that the government's hidden agenda is to abolish the jobs of part-time cleaners.

Honourable members need not take my word for it because I will refer to direct evidence from schools. I have received an enormous amount of correspondence on this issue but I have selected two letters from the country and the city. In a letter of 28 February the Secretary of the Casterton Secondary College Council, Barbara Lipscombe, said that vital areas of the school will be closed for four

days each week. In other words, they will not be available to the school. They include a gymnasium and an automotive area, which is very important in helping to train students for future jobs. A careers room will be available only one day a week because of this strange agreement between the government and the union. It is a tragedy that a careers room is not available when students are trying to obtain information on their future careers. The art room will not be available to train for job opportunities for the future. The sheep and wool room — wool is an important industry in the Casterton area — will not be available four days a week. Other areas include the commerce room and the sports stadium. The letter states:

This closure means that each week the following classes must work in non-specialist rooms whilst their purpose built facilities remain locked.

Those facilities are designed to assist the future job opportunities of students but because of this strange agreement they will be closed to students for four days a week. It continues:

Next semester our curriculum offerings to students in years 8-10 and the VCE will need to be reduced to accommodate the room closures. There would be little or no point in for example taking automotive studies in a general purpose classroom.

The letter speaks for itself. When one reads such letters and talks to students and teachers one wonders what the government is on about. Does the government have any idea of the practical implications of its policy on schools? The whole issue is extremely distressing. It undermines the ability of schools to provide proper training and services for students.

A letter of 30 March from Caulfield Secondary College Council is further evidence of this sorry story:

For a variety of reasons, we consider it to be an ill-conceived proposal which has all of the characteristics of aloofness and remoteness from the daily operation of schools that we often associate with senior management in its administration of government schools.

What an indictment of the government. The school and parents have gone to great lengths to raise funds externally. The letter states:

... to create a range of exciting facilities that we have funded ourselves.

In other words, just like the school in western Victoria, this school has tried to further the education of its students by providing innovative support. The letter continues:

Publishing house equipped with desk-top publishing facilities of high quality.

Year 7-8 resource unit equipped with 10 printers and computers, with black out facilities and a small library.

Instrumental music room equipped with three sound-proofed music practice booths which provide for three unlike instruments to be played simultaneously in one classroom, without disturbance to the classroom next door.

Mathematics computer substation with 10 computers and printers located in a converted storage area, between the two classrooms used for the teachers of senior mathematics.

What an important and valuable facility for students and the school. The letter continues:

Year 11 common room

Year 12 common room which enabled us to keep student lockers out of the passageways, and take the pressure off the library, as a working location for students during free periods.

It is important to provide these facilities for VCE students. It continues:

If we are asked to close down eight classrooms or their equivalent, we would have to close down some or all of the areas described above. How this can conceivably be to the advantage of the DSE is beyond comprehending.

The inequity contained in the proposal is staggering!

They are the words of the letter, not mine. Because of this ludicrous situation — —

Mr Steggall — Crazy!

Mr HAYWARD — It is crazy. There is no sensible explanation or excuse for it. The school and the students will be deprived of the use of the specialist facilities. The government talks about putting more money into schools and upgrading them while it

withdraws funds from programs to which it is allegedly committed.

The school reorganisation program, a program that is full of controversy and about which the coalition has grave reservations, has been forced on some schools. The government has forced schools into reorganisations or amalgamations but has provided insufficient funds to implement the reorganisation. The problems go on and on.

Another recent disturbing occurrence was the government's grab for money from school bank accounts. The government proposes to centralise all school bank accounts and let school banking out on a form of tender. The government will call for a tender from a single financial institution to consolidate all school bank accounts. The reason for this approach is simple. As part of the tender process the government will sell the right to handle school bank accounts. There is no mystery about the government's intention. It wants to get \$6 million per annum by selling that right to a single financial institution. Unfortunately that will take away the autonomy of schools to control their own bank accounts. It will remove the freedom of choice from schools and, most importantly, the schools' affiliation with local banking institutions will be lost. That affiliation is extremely important and helpful to schools because it gives them local support.

The worst aspect of this sorry saga surrounding centralised school banking is that the government is trying to blackmail schools by threatening to reduce their school grants by the \$6 million a year it hopes to get by selling the tender. They are not my words; that threat has been made and is well documented. It is shocking that the government should attempt to blackmail schools.

Another issue is the hoax the government is playing on non-government schools about VCE library resources, which are vital to VCE students. Many schools do not have enough reference material and students are seeking material from municipal libraries. Honourable members are aware of the significant pressure being imposed on municipal libraries by VCE students and the fact that they do not have the resources or staff to provide the service required by students. Many VCE students are being deprived of those resources. As recorded in *Hansard* of 8 April 1992 I said:

On 26 January this year the Minister issued a media release in which he said that a \$5 million grant would be made available for library resources so that all

students could have access to the best range of reference material.

The opposition has long called for additional library funds. I continued:

The Minister further referred to this grant in a radio interview on 3LO on 19 February. The compere of the program asked:

Is this for all the schools across the board?

And the Minister replied:

Absolutely, that's all schools.

The tragedy is that the funds will not be made available to non-government schools. The opposition understands that the government's first responsibility is to government schools. No doubt some government members would ask, "Why should we be required to provide funds to assist libraries in non-government schools?" The VCE has been imposed on all schools, including non-government schools. It has put financial pressure on those non-government schools whose libraries are inadequate.

Although there are some wealthy non-government schools, many are battling to survive. A number of Catholic parish schools fall into that category. We know the pressure being placed on those schools and the Catholic parishes are being asked to provide more support. The Minister gave an undertaking to provide library resources for all schools. He has gone back on his word not only in his media release but also in his radio interview. He should immediately ensure that the resources are made available to non-government schools.

Schools and teachers no longer trust the government. An example of that is the sad situation in which the government announced that it would provide enhanced retirement packages for teachers. It requested teachers to apply for those packages and gave an indication that it would go ahead with them. More than 200 teachers applied. They were originally to receive their offers in the first week of March and their resignations were to be effective from 11 April. Nothing has happened since.

On the one hand the government has held out this expectation to teachers — and many teachers have made plans accordingly — but on the other hand because of the financial mess it will not go ahead with its arrangements. That further undermines the trust teachers have in the government.

I shall briefly refer to another matter causing concern to schools — the broadbanded national equity programs for schools. This proposal, which comes from Canberra, affects the disadvantaged schools program, the country education program and other equity programs. The intention is to provide block funding rather than specific grants for specific programs. So far as the disadvantaged schools program is concerned, the Kirner government has diverted some of the Commonwealth funds that were destined for schools. The schools are worried that that will happen not only to the disadvantaged schools program but also to other programs such as the country education program, which is vital to isolated country schools in Victoria. The government will skim off those funds and the schools will not have proper access to them.

The government takes a hypocritical approach to education.

The SPEAKER — Order! The honourable member's time has expired.

Mrs HIRSH (Wantirna) — I support the government's position on a number of matters, particularly the enormous benefits the government has provided to the outer eastern suburbs of Melbourne, including an area represented for some seven years by the honourable member for Forest Hill who has totally neglected that part of Wantirna he purports to represent. He has left it to me and other members in the area to try to look after his constituents.

While the honourable member for Prahran is in the Chamber, I shall tell him the truth about the Wantirna Primary School. The school did not know that the honourable member for Forest Hill was its representative. The honourable member is the closest Liberal Party representative to my electorate. He paints a poor picture of what is happening in that area. The honourable member would not have a clue about the Wantirna Primary School, which has never been in the Wantirna electorate — it has always been in the Forest Hill electorate.

The school approached me in desperation and said, "We don't seem to have a local representative looking after our interests". The school noted that many schools in the Wantirna electorate were well represented and gaining access to a number of government resources to look after school problems.

It was discovered that stage 2 of the Wantirna Primary School had not been completed.

An honourable member interjected.

Mrs HIRSH — It was about the toilets. Recently I led a deputation of the primary school to the Minister. They were concerned because their local member does not care about the school and has never taken an interest in it. On behalf of the parents and the children of that school I explained to the Minister the problems the school was experiencing. That is what local representation is all about.

If the honourable members for Forest Hill and Prahran kept themselves up to date they would know about the problems the schools are experiencing. If the honourable member for Forest Hill visited that school in his electorate and had discussions with the school council and the principal he would discover that many of the issues have been resolved.

Mr Hayward interjected.

Mrs HIRSH — Tell the local member to ask the school council. Get yourself up to date with what is going on and then you will know what is happening! Look up your local member! Ask John Richardson what is going on!

Mr Hayward interjected.

The DEPUTY SPEAKER (Mr Norris) — Order! The honourable member should address the Chair.

Mrs HIRSH — I do not imagine the local member knows. Imagine if the outer east had more Liberal members than it has now! We would have total neglect as we had for so many years prior to 1982. The outer east suffered from absolute neglect, nothing was done. That fast developing residential and industrial area was totally neglected by the Liberal Party for many years.

The Labor government has opened a school in Rowville every year for the past three years, and that trend is continuing. Karoo Primary School in Rowville opened this year to accommodate the expanding population in that fast developing area. Heany Park Primary School is under construction and will open in 1993. Rowville Primary School is the largest primary school in Victoria.

Mr Hayward interjected.

Mrs HIRSH — You have been to Rowville? How interesting! It is a wonderful school and I am amazed you travelled out that far. It is the best school in the State.

Mr Hayward — A fine school with fine teachers.

Mrs HIRSH — What a pity you have not bothered to go to Wantirna in recent weeks — you should get out to Wantirna!

The DEPUTY SPEAKER — Order! The honourable member should address the Chair.

Mrs HIRSH — The honourable member for Prahran should go to Wantirna and see what is happening there. In the outer eastern areas of Melbourne the Labor government has done extremely well in education matters, particularly in Knox.

Honourable members interjecting.

Mrs HIRSH — The suburb of Wantirna is well within Knox, for the information of honourable members opposite. Wantirna is and always has been a part of Knox. The primary school is part of Knox. That municipality is the most progressive of all municipalities throughout Victoria. It is well represented over most of its area — except for the western strip which suffers somewhat from neglect because it became part of the electorate of Forest Hill!

Knox is a progressive area and, as I have said repeatedly, schools in Rowville and surrounding areas are opening yearly. The government's planning in that regard has been impeccable. Plans have been drawn for a new secondary school next to Park Ridge Primary School in Rowville. A preschool and infant welfare centre is planned to accommodate the expanding population.

I am aware of the situation at the oldest school in the Ferntree Gully area. The Minister is aware of the need for a new gymnasium at Ferntree Gully Secondary College. I am very familiar with that excellent school, having been involved with it in a number of ways for about 15 years. That hall or gymnasium is sadly in need of replacement. The school was built many years ago; it was a cheap and nasty construction, and none of the buildings has survived for more than 20 years.

Another important issue for residents in the outer eastern suburbs is that of child-care. I recall having to return to work in the 1970s after the death of my

spouse. I had young children and because there was no child-care it proved almost impossible for me to go to work. I could not afford to pay to have my children cared for so I was lucky that my mother moved into the area and looked after them. Had that not happened I am unsure how I would have supported my family. That situation applied in the early to mid-1970s — the Fraser years.

In the past decade under the Labor government young mothers have been able to work because of the high quality and affordable child-care now available. In the outer east a series of child-care centres have been funded by the government to cater for our young children. Those centres have very high standards. We have an innovative program of preschool and after-school care which enables parents of school-aged children to work full time in the city, knowing their children are safely cared for before and after school. Everyone will remember the many years under Liberal governments when latch-key children were evident. What a disgrace! Thankfully, that problem has disappeared because of the Labor government.

People should remember what Labor governments have done to change our society; the provision of child-care has been a major change. Honourable members opposite may scoff at some of the programs that have been introduced by the Labor government in the past decade but they would soon know if they were not available!

I also wish to speak about the record of the Labor government in its housing program, particularly in the provision of public housing. Everyone has seen the old bed-sitters that past Liberal governments thought were the only entitlement for our elderly citizens. A number of such units remain in my electorate but are quickly being replaced. The bed-sitters constructed by the Liberal government during the 1960s and 1970s were an insult to anyone aged more than 55.

Mr Cooper interjected.

Mrs HIRSH — I take up that interjection: standing here and trying to talk in front of this mob would give anyone indigestion!

The waiting list has grown because public housing is desirable, and the electorate wants public housing to be provided. When Labor came to government Victoria had a few tacky and second-rate government houses. People in the bush are well

aware of what the Labor government has provided by way of public housing.

Mr Stockdale interjected.

Mrs HIRSH — How much public housing do you have in Brighton?

Mr Stockdale — More than you, dearie.

Mrs HIRSH — If you have more, that's good.

Mr Steggall interjected.

The DEPUTY SPEAKER — Order! The House will come to order. The honourable member for Wantima will address the Chair, and honourable members on my left will cease interjecting and try to obey instructions!

Mrs HIRSH — Mr Deputy Speaker, you would be aware of the changes made for the better in your electorate as a result of the government's provision of public housing over the past decade. So-called elderly person bed-sitters were an absolute disgrace. The one or two-bedroom units the government has provided over the past 10 years are innovative and very much sought after, particularly because they allow our older citizens to live in dignified surroundings.

The building of bungalows — or granny flats, as they are more commonly known — has been of benefit to elderly people. I should like to see that concept developed for adolescents who find it difficult to live within the constraints of the family home. Many 14 or 15 year-old-boys — more so than girls of the same age — find it difficult to live in cramped family homes. The building of bungalows can ease family problems and enable young people to avoid the conflicts caused by living in cramped conditions. It would also obviate their need to look for more expensive housing, usually in inner urban areas.

Over the past couple of years I have chaired the Ministerial advisory committee on women and housing. The government has done a great deal to address issues of concern to women. One of the advisory committee's latest projects has allowed unemployed women to learn how to renovate the houses in which they live, which is especially important because significant numbers of women live in private sector housing that is not up to scratch. Teaching women to paint and carry out repairs to their houses has been of benefit. One idea

recently mooted involves encouraging neighbourhood houses, particularly in regional centres, to set up tool libraries from which women can borrow basic building tools.

The government has taken positive action in the area of women's health. One issue I should like to see addressed at the Federal level — it is not the State government's responsibility — is Medicare rebates for bone scans for osteoporosis, a disease common in women in their post-menopausal years. I intend to ask the Minister for Health to take up the matter at the next health Ministers conference, because it is unacceptable that Medicare rebates are not available for such women.

Some argue that the bone scans serve no purpose, but I believe they are important. Women whose grandmothers, mothers and aunts have suffered from the disease are advised to undergo bone density measurement examinations to see what effect their ageing is having on their bone structures. Where necessary the results of such scans enable women to change their lifestyles by doing weight-bearing exercises, choosing high-calcium diets and possibly undertaking hormone replacement therapy to prevent or delay the onset of the disease. I hope the matter of Medicare rebates for bone scans will be taken up by the Minister for Health at the next health Ministers conference.

An examination of the major infrastructure and social support provided over the past 10 years in the outer eastern suburbs of Melbourne, particularly in the City of Knox, shows the wonderful work the Labor government has done in providing support and assistance for families — and particularly for children, women and older people. The Parent Help program, which was first tried in the City of Knox, epitomises the work done by the Victorian Labor government in this area. The preventative program is specifically aimed at ordinary parents who, for example, have had their first child and need advice on how to care for and rear him or her.

All of us who have children will remember the first few weeks after our first babies were born. Those of us who are grandparents will remember our children's anguish during the first few weeks after their first children were born, particularly when the babies were crying and nothing would help. Parents often wonder what to do next — and when they get over that stage they have to deal with the problems that arise when infants start to walk and talk. Of course grandparents are absolutely sure about what needs to be done, but our children will not listen us,

claiming that they know best! Often they do; but more often than not they feel lost.

The Parent Help program, which began in Knox and now operates throughout the State, continues to be of assistance to parents who, although they do not have major problems, do not feel comfortable or confident in rearing their children, particularly in the early stages. The program enables them to undertake courses and seek a wide range of advice. Preventive programs are of particular benefit: they are cost effective and prevent major problems occurring at a later stage.

The government has a proud record in the construction of roads in the outer suburbs, particularly in the City of Knox. 10 years ago I well remember seeing lines of cars up to 5 kilometres long waiting to get onto major arterial roads to drive to the city. Now drivers can reach the city from Knox in approximately half the time it took them 10 years ago simply because the Labor government has duplicated the majority of arterial roads in the outer eastern suburbs.

In the 10 years since Labor came to government Stud Road, Mountain Highway, Burwood Highway and Ferntree Gully Road in particular have been fully duplicated. Because you had to line up on a single-lane road it would take up to 2 hours to get into the city from Knox. Now it is possible to get to the city in 50 minutes.

The current situation with public transport is a precursor to what will occur in the future because of the Labor government's commitment to public transport. The Telebus service in Rowville is a wonderful innovation that is much appreciated by the community. It is a successful service that operates to people's requirements. It is also cost effective, which I am sure the Treasurer appreciates. The double-decker train allows extra passengers to be carried and is an example of what the future holds for public transport. That service provides an excellent journey to the city.

Mr E. R. Smith interjected.

Mrs HIRSH — The honourable member for Glen Waverley has referred to the light rail, on which work is under way. The rails are due to be laid within the next month. Residents of Knox, particularly older people who do not drive or have given up driving, are looking forward to that service. In the western part of Knox there are seven or eight retirement villages, whose residents

thoroughly enjoy their trips to town, as do passengers travelling at peak hour.

The government has been innovative in its implementation of gaming machines. Elderly citizens in Knox are looking forward to the installation of gaming machines in the Knox Club and the Stamford Hotel. It is intended that machines using real money will be installed because most of the locals say that they like to hear the clink of coins. When the machines are installed it will not be necessary for people to take long bus trips to Mildura to spend the weekend playing gaming machines. They will be able to enjoy the recreation locally, which will mean more revenue for Victoria. It will also enhance the lifestyles of those people who live in the outer east, particularly those who live in Knox.

Mr E. R. Smith interjected.

Mrs HIRSH — You want to tell that to the elderly citizens in the area I represent who are excited by the prospect of gaming machines at the Knox Club and the Stamford Hotel. You do not have to worry about that for 1 minute.

During the 10 years that Labor has been in government it has worked closely with the local council and with the late Tim Neville, who was the chief executive officer of the City of Knox throughout that period. I pay tribute to the work he has done in conjunction with the Labor government, which has enhanced the lifestyle of the citizens and the resources available to Knox. As a result Knox is a good place in which to live. I recommend that any honourable member who has not visited the area should take the time to do so. Honourable members opposite would be welcomed by the ever-desperate Liberal Party members in the area. I invite them to come out at any time.

Mr E. R. SMITH (Glen Waverley) — We have learnt from earlier speakers that the Supply Bill is the last nail in the government's coffin. The message coming through every speech is that an election is vital. Victoria is in economic chaos. Everywhere we turn we hear stories about the plight of people who have lost their confidence in the government. In my electorate, as with every other electorate, employment levels are the highest they have been since the great depression. I do not know why it is referred to as the great depression because it was a horrible period in our history. Currently unemployment rates are at a similar level to those during that period.

Tonight I spoke to a man who employs 700 people in the printing industry. I had increased an order for material that the opposition required because it believes an election is imminent. The man said, "You have increased your order but under normal circumstances that would be a drop in the ocean. At the moment we appreciate every extra bit of work we can get because we have to look at our 700 employees to see whether we can keep them on. Thank you for putting more work our way because in the last month things have started to dry up. What we thought was the beginning of an economic recovery is now going backwards".

His remarks were reinforced this morning by a man I spoke to before I came to Parliament. He employs 40 people in the building industry. He said the same thing — the last month has seen the economy going backwards. The only way we can get confidence back into the economy is to have an election. After the election was held in the United Kingdom, when the Tories were returned with a handsome majority the real estate market picked up three-fold within two days. People had the money but were frightened to spend it, which is exactly what is happening in our community. The people who have the money are too frightened to invest or spend it. An election needs to be held soon so that confidence can be regained.

Mr Bildstien interjected.

Mr E. R. SMITH — As the honourable member for Mildura has just said, we need a fresh start. Unless we have a fresh start the way of life we have been used to since the second world war will move even further backwards and more jobs will be put on the line.

The government is full of promises but the community feels it has been let down. It feels it has been cheated. There is a sneering cynicism about every promise and announcement made by the government. The people are angry and they want to vent their anger on the government. Woe betide the government when an election is called because so many seats will be lost that the Labor Party will find it difficult to find a Leader of the Opposition!

The community disbelieves everything the government has said. The honourable member for Wantima would have honourable members believe that everything in that area is rosy. The honourable member for Wantima mentioned the Wantima Primary School. As the honourable member for Prahran told us earlier, there has been a

\$1.25 million breakdown in the plans to upgrade the school which has only five toilets for 380 pupils. The honourable member for Wantirna claimed that she had led a delegation to the Minister and that the situation had been rectified. If this problem had been rectified she would have released a statement to that effect. I am sceptical about her claim that the problem has been solved.

It is interesting that at the time the school council first discovered the problem the matter was referred to the education Minister and the Minister did nothing about it. At the same time it was discovered that one of his own secondary schools, the Monbulk Secondary College, was of a much higher priority than the Wantirna Primary School. Guess what! The money that was to be allocated to the primary school suddenly went to the Monbulk Secondary College, not for the building of classrooms or toilets but for gymnasium and sporting facilities. Under normal circumstances it is not a problem to share the luxuries of life but in this case pressure was brought to bear and the Minister reallocated the Wantirna money. That money, \$1.25 million, which should have gone to the Wantirna Primary School in December went instead to the Monbulk Secondary College.

Sporting facilities take priority over the education of little children so far as this government is concerned. If the honourable member for Wantirna wanted to refute that, she had the opportunity earlier. Her only response was, "Ask the honourable member for Forest Hill". All she could do was try to denigrate him. He will have his opportunity later, but had the situation been rectified she would have been trumpeting it throughout the electorate.

It is interesting that the honourable member did not explain why she is deserting the seat of Wantirna for that of Knox. However, that is something the people in the area will ask themselves at the next election.

One of the things the honourable member was reluctant to mention was the light rail system. The Minister for Transport has just arrived, so now we have three government members in the House! Perhaps the Minister can respond to this matter later. Last year the Premier, the Federal Minister for Land Transport and the Victorian Minister for Transport announced that they were putting \$6.5 million into an extension of the East Burwood tram route to Blackburn Road. Since that time not one clod of earth has been turned. I understand that the tramline is to go to Blackburn Road. There has been no mention of Knox and yet in a letter she sent

to all residents in her electorate — before she got preselection for Knox — the honourable member for Wantirna said:

I am pleased the extension of the light rail along Burwood Highway from Middleborough Road to Knox City is going ahead. It will be wonderful for our community.

At no stage was there any announcement of any light rail going anywhere near there. The press release by the Premier, the Federal Minister and the Victorian Minister mentioned an extension of the line from Middleborough Road to Blackburn Road and yet the honourable member for Wantirna has been trumpeting the fact that the government will extend the light rail to Knox City. That is not part of the government's plans; it is part of the woolly thinking of the honourable member for Wantirna.

Mr Hurtle Lupton, who will be the next honourable member for Knox, and Kim Wells, who will be the next honourable member for Wantirna, have been visiting their electorates and receiving the community backlash following the broken promises made by this government in every area of administration. They tell me that the announcement of the light rail by the honourable member for Wantirna was met with a certain amount of pleasure but as soon as it was announced by the Premier, the Federal Minister and the Victorian Minister for Transport the people realised that the extension to Knox city was completely untrue. I am sure the Minister for Transport could confirm that there are no plans to extend the light rail from Blackburn Road to Knox city. If the Minister wants to interject I would be pleased to hear from him.

The DEPUTY SPEAKER — Order! That would be disorderly.

Mr E. R. SMITH — Indeed it would be disorderly. We know there is no such plan. What the honourable member has said in her press release is completely and utterly untrue.

She has also been talking about the duplication of roads. There has been no duplication of Wellington Road from Dandenong Creek to Stud Road which is where it is needed, and I am quite sure the Minister could confirm that. The government is telling people a lot of old rubbish. It is not telling them the facts. It is making promises and breaking them. The government says "Trust us and vote for us". There will be a big message for the government out there.

The swing will be substantial and both seats will be losses for the Australian Labor Party.

The honourable member for Wantirna has returned to the Chamber. She talked about the duplication of Wellington Road and said the light rail would extend from Huntingdale railway station along Wellington Road. This is also part of her fairyland idea to complement the Burwood Road tram line. It is ludicrous for her to try to con the people of the district into voting for the ALP.

The honourable member also talked about new roads. There has not been 1 centimetre of new road constructed in the City of Knox in the past two years. The Liberal candidate for Knox, Mr Lupton, has given me the figures for 1991-92. The advice on the allocations indicates that \$1.24 million is the total for road works. Some of the allocations are: \$331 000 for the Mountain Highway for reimbursement of money already spent; \$110 000 for Ferntree Gully Road to continue remedial works between Harley Street and Scoresby Road; \$212 000 for annual maintenance of main roads; \$208 000 for maintenance reseals on main roads; \$100 000 for maintenance works on Scoresby Road between Power Road and the Mountain Highway; \$220 000 for road works at the High Street Road and Cathies Lane intersection; and \$60 000 to finish road works at the Glenfern and Napoleon roads intersection. Not 1 centimetre of new road has been built in the area, but if we were to believe the honourable member for Wantirna we would have all sorts of new roads.

The real problem is the development of a number of new estates, which has led to an extra 50 000 people in these areas. For these new estates in Rowville and Wantirna there are no proper entrances or exits to the estates. They are locked in like little islands by the lack of main roads. It takes 15 to 20 minutes each morning to travel the 2 kilometres along Wellington Road from Stud Road to Dandenong Creek. The information I am giving is from the Knox City Council. The honourable member for Wantirna commented before on how good that council was.

Mrs HIRSH (Wantirna) — On a point of order, Mr Speaker, the papers from which the honourable member for Glen Waverley is quoting are extremely interesting and I am sure I would find them of some use. I ask the honourable member to make them available to the House.

Mr E. R. SMITH (Glen Waverley) — Certainly. I am sure the honourable member for Wantirna will

find them illuminating because they are factual. If one adds to the \$1 241 000 allocated for road works \$80 000 to upgrade the traffic signals in Dorset Road, \$70 000 for traffic signals at the Glenfern-Napoleon roads intersection and \$9000 for incidentals, one reaches the grand total of \$1 400 000 but not 1 centimetre of new roads.

In fact there is a new road in that area, but it is not government funded. Because the government ran out of money the continuation of High Street Road from Stud Road, which should take one to Burwood Highway, a 300-metre stretch, has not been completed. The government has let the people down again, and the oil company, BP Australia Ltd, will now foot the bill and provide the money to the Knox council for that segment of the road to be completed.

A crisis has arisen in State Emergency Service (SES) funding. A fax was sent to me tonight by one of the members of the Pakenham SES, Mr Andrew Helps. It makes extraordinary reading. Currently almost all SES units performing road rescue services rely on municipal councils for their funding. Those councils are reviewing their funding support for local SES units because of Transport Accident Commission funding for this task.

Mr Robert Chappell, a solicitor for the Traffic Accident Commission (TAC), wrote to the Pakenham SES:

... \$1 593 696 has been paid in respect of road accident rescues provided by the Victorian State Emergency Service in the period to 4 March 1992. The State Emergency Service is part of the Public Service; the payments, belonging to the State, would have been paid into the Consolidated Fund.

When asked where this money was coming from the Director of the Victoria State Emergency Service, Mr Maggs, wrote to the controller of the Pakenham unit, Mr Philip Beveridge:

I note that your letter has not been submitted through the Central Region office in accordance with well established VICSES correspondence procedures. Your letter has therefore been referred, in the first instance, to your regional director for comment.

I note that in recent correspondence you have taken to imposing deadlines for replies. It is not now, nor will it be in future, the practice of this organisation to respond to deadlines imposed by volunteer units. Your correspondence will be attended to in due course, subject to priorities for other workload within this

office and the central region RHQ. A reply will be forwarded when the necessary information is available.

The Pakenham SES performs approximately 26 to 30 road rescue services for people who are trapped as casualties in motor vehicles. I ask the Minister for Police and Emergency Services whether he is aware that the lack of information emanating from the Victorian SES on the subject of TAC funding is placing a number of larger SES units in a precarious position financially? Will the Minister explain to the House what the director of the SEC has spent these funds on? If capital equipment items have been purchased with the funds, what were the tendering procedures and how many competitive quotations were received? Will the Minister give the House an assurance that the director of the SES will be instructed to consult with the SES units that perform the road rescues and reach an arrangement for the ongoing dispersal of TAC funds?

The units have reached crisis point. Mr Philip Beveridge, the controller of the Pakenham branch states:

It is of some concern to the unit that there has been no detailed correspondence from either your office —

that is, the office of the director —

or the regional office on the accounting process for these funds. During informal discussions with other units in the area it has become clear that the lack of information on this subject is also impacting on the financial planning for other units.

We have proof from the letter from the TAC's own solicitor that the money has been sent by the TAC. If the money has, as I suspect, gone into consolidated revenue to help pay off some of the government's other debts then, firstly, it is a scandal and it goes to prove what the honourable member for Brighton said in his address earlier and, secondly and more importantly at this stage, it will toll the death knell of the SES units because they will lose their funding from the municipal authorities and will not be able to perform the tasks they are currently carrying out.

Answers are needed and urgent action is required to ensure that the money being sent by the TAC in good faith to the SES units via the State director is not being moved sideways. An explanation must be given as quickly as possible. It is typical of a government that has let down the people of Victoria. Every action it takes is further proof of its incompetence and people with a sneering cynicism

towards politicians of the Labor variety have their cynicism confirmed.

I have also received a letter from a lady in my electorate, Mrs Barbara Jago of 3 Sandra Court, Mulgrave. She wrote to me about her daughter who is currently taking part in an adult education course and said:

I am writing to you regarding my daughter who is a full-time student doing a course in travel and tourism at Jetset Travel Training College.

I applied to the Met about obtaining a concession pass for her which I was refused. I then spoke to Bruce McDonald, stationmaster at Glen Waverley station, who was most helpful. He made inquiries on my behalf but was unable to help, as he was informed the college is not Austudy approved. In the past apparently the Met was reimbursed by the government but this has been withdrawn.

The Minister at the table ought to be taking this on board because it is an issue on which he has let down the people who were relying on him. The letter goes on:

Which means although my daughter is a full-time student she is not entitled to a concession pass. I feel this is totally unfair and as a taxpayer unjust.

This is the same government that talks about social justice, which is an absolute joke. Mrs Jago's letter continues:

I have heard that students at other private colleges are also most upset at this decision.

This is yet another example of the government letting down the people they promised they would look after, the same sort of empty promise we got from the former Prime Minister, Bob Hawke, when he said no child would be living in poverty by 1990. It is the same sort of day-to-day letdown that people feel about this government. People have lost faith in the government. It has lost all its credibility; it has gone.

As I said at the beginning of my contribution tonight, what we need urgently in this community at the moment is an election. We hear the government from time to time saying, "What about policies?" The policies are there. During the lead-up to the New South Wales election the Leader of the Opposition, Mr Carr, had an agenda for each day. Any government or any opposition that is so silly as

to put out its policies before it needs to have something the matter with it.

When it decides to call an election the government will very quickly find out what the policies of the opposition are. All I can say is that the sooner it calls an election, the better, because there are so many people out there who are hurting. We have seen what the banks have done to people during this recession. Many banks lent enormous amounts of money with very little collateral, and now when all the money that was lent has gone, it is the ordinary people who are now in trouble and who are having to make very special arrangements.

I must say that the hearings we have been given by managers and senior management when I have gone to them with constituents have been very fair, but members of Parliament should not have to get so involved with these types of activities. The government should be running the State so efficiently that we do not need to do that.

The fact is that one of the banks, the State Bank, the bank that the people of Victoria had been brought up to believe was almost as safe as the Bank of England, to use a colloquialism, was not safe. This government, through its mismanagement, was even able to squander the resources of that bank. What has happened to it? It has been taken over by the Commonwealth Bank. That was the sorriest day in the life of a proud State, when its bank was taken over, to the absolute shame of this government.

It is interesting that tonight we have had only a couple of contributions from government members, one being the honourable member for Wantirna, who was responding to the honourable member for Prahran, the opposition spokesman on education. One can see by looking over at that side of the House that there will be no more. They are not interested in the plight of the Victorian, otherwise they would be contributing to the debate. We will not hear from them because they know they have gone. The sooner the Premier decides that enough is enough and that this discredited rabble that she leads is going to the polls the sooner the people of Victoria will begin to regain their confidence and pride.

At this stage of the game the Victorian people have lost their confidence, business has lost its confidence, and the people have lost their pride. What is needed is an injection of confidence to get the economy going again, and the only way that can be done is by calling an election.

Mr J. F. McGRATH (Warrnambool) — I join in the debate on the Supply Bill to say on behalf of the electorate of Warrnambool how disappointing it is that they have to face possibly another four months of Labor government when they are calling out almost unanimously for an election.

One does not have to travel far in country Victoria to realise that this Labor government has been an absolute disaster in terms of providing any sort of surety, stability or ongoing reliability for industry, regardless of whether it is secondary industry or primary industry. The basic responsibility of a State government involves the effective management of finances; that would have to be its principal responsibility.

This Labor government will go on record as having the most abysmal record of financial management in the history of Victorian politics. It is absolutely abysmal; there is no other way to describe it. If one has a look at Victoria after just nine years of Labor government, one starts to see just how grossly mismanaged this State has been at the hands of a succession of financial whiz-kids. It is fairly obvious that all the theory has come from the days when Rob Jolly, the honourable member for Doveton, would repeatedly talk at length in question time and at other opportunities about the great achievements of this government. While we were being subjected to this rhetoric, Victoria was being forced very slowly to its knees and to the verge of bankruptcy, and that is not overstating the situation.

One has to look at what has happened in Victoria over that reasonably short period; it is quite frightening. I wonder if the public out there really understands what the current state of Victoria's finances is. I wonder if they understand that today the contingent liabilities of this government are probably seven times what they were when Labor came to power in 1982.

How did all this happen? It happened because people from that side of the House had no practical experience in business. That is the reality of it. Not one member on that side of the House has ever had practical experience in business — except for the honourable member for Doveton. Mr Jolly was involved in three escapades. There was ACTU Bourkes, which went broke; there was ACTU Solo, which went broke; and then there was ACTU Travel, and that, like an aircraft running out of engines, went down as well. These are the people who are going to show us the way; they are going to lead us

to the so-called Promised Land. They have led us from the Promised Land!

Mr Leigh interjected.

The DEPUTY SPEAKER — Order! The honourable member for Warrnambool has the call. If the honourable member for Malvern wants the call, I will give it to him. At the moment he is out of his place and he is out of order.

Mr J. F. McGRATH — If one has a look at the State debt in 1982 and compares it with today's State debt, one finds that it is twice what was owed in 1982! Today the State debt is something like \$18 781 billion. I am referring only to the State debt and nothing else. I have not started on the long list of problems created by the funny-money managers who sit on the government benches. Mr Deputy Speaker, you will notice they are not on the government benches tonight; they are downstairs in their offices plotting what they can do after the next election! Members of the government know they are gone; they know it is no good fighting for preselection for a seat in which any government member will be trounced! Members of the government are plotting and wondering what on earth they will do after the next State election.

Who would employ them with the references they have? How could anyone in private industry employ somebody who came in and said, "I was responsible for the financial management of Victoria for nine years and I took Victoria's debt from \$9 billion to \$63 billion"? That would be a laudable sort of reference to put before an intending employer! I know what I would say if I were such an intending employer!

Members of the government are downstairs in their offices plotting and wondering what they are going to do after the next election. Whatever they do after the next election, I hope they do it a little better than they have done things over the past nine years. What has happened over the past nine years has been deplorable!

I invite honourable members to reflect on WorkCare. Before WorkCare we had a workers compensation scheme that was branded a disaster by the Labor Party. Most honourable members would agree that it was not working as well as it should have been. Little did we understand that a program as disastrous as WorkCare was to be foisted on Victorian taxpayers!

Mr W. D. McGrath — Who masterminded it?

Mr J. F. McGRATH — I take up the interjection, disorderly as it is, of the Deputy Leader of the National Party, who asks "Who masterminded WorkCare?" The answer is: the current Minister for Food and Agriculture, who is affectionately known as the Six Million Dollar Man. He masterminded WorkCare before he came to Parliament. It was to be his entree to Parliament. In effect he said, "Here is WorkCare; Allah will follow later". Allah did follow later, but the bad news preceded him! WorkCare now has an accumulated deficit of \$1.8 billion. The list of losses just goes on and on.

I need not refer to the losses of the Victorian Economic Development Corporation that were so cleverly concealed before the 1988 election. The honourable member for Bundoora, then the Premier, carefully selected the election date. He confused the minds of the Victorian public and complicated matters by calling the election at the time of the announcement of the result of the Melbourne bid for the 1996 Olympic Games, the AFL grand final, the Royal Melbourne Show and the Spring Racing Carnival. It was a clever ploy and was most successful because he duped the Victorian public.

It was not until a short time after the 1988 election that the disgraceful revelations concerning the losses incurred by the VEDC, which were deliberately kept under wraps before the election was held, were made known to the Victorian public. However, the public will remember what happened in 1988. What the government has done is disgraceful. It has pursued a course of action in an attempt to hold onto its perks of office for just one more term.

I invite honourable members to reflect on what Victoria has now. It has a Premier who is desperate to hold onto office for some time. Fortunately it is no longer a term because the time has been reduced. However, the Premier is holding onto the perks of office for as long as she can because they are more important than the suffering taxpayers out there.

I invite honourable members to consider the statistics that are the result of nine years of Labor government. I refer to what has happened under Ms Kirner's premiership. Ms Kirner came to the position of Premier saying that she would make changes. She was going to go out and consult with the people. Hers would be a different government; it would be up-front; it would be accountable; and it would be effective. She was going to create investment, jobs and a new environment for Victoria.

Ms Kirner has not been the Premier for nine years. When Victorians look back they will give praise for that because, given what Ms Kirner has been able to do in a short time, heaven knows what she would have done in nine years! For example, building approvals have decreased while bankruptcies have increased. In fact, Victoria leads the charge in bankruptcies in comparison with other States.

Mr Bildstien — They are up by 50 per cent!

Mr J. F. McGRATH — I take up the interjection, disorderly as it is, of the honourable member for Mildura: bankruptcies in Victoria are up by 50 per cent. Here is a description of the environment created by the Premier. What she said is nothing short of empty rhetoric. What she promised has not happened; in fact, the reverse has been the result.

I refer to an interesting statistic I discovered. In 1990, when Ms Kirner came to office as Premier of our State, the unemployment rate among women was 7.4 per cent; in March 1992 that figure had escalated to 10.6 per cent! The figure has increased in spite of all the special programs and innovations aimed specifically at creating employment opportunities for women. The increase in unemployment among women brings into question the sincerity of the continued rhetoric about social justice and equal opportunity.

The figures available speak for themselves. When comparing the Cain government years and the Kirner government years one finds a range of interesting facts. Not the least of these is that during the transfer from the Cain government to the Kirner government the number of new motor vehicle registrations fell by 19.2 per cent. At the same time new capital investment decreased by 34.1 per cent. The figures are absolutely staggering. Here is evidence of what depressions are made of; here is what creates a lack of confidence and an absence of employment opportunities — no investment. The statistics show clearly that new capital investment decreased by 34.1 per cent.

I refer now to the bread and butter issues, the things that members of the public out there understand because they are paying for them every day. Members of the Victorian public pay their bills and therefore understand increases in charges. For instance, the average gas bill, which rose by 5 per cent under the Cain government, rose by 13.1 per cent under the Kirner government. Electricity charges rose by 11.4 per cent during the Kirner government, compared with 5 per cent during the

Cain government. Water charges rose by 4.9 per cent during the Cain government; during the Kirner government they rose by 17.9 per cent.

The Minister at the table, the Minister for Transport, will be interested in the comparison of the increases in public transport fares. Under the Cain Labor government they rose by 4.1 per cent; under the Kirner government they have risen by 34.1 per cent!

Mr Richardson — That is outrageous.

Mr J. F. McGRATH — It is outrageous when one considers the massive losses still being incurred by the public transport system. All honourable members will remember what the former Premier, Mr Cain, said about motor registration fees. I can remember his waving his arms at all and sundry and saying that he had brought good news, that he was going to abolish motor registration fees. The current Premier, Ms Kirner, reintroduced them and a similar situation exists in relation to stamp duty for first home buyers.

I shall now turn to a few parish pump issues that are a little closer to the heart. Labor governments at both the State and Federal levels stand on record as providing the most abysmal and inadequate road funding anywhere in the world. One needs only to drive on some of the roads in country Victoria to know what is happening. Road maintenance is nothing more than a bandaid measure.

With your experience, Mr Deputy Speaker, you would know that bandaid measures will be ineffective when applied to hardened road surfaces that must carry high volumes of traffic moving at high speeds. With current funding municipalities in the country are able to maintain some roads only once every 600 years. That is a disgrace! As tax collectors governments are happy to pick up anything that primary industry can contribute but they are not prepared to put money into the road network infrastructure.

I believe the road network is as important, if not more important, to country people, and primary producers in particular, as the telephone. The road network is absolutely vital, yet the government has failed to recognise that fact. The incoming coalition government will have diabolical difficulty in attempting to return some semblance of balance to funding and in attempting to restore the road network.

When one examines the level of taxes collected on fuel and the amount that is used to fund roads, the Federal government also stands condemned. In 1983 the Federal government indexed the excise on fuel, and although it has taken enormous amounts in excise it has not proportionately increased the amount of funds dedicated to roads. In fact, the Federal government has not increased road funding in real terms.

Government policies on health services are having an impact on people in my community who are part of the growing list of people — totalling almost 30 000 around Victoria — waiting for admission to public hospitals.

I met a lady whose sister had recently died. She told me she was unable to attend the funeral because she had been waiting for so long to be admitted to hospital for a small operation that she did not want to forgo her place on the waiting list. It is an abysmal health system that puts people in that sort of situation.

A group known as the Friends of Lyndoch gathered on the steps of Parliament House today. Lyndoch is a hostel for the aged at Warrnambool that has over time developed a proud history of providing both hospital and hostel care for the aged. Lyndoch Hostel for the Aged has the distinction of having the lowest day bed cost of any geriatric centre in Victoria, yet government bureaucrats now say that it should be amalgamated with the acute care facility at the Warrnambool and District Base Hospital, which is in that part of the health system in Victoria that is rapidly failing.

Lyndoch Hostel for the Aged has a special character. In 1952 a Warrnambool businessman bought a large property for 40 000 pounds. When the government was able to provide its two-thirds of the funding and the community the remaining third he handed the property over to the community at the price for which he had purchased it, even though it was then valued at 55 000 pounds, an increase of 15 000 pounds. That typifies the culture that has developed around Lyndoch since that time.

The communities of Warrnambool and the surrounding districts now make an outstanding financial contribution to the running of Lyndoch Hostel for the Aged that allows the home to provide a day care centre service. The government will not fund that centre. The government says it wants to keep people out of hospitals and in their own homes but it does not provide the necessary funds. The

Warrnambool community raises \$170 000 a year to run a day care service to keep people in the community so that they are not a drain on the government Budget.

I challenge any honourable member to provide me with an example of any community that is prepared to go to those lengths to provide an adequate service for the aged. Even so, the government wants to amalgamate the home with the acute care facility at the Warrnambool and District Base Hospital.

The Friends of Lyndoch came to Melbourne today to make clear to the Minister and the government that they will not proceed with the amalgamation of Lyndoch because the community has demonstrated that it is 100 per cent opposed to the proposition. One hopes that commonsense will prevail.

I turn now to regional planning. Melbourne and Sydney face considerable problems, especially in relation to the urban sprawl. Regional centres can provide facilities if the government recognises those facilities and the expertise that exists in regions.

Mr Steggall — If they were interested.

Mr J. F. McGRATH — I take up the interjection. The government is interested if the honourable member has a marginal seat or if he represents the electorates of Geelong, Bellarine, Bendigo West or Ballarat South. Consideration is given to those electorates when regional planning issues arise. All the government's resources are aimed at marginal electorates. Imagine the frustration that other regional development authorities feel, especially when they work hard to provide opportunities for the people they represent.

Last night the Warrnambool City Council took a decision that is unprecedented in Warrnambool, perhaps in the whole of the State. The Fletcher Jones organisation has indicated its intention to rationalise its operation in Victoria, which effectively means that jobs will be lost. The city council has decided to purchase the buildings on the Fletcher Jones site because it is concerned about the 540 jobs involved. It does not want the people of Warrnambool to suffer at the expense of the people of Brunswick or Mount Gambier. Many people will speculate about whether the council has done the right thing. I am aware of the difficulties that arise from local government being involved in these ventures, but these are desperate times and desperate decisions have to be made.

The State government has an abysmal record in regional development. Most of the legislation designed to improve and encourage it has been revoked.

I refer now to the water study conducted for south-western Victoria. Honourable members may ask what that has to do with the Supply Bill. It has a lot to do with the Bill because the study recommends that financial responsibility for a range of issues that were once the responsibility of the government be transferred to the end user of water. It means that river and stream management, bank erosion, salinity control and other issues of river management will be the responsibility of the end users of water. Why should the farmer who lives outside the city of Warrnambool be made to pay for the erosion of the river bank that has occurred 100 kilometres upstream in the catchment area? That policy is fraught with danger, but the government will implement those recommendations because of its financial difficulties.

I am concerned at the way the study group has operated. It is headed by a Mr Peter Wood, who comes from Gippsland and is supposedly independent. The inquiry is funded by the 30-odd water authorities in the area, yet those authorities are expected to be the gofers for the water boards of Geelong and Colac. They have been told by Mr Wood that they are not allowed to attend the meetings of the inquiry or gain access to the minutes! Is this a new form of democracy? The farming community is fed up with this government. It is about time the government stopped interfering in issues that have been handled by local communities for many years.

Mr BILDSTIEN (Mildura) — When the history books reflect on 10 years of Labor government they will show that it has squandered the State's resources and destroyed its economic foundations. The government can also take credit for debasing political life. In the short period I have been a member of this place it has become abundantly clear to me that the government has destroyed the reputation and credibility of State Parliamentarians. People no longer trust the government. It has been so incompetent, fraudulent and wasteful that its poor reputation has spread to all politicians.

I entered Parliament because I felt I had an obligation to make a contribution to the community in which I live. I worked in the media before I entered this place and I was conscious of the disdain felt in the general community for politics and

politicians. That feeling has intensified since I have been a member of Parliament. Is it any wonder young people who cannot get jobs are cynical about politics and Parliamentarians when they see Ministers, in the dying stages of this government, taking overseas junkets; and Ministers squabbling over the provision of toilets in their Ministerial suites?

Almost a year ago a survey that graded various professions on the basis of honesty and ethics was conducted by a polling organisation. Parliamentarians rated near the bottom of the list, with journalists and used car salesmen, all because of the way the government has destroyed the State in 10 short years.

I went to a reunion of journalists and photographers at Albury nearly a year ago, and at that reunion they handed out awards for the journalist travelling the greatest distance, the oldest journalist at the reunion and so on. One of the last awards was for the journalist who had made the worst career move. Guess what; I received that award. The last award was for the journalist who had made the best career move, and that was given to a person who had purchased the local hotel. That reinforced my understanding of the attitude people have to members of Parliament.

Recently I was in a butcher's shop when an old lady next to me ordered some meat. Some brains were laid out on trays in the window of the shop and she was inquiring about the price. The butcher said, "Before you on the first tray are sheep's brains". "And how much are they," the little old lady asked. "Fifty cents a kilogram," said the butcher. "What is that on the next tray," the old lady asked. "They are missionary brains and they are \$1.50 a kilogram," said the butcher. "Goodness me," exclaimed the lady, "that is a bit expensive! What is on the third tray?" "They are politicians' brains," replied the butcher.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member should relate his remarks to the Bill.

Mr BILDSTIEN — I am getting to the point, Mr Acting Speaker. The old lady asked, "How much do they cost?" and the butcher said, "Five dollars a kilogram". "Five dollars a kilogram," the lady gasped. "Why on earth are they so expensive?" she asked, to which the butcher replied, "Lady, do you know how many politicians it takes to get a kilogram of brains?"

That is the sort of debasing attitude towards politicians that the government has created in the community. To understand why, we should examine the State's total indebtedness of \$61 561 million. The debt per household is \$43 972 and the debt per capita, which includes young babies and elderly people who, of course, do not pay tax, is \$13 818.

Under the government's debt reduction strategy debt has actually been increasing at a rate of about \$4 million a day, and the interest bill on that public sector debt alone in this financial year is \$3681 million. That is just the interest. We now require 30 cents in every dollar of State taxation to service the Budget sector interest burden. When that is put in the context of spending more on the interest burden than is spent on health and education, it is a stark reminder of the losses that have been incurred.

Recently the Australian Bureau of Statistics produced some figures showing what the opposition has known for quite some time — that this government is Australia's debt junkie. The bureau has produced a summation of State finances for the year 1989-90, and a close examination of those figures shows that the Victorian deficit for that financial year was \$3203 million. If one compares that figure with a combined total deficit of \$2750 million for all other States and Territories, it is clear that Victoria's deficit was nearly three times larger than the deficit across the border in New South Wales, which recorded \$1242 million in debt.

In that one year alone it is equivalent to \$736 for every Victorian — more than three times the per capita average for the rest of Australia of \$218. The figures have resulted from a high-spending, high-taxing State government. In 1989-90 the cost of operating the government amounted to \$3253 per person, and again that should be compared with the average for the rest of Australia of \$3077. The interest payments in Victoria were \$754 per capita compared with the lower figure of \$683 for the rest of the nation. Taxes per capita in Victoria amounted to \$1250 compared with \$1181 for the rest of Australia.

Instead of a legitimate response to those figures, the Premier responds by whingeing about the national recession and international factors; she does not admit that the State's dramatic decline is in any way her fault. It is all a sham.

In March of this year the credit rating agency Moody's Investors Service released a report which

was not very highly publicised but which makes some interesting observations about our State. It equates us with "financial incompetence", and they are not my words. The agency says we are the worst managed of any State in Australia and that our biggest problem is the inability to control recurrent expenditure.

Contrary to the government's claims, the report states that the problem is still largely unaddressed. In a nutshell, it is clear from the report that the high-spending socialist Ministers cannot rein in their departments. They are spending way above their allocated targets, and despite all the government's rhetoric, it is not prepared to address the problem.

There are a number of low lights in the report such as the fact that our credit rating has been downgraded twice from AAA in 1981-82 to AA2 in 1991-92. According to the report Victoria, "shares greatest weakness in its ability to pay interest on our State debt". We have shown little flexibility with privatisation and our economic problems are much greater than in other States. In addition the report expresses, "doubts about the depth of fundamental change in Kirner Victoria".

It also notices that we have scope for fiscal adjustment, but that "a fair amount lies in the area of current expenditure." It suggests that public trading enterprises and their performances are among the worst of any State in Australia. Our debt is among the highest in Australia, and our interest bill is the highest of all States. Sadly, the incompetent Premier and our new Treasurer, the honourable member for Northcote, have proven themselves totally incapable of managing the problems that they and their predecessors have created.

I want to dwell for a moment on what the government will do in the few short months that remain before there must be an election in this State. As has been said on a number of occasions by the shadow Treasurer, the honourable member for Brighton, the government is deliberately setting about sabotaging the future Budget of an incoming coalition government. It is deferring liabilities and creating other financial problems that will impose higher costs on a Liberal and National Party Budget when they finally take office.

Approximately \$100 million worth of deferred spending obligations exist on private schools, bus contracts, pensioner rate rebates and even municipal library funding. About \$600 million of accrued interest has been rolled forward into future budgets.

Transport rolling stock leases with lease payments of more than 80 per cent have been deferred to future Budgets. The proposed sale and lease-back of nine city buildings involve inflated future rents, and commitments have been made on the Pyramid guarantee. A \$144 million commitment has been made to subsidise the National Tennis Centre, and the list goes on and on, including a \$400 million leasing scandal involving the World Congress Centre. What a black hole of a debt that has turned out to be!

The Premier's sabotage policies also include the proposed \$920 million roll-over of the Victorian Equity Trust and commitments to lease new police stations and other buildings. Therefore it seems to the opposition that the fire sale of State assets currently occurring is far more than a coincidence; it is a deliberate attempt by the government to leave an empty cupboard for the incoming government. The scale of this robbing is too much of a coincidence and has all the hallmarks of a government trying to force the coalition into making unpopular decisions and taking unpopular action when it comes into government.

It seems that the government is intent on staying in office for as long as it possibly can. It is showing total contempt for the people of Victoria and is not heeding their wish for an early election.

In the government's pre-election Budget the opposition wonders whether it will see the books cooked. It is clear that the Treasurer will prepare a fraudulent pre-election Budget based on accounting fiddles. The government falsified the 1991-92 Budget to understate the deficit and it is now apparent that the Treasurer will do the same thing again: he will use a series of accounting tricks to artificially understate the 1992-93 Budget as well.

If one looks at the government's own figures for 1991-92 one notes they forecast a record deficit of a staggering \$1494 million. It is not conceding this could blow out by at least \$130 million. Those figures are not honest; they are based on enormous accounting fiddles which the opposition has identified will artificially reduce the reported deficit. The audited figures for last year's Budget have disclosed accounting fiddles of no less than \$812 million.

Last year the Premier budgeted for a deficit of \$660 million but by the end of the year the government claimed it was \$1249 million. If it had

not resorted to those accounting fiddles the deficit would have been \$2061 million.

It seems that the Treasurer is manoeuvring himself to repeat that exercise and manipulate the pre-election Budget in the hope of concealing the true financial position from the people of Victoria before they make their decision at the ballot-box. The government has a history of doing that: that is what occurred in October 1988 when Victoria went to the polls early so that the government could conceal the Victorian Economic Development Corporation scandal.

Recently the government marked its 10th anniversary in office in Victoria. It does not matter which economic or social indicators one examines, they all graphically reflect the State's decline over the past decade. It does not matter which test one cares to apply, the verdict is that, firstly, under the former Premier, Mr Cain, and now under Ms Kirner, Victorians are significantly worse off.

The opposition has prepared an analysis of Labor's performance over the past 10 years, and it makes very sobering reading. I shall refer to some of the figures to place into context the disastrous situation the opposition will inherit when it is elected to government later this year.

Taxes, fees and fines in 1981-82 accounted for \$1946 million; that has increased by more than 200 per cent, to \$5967 million. There is now a situation where the government is setting targets for the police to raise revenue through traffic fines. I believe the police have been asked to raise \$98 million this year.

I was astounded to hear the Minister for Police and Emergency Services making comments this afternoon about the government resources for police and emergency services. When there are police sitting in unmarked cars, hiding behind newspapers and pointing speed cameras at unwary motorists it cannot be argued that that is a road safety measure; it is a revenue-raising exercise designed to put more dollars in the government's coffers.

If the government were serious about road safety the police would be very visible in marked cars so that they acted as a deterrent to speeding motorists. I am not convinced that a motorist who is likely to be snapped unwarily travelling along the highway will slow down, whereas if he or she notes a visible

police presence that will act as a deterrent and the foot will come off the accelerator.

The State's Budget sector indebtedness in 1981-82 was \$9492 billion; that has gone up by more than 300 per cent, to \$38 100 billion. That amounts to an indebtedness in 1981-82 of \$2403 for every man, woman and child in the State. In 1990-91, after 10 years of Labor government, that figure rose to \$8590.

The way that people view the situation in Victoria can be seen by the dramatic migration of people out of the State. Approximately 1500 people every month are packing their bags, shutting their doors and moving interstate. One can imagine the drain that is having on Victoria's skills base. The expertise of people who have probably been trained in Victoria is being lost to other States because people have had enough of life under the Labor government.

The most stark measure of the government's failure is in the area of unemployment. The figures are dramatic. When this government came to power in 1982 Victoria had the lowest level of unemployment in the nation; now it the second highest level, second only to South Australia, where unemployment has increased by about 117 per cent.

The number of people who were out of work when this government took office was 112 300; that figure has risen to 244 500 in 1991-92. There are now 244 500 people who cannot obtain jobs in Victoria and there is no glimmer of hope on the horizon, and no job opportunity staring them in the face until such time as the opposition can take over and generate some confidence in the State, stimulate private sector investment, create some wealth and open up job market opportunities.

Despite all the rhetoric and the job statements from the Premier, the unemployment situation has worsened since she took office 18 months ago. In the order of 108 000 jobs have been lost in the short time she has been Premier of this State. That works out to a loss of about 260 jobs for every working day that she has been Premier of Victoria. What a sad and sorry record for a Premier that has made approximately 13 job statements and promised about 13 000 new jobs!

The real tragedy is the number of unemployed young people. The number of young people out of work in 1981-82 was 35 700; in 1991-92 the figure is 40 800. The percentage of young people unemployed

was 17.8 per cent a decade ago; it is 46 per cent in 1991-92.

I refer the House to the importance of agriculture to the Mildura electorate. Over the past few years there has been a dramatic decline in rural income in Victoria. In 1990-91 farm income was expected to fall by \$30 000 and in 1991-92 by another \$8000. The government's response, despite all the rhetoric from the Minister for Food and Agriculture, has been to impose massive cutbacks on the Department of Food and Agriculture. In real terms the department has suffered more than other government departments; compared with other States over the past 10 years it has been the only agriculture department to suffer such extensive government cutbacks.

One must examine the contribution of the rural sector to the State economy. In 1988-89 the gross value of agricultural production in this State was \$4.8 billion, or 22 per cent of Australia's production. Agricultural and food fibre processing contributed about \$12 billion or 19 per cent of Victoria's gross product.

Victoria's agricultural industries employ about 93 000 Victorians on a full or part-time basis. If one adds the food and beverage manufacturing sectors, one finds that an additional 53 000 people are involved. About 66 per cent of our agricultural production is traded on international markets, which makes Australia the seventh largest exporter of agricultural products. About 40 per cent of the State's exports come from agriculture.

There is always talk here and in other places about the productive efficiency of Australian farmers compared with other advanced agricultural nations. I refer the House to a recent study that showed the Australian farmer is 51 per cent more productive than his American counterpart; 155 per cent more productive than a British farmer; and 220 per cent more productive than a German farmer. We have a low rate of producers' subsidy equivalents, particularly when one considers the heavily supported agricultural industries of Japan and the European Community.

In his contribution the honourable member for Warrnambool highlighted the importance of a good road network to country Victoria. The other day I was amazed to hear the Minister for Transport on regional ABC radio making great play of the fact that the government had announced it would spend \$20 million on roads over the next few years. I could not believe the Minister would be so dishonest with

the electorate. The fact is that the Federal Labor government has reduced road funding every year for the past seven years. In addition the State government slashed \$21 million from its road budget last financial year. Any talk of the government providing an injection of funds into road works and road maintenance is absolutely dishonest. I hope the electorate will not be fooled by the Minister's comments made during the radio broadcast last week.

It appears the government has not listened to the cries of the electorate for a poll to be held during the next few months. The Premier has advised the House she intends to send a fax to the Leader of the Opposition and to the media on the first day of every month saying there will not be an election that month. The selfishness of the government in clinging to power with such determination at the expense of ordinary working-class Victorians will not be lost. The government's day of reckoning will come.

Mr COOPER (Mornington) — On 29 March this year Terry McCrann wrote in the *Herald-Sun*:

The Victorian economy performed worse than the rest of Australia in the 1980s. Victoria has the highest debts of any State and the Budget remains in deep — quite horrendous — deficit.

And then there are the individual difficulties — Tricontinental and the State Bank, the VEDC, WorkCare, the Pyramid debacle — disasters that Victorians will be paying for into the 21st century ...

It is staggering to note that one in every eight Victorians that want to work are now on the jobs scrap-heap. And that's the official figure. Real unemployment is considerable higher.

It is in that context that the government has introduced the Supply Bill and seeks approval for its passage. It seeks approval for more money to continue the disasters it has imposed on the Victorian public since 1982. Victorians should be expecting restraint in government spending and restraint in the imposition of State taxes and charges. They should be getting a Victoria that will live within its means, a Victoria that will have a lower deficit. The government should be providing a sustained reduction in State debt. The government should have been reducing State debt since 1982.

What has this government done in the past and under the current Premier? There have been substantial spending increases in real terms. Taxes

have increased at four times the inflation rate. There have been savage increases in taxes and charges, especially for gas, electricity and public transport. There has been a rapid escalation in the Budget deficit. The Labor years have been years of irresponsible spending. In 1981-82 the Liberal government of the day spent \$5983 million. In 1991-92, 10 years later, the Labor Budget proposed to spend \$15 501 million. In nine Labor Budgets spending increases in real terms averaged 3.5 per cent a year. The per capita expenditure increased from \$1508 in 1981-82 to \$3479 in 1991-92. The total State indebtedness now stands at \$61 561 million or \$13 818 for every man, woman and child. What a record for this government to stand on as it approaches an election later this year!

What have we had after a decade of Labor governments in Victoria? The list is horrendous. Over the 10 years hospital waiting lists have increased by 245.3 per cent; new dwelling approvals have fallen by 14.8 per cent; new vehicle registrations have fallen by 14.7 per cent; major crime per 100 000 persons has increased by 61.6 per cent; job vacancies have fallen by 31.6 per cent; and the number of unemployed persons has increased by 146.4 per cent. The number of unemployed women increased by 97.9 per cent under a Premier who believes in positive discrimination in favour of women and who boasts of her achievements for the females in our society! She has managed to create a society where women have more reason to be dissatisfied about their unemployment prospects than ever before in the history of the State.

Youth unemployment has increased by 14.3 per cent; the increase of persons in receipt of unemployment benefits is 161.3 per cent; and net migration out of Victoria has increased by 137.5 per cent. People are leaving the State in droves. Is it any wonder when they see their employment prospects disappear that they look for better opportunities interstate? They know they cannot do any worse interstate than they can do in Victoria.

I turn to taxes and charges over a ten-year period. Taxes and charges raised by the government in 1981-82 were \$2084 million. In 1991-92 those taxes and charges had risen to \$6710 million, an increase of 222 per cent. Taxes and charges per person in 1981-82 were the equivalent of \$528; in 1991-92 under the Cain and Kirner governments that figure had risen to \$1506, an increase of 185 per cent. Our public debt in 1981-82 was \$11 174 million; in 1991-92 it had risen to \$29 911 million, an increase of

168 per cent. That is the litany of disasters that have been forced upon the Victorian public over a decade of Labor government.

One appalling example of how Labor has failed Victorians is to be found in the electorate of Carrum represented in this place by the Minister for Police and Emergency Services. The electorate has been virtually deserted by the Labor Party. The community in that electorate is suffering badly from Labor's failures. Business confidence is at an all-time low and unemployment is soaring.

The Liberal candidate for Carrum, Mr John Robinson, has been very active in that electorate in trying to ascertain the damage caused by the government. Of the 500 retail businesses in the electorate Mr Robinson has called personally on more than 400. He has shown a caring and personal attitude towards the problems of those businesses and is trying to understand how the Liberal Party can influence the policies of the incoming coalition government to assist those businesses to recover after the next election.

Mr Robinson reports to me that none of those businesses has seen the local member of Parliament. He apparently does not care about what is going on in the retail businesses within his electorate. As a result, we have a quasi member for Carrum in the Liberal candidate, John Robinson. Clearly the local member does not want to know about what is happening in his electorate and does not seem to care.

Some of the sample responses that Mr Robinson has received from those businesses reflect the drop in employment opportunities. Some businesses that were operating with eight employees are now employing only one person or are being operated by the proprietor or his or her immediate family. Those businesses can no longer afford to employ people. Their cash flow has fallen so badly that they are in desperate trouble. They have no confidence in the government.

When I was speaking with Mr Robinson last week he said that if every small business in the Carrum electorate were able to put on one employee it would reduce local unemployment by 20 per cent. Unemployment in the electorate has doubled over the past 12 months. Department of Social Security figures show that, in November 1991, 3500 people unemployed, a doubling in the 12-month period from November 1990. It would be obvious to every member in this House that that figure would now be

well in excess of 3500. I suggest it would be in excess of 4000. That is an indictment of a government that says it is very concerned about creating jobs and is taking action to create jobs. Where is that action?

As other honourable members have said in the debate, a Labor government is leading to a further decline in employment opportunities and in business confidence. Business is sick and tired of the government; it wants it to go; it does not care how it goes or in any way care about the damage that it does to itself as it goes, it just wants it to go. If the government does not recognise the damage it is doing to the State by clinging onto power until the last possible opportunity it should be hanged, drawn and quartered because it is so unconcerned about the damage it is causing to the State and to those who are unemployed and who have no opportunity of getting a job. It is about time the government carried out its 1982 promise when the then incoming Premier said he would govern for all Victorians. The government is now not doing that, it is simply hanging on to power for power's sake and does not care about the people it is damaging, nor about the increasing number of bankruptcies and businesses that are going to the wall.

The government says that it is about job generation and is concerned about small business. The evidence in the electorate of Carrum is that the government has no commitment to rebuilding the small business sector.

An example of how unconcerned it is can be given of a small company in Seaford, on the edge of the Carrum electorate, which is recycling plastic bottles. It took some time for the partners who wanted to get the company going to build the machinery and to get that business organised. They did it by building their own machinery. It is the first such business in Victoria, one that is now operating and employing five people.

It was ready to begin operation in February last year. On the eve of opening the business, to their amazement, the partners were told by the Environment Protection Authority that a permit to operate would be required. Previous inquiries had led to their being told that a permit would probably not be required. It took the EPA more than nine months to process the application. During that time the company could not operate. One of the two partners had to go on the dole during that time.

The SPEAKER — Order! The time appointed under Sessional Orders for me to interrupt the business of the House has now arrived.

Sitting continued on motion of Mr ROPER (Minister for Employment, Post-Secondary Education and Training).

Mr COOPER (Mornington) — It took the Environment Protection Authority (EPA) more than nine months to process the application. One of the two partners in the operation had to go on the dole during that nine months while costs continued to escalate. The partners had to pay the factory rent and overheads. Those costs continued to escalate while the EPA fiddled around with their application for nine months.

I was told that one of the partners telephoned the EPA and asked what was happening; he was told that the file could not be handled because the person processing it was on three weeks leave! This continued for nine months. That company was about to employ five people and to involve itself in a plastic bottle recycling operation that I would suggest is very important environmentally and economically, and certainly important economically to the electorate of Carrum.

Where was the local member while this was happening? Why was he not supporting this operation that would employ people living in his electorate? He was not to be found; he was not interested. He was performing his stunts and having his photograph taken. He was trying to convince Victorians and those in his electorate that everything was hunky-dory, that everything in the garden was delightful, that "We do not have a crime problem, it is a beat-up".

The fact that people are being tortured in their homes and being beaten up on the trains that run through his electorate means nothing. He would have been out there saying, "There is no unemployment in my electorate".

Mr Jasper — Who was this?

Mr COOPER — The honourable member for Carrum, the Minister for Police and Emergency Services, Mal Sandon. He would not have a clue what is happening and no-one operating a business in his electorate ever sees him. He is the invisible member. He is the first to have his photograph taken and to put on a stunt for the media while allowing his electorate to be turned into a disaster area.

It has been left to a man who has been endorsed by the Liberal Party to go out and represent those afflicted people in Carrum while the man who was given that job in the 1988 election is nowhere to be seen. The electorate of Carrum needs better representation.

Dr Napthine — It will get it, too.

Mr COOPER — It will certainly get it but not while that Minister is out there doing the job he is now doing. He has turned his electorate into an economic basket case and at the same time his constituents are living in fear for the safety of their lives and property.

Mr Leigh — And he's the Minister for police!

Mr COOPER — Today he said in this place that statements made by the Chief Commissioner of Police were incorrect. He told us that the chief commissioner was misquoted today in the *Herald-Sun*, which says:

Mr Glare said police were losing the battle against crime "utterly and completely" ... "We have a crime problem in Victoria", he told a meeting of Supporters of Law and Order ...

"It is one of the worst in the Western World and as police we are losing the battle".

Mr Glare's claim that Victoria has one of the worst crime rates in the Western World is based on a 1989 study by the Australian Institute of Criminology and overseas criminologists.

It then quotes Mr Glare as having said:

"We kidded ourselves for a long time that we didn't really have a crime problem. I don't want to create fear in the community but until we acknowledge we have a problem we are never going to solve it" ...

Yet the Minister today says that the Chief Commissioner of Police was misquoted. If he has been misquoted by the *Herald-Sun*, the television stations did a marvellous job of putting those words in his mouth because on the news broadcasts that I viewed on two television channels last night the chief commissioner used those same words. I wonder whether the Minister for Police and Emergency Services will come here tomorrow and tell us that the chief commissioner will take action against the *Herald-Sun* for misquoting him and against the television stations for dubbing his speech

with words that he did not use when he addressed that meeting. People at the luncheon yesterday have told me the chief commissioner made those statements.

It is one of the oldest ploys when you are caught out and embarrassed to claim to have been misquoted. This is not the first time it has been claimed that the Chief Commissioner of Police has been misquoted. I suggest that in this case he will have a very hard job proving any misquotation because his words were captured by the television cameras.

Be that as it may, whether there be an argument between the Minister for Police and Emergency Services and the Chief Commissioner of Police or not, there is a clear perception in the community of a crime problem. There is a clear perception that our lives and properties are in greater danger than ever, and that problem will not be solved by the rhetoric of the Minister for Police and Emergency Services.

The problem will be solved only by action by that Minister and the government; by action that the opposition has been demanding for many years. It is action that is definitely needed in areas such as increasing police numbers in the State. It is not acceptable for the Minister to say that Victoria does not need any more police or that we need to become smarter rather than having more police — that is sheer nonsense!

We know damned well that until we get another 2000 police in addition to the inadequate number presently available the police in Victoria will be strained at every opportunity. They will be unable to become involved in crime prevention and will be able only to react to crime. That is the reality of the situation.

The Minister continues to waffle, to pose and to posture in this House and outside, but that will not solve the problem. He will not convince Victorians that they are not in danger, particularly when everyone in the community sees the stories that he regards as hysterical beat-ups by the media about elderly people being tortured in their homes until they disclose where their money is hidden, of people being bashed and sometimes killed on our public transport system, of the increased number of bashings in the streets, or of the inadequate sentences being handed out to people who commit violent crimes.

The Minister talks about the new Act that provides revised sentences being a marvellous step forward

in the control of crime in Victoria, but Victorians do not swallow that line. They know the reality and are living it every day. They have to walk down the streets, and they fear for their lives and safety. People in our suburbs will not board public transport at night because they are in danger.

Our citizens are those being told by the government, on the one hand, "You have nothing to worry about", while on the other hand they are told, "Buy more safety locks and bolt yourselves into your houses; protect yourselves; do not answer the door unless you have a chain attached and a peep hole in the door". And the government is saying we have a safe society!

Once upon a time we used to lock up the criminals so we could safely walk down the streets. Now the government tells us we should lock ourselves in our houses and let the criminals take over the streets. All that has happened under the leadership of the Premier and the Minister for Police and Emergency Services, who is also the Minister for Corrections. The Minister purports to represent the electorate of Carrum, but he has failed the people of Carrum almost as miserably as he has failed the people of Victoria. He is a man for media stunts; he is unable to do anything else!

Victorians deserve better financial management and better performances from Ministers, but that is simply not happening. Nevertheless the coalition's message for the people of Victoria is that they are not without hope. But things will turn around only when Victoria has a government that takes the action necessary to wind back both the cost and the size of government and to deliver only those services that are absolutely necessary given the restricted means we have at our disposal.

The government must draw up two lists — one list for the things that must be done and another for the things it would be nice to do. So long as anything on the must-be-done list is inadequately funded or not funded at all, nothing on the nice-to-do list should be funded. Such is the situation Victoria has reached under this government! This Labor government will not acknowledge the extent of the problem. Instead it continues ringing bells, blowing whistles and bugles and employing all manner of devices to distract the voters. The government believes it will be able to fool the people in 1992, just as it fooled them in 1988 and 1985. It still believes it will be able to persuade the people of Victoria to forget about the disasters it has wrought. It engages in fripperies such as the Swanston Street Walk while hospital

beds are being closed due to a lack of funds and public housing and public hospital waiting lists are at record levels.

Despite the havoc the government has wrought it continues to waste millions of dollars. Members of the coalition have given the House dozens of examples of government waste over the past 10 years. Again the government has ignored the problem, preferring to continue in the mistaken belief that by spending borrowed money everything will turn out all right in the end. The government believes in the Micawber school of economics and opts for the Bankcard mentality of economic innumerates.

The honourable member for Doveton took every opportunity to tell us all he knew about modern economic management; but his policies have forced Victoria into bankruptcy. His poisoned chalice was handed to Tom Roper, now the Minister for Employment, Post-Secondary Education and Training, who in turn handed the chalice to the current Treasurer. The best I can say about the current Treasurer and his predecessor is that they had their jobs handed to them as a result of the failures of the honourable member for Doveton, who still believes he was a good player who ran out of luck! He believes that if he were given another opportunity he could turn the State around. He would turn it around, all right: he would plunge us into an even bigger mess.

The coalition says to the government, "You have had your run; you have messed things up". The government has turned the State into a shambles. If the government had any decency or any feeling for the people of Victoria it would simply go; it would hand the reins of government to the coalition parties, who at least know what they have to do to reverse the State's fortunes.

The government will not call an election because it is not only incompetent but hopelessly selfish. At the next election the people of Victoria will not forget that members of the government have put their interests above the interests of everyone else. Defeated members will be able to point to the sins of those who have sat on the government benches for the past 10 years — people such as the honourable member for Doveton, the honourable member for Footscray and the honourable member for Bundoora, all of whom will rightly be blamed for the decimation of the Labor Party at the coming State election.

Debate adjourned on motion of Mr HAMILTON (Morwell).

Debate adjourned until next day.

VERMIN AND NOXIOUS WEEDS (POISON BAITS) BILL

Returned from Council with message relating to amendment.

Council's amendment:

Clause 5, page 3, after line 28 insert —

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

() Disallowance under sub-section (5) is deemed to be disallowance by the Parliament for the purposes of the Subordinate Legislation Act 1962."

Amendment agreed to on motion of Mr ROPER (Minister for Employment, Post-Secondary Education and Training).

AGRICULTURAL AND VETERINARY CHEMICALS BILL

Returned from Council with message relating to Council's suggested amendment and amendments.

Ordered to be considered next day.

ADJOURNMENT

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — I move:

That the House do now adjourn.

Relocation of VIC ROADS office

Mr REYNOLDS (Gisborne) — The matter I direct to the attention of the Minister for Transport concerns the proposal to transfer the Kyneton VIC ROADS office to Woodend. The Kyneton office is housed in a small, cramped room that affords little privacy and little opportunity for officers to do their jobs properly.

I wrote to the Minister in April last year about the facilities and his response suggested there would be an investigation and that VIC ROADS would be actively seeking more suitable accommodation.

Recently a decision has been made to move to Woodend. I believe the decision is wrong because Kyneton has three times the population of Woodend. It has been understood for many years that VIC ROADS should remain at Kyneton, where it has always been and where the former Motor Registration Branch was also located.

Since the move has become public I have been contacted by driving instructors, bus companies, car dealers and many other people living in Kyneton who all agree the decision is wrong. I am inclined to agree with them. There are three driving instructors in Kyneton who say the necessary intersections, road markings and the full range of other road furnishings located in Kyneton with which to test drivers would not be available in Woodend.

There are no new car dealers in Woodend but several are located in Kyneton. Used car dealers also use the office on a regular basis. If the office were relocated it would be necessary for them to travel the 14 kilometres to avail themselves of VIC ROAD's facilities. Bus proprietors also need to use this office on a regular basis. Kyneton currently has two bus companies. One has 45 buses and in excess of 50 drivers. The second bus company is a little smaller. They both use the VIC ROADS office several times a week for registrations, licences, endorsements and vehicle clearance checks.

Some residents of Woodend cannot understand why the office should be moved from Kyneton to their township. I have been told that it would be more central because people from Sunbury could use it. If Sunbury residents prefer to use the Kyneton office, which is staffed by only one person, rather than travelling half that distance to the head office in Carlton, which has a huge staff, perhaps one can conclude that the Carlton office does not provide a satisfactory service. I ask the Minister to examine the matter and ask his office to discuss the matter officially with the Shire of Kyneton to see whether some alternative accommodation can be found in that township. It is ironic that a Calder corridor office of VIC ROADS is soon to be established in Kyneton — a project manager has just been appointed — when it is proposed to relocate the other office. I am sure it will not pay VIC ROADS to move from Kyneton at this particular time.

Berthing and mooring fees at Port Fairy

Mr J. F. McGRATH (Warrnambool) — I direct to the attention of the Premier the mooring and

berthing fees at Port Fairy, which have been the subject of several inquiries by the Department of Manufacturing and Industry Development, which is the responsibility of Mr White in another place. I raise this matter with the Premier for two reasons: firstly, I believe the matter needs her intervention and, secondly, the Premier has spent many holidays in Port Fairy with which she has a close affinity.

A report commissioned by the Borough of Port Fairy, the Cox Tanner report, says that more than 100 000 people actually walk the wharf at Port Fairy. It is an historic wharf and it is used as a tourist precinct. The Port of Portland Authority says that the commercial and recreational boat owners should pay for the full restoration and maintenance of the wharf. When the Premier was Minister for Conservation, Forests and Lands she commissioned a survey of the Victorian commercial rock lobster industry. It showed that for fishing vessels not under finance, expenses account for approximately 70 per cent of their catch. For example, a Port Fairy boat paying berthing fees of \$5000 a year would need to catch extra fish worth more than \$16 600 a year to maintain its economic viability. This is at a time when the Ministry for Conservation and Environment is doing all sorts of things to reduce the catch from the various fisheries such as lobster, shark and so forth.

The impact of this impost on boat owners will be devastating for the small township of Port Fairy. It has two industries: fishing and tourism. This impost will impose undue and inequitable charges on the fishing industry. For example, if you were to moor a boat at St Kilda Marina it would cost you \$3530 a year and if you moored the same boat at Port Fairy it would cost you \$5200 a year. I shall compare the facilities at those two moorings: the St Kilda Marina is totally facilitated with power, hot and cold running water, showers, lighting and security, while Port Fairy has a pole on which to tie up your boat, one cold water tap and two power points that are shared by 35 commercial users. The difference in fees is an absolute nonsense. I call on the Premier to intervene.

Numerous submissions were made to the inquiry but obviously they have been ignored. I now call on the Premier as Leader of the Government and also because of her close affinity with Port Fairy, where she has enjoyed countless holidays, to save this historic fishing village. If she does not these boats will move, which will devastate the township's economy.

The Port of Portland Authority says that if sections of the wharf become vacant it will remove those parts of the wharf. I should like to see the authority take out parts of this historic wharf at Port Fairy! I call on the Premier to intervene before the issue gets out of hand.

Public transport in northern suburbs

Mr BATCHELOR (Thomastown) — I direct to the attention of the Minister for Transport the public transport needs of the northern suburbs football fans. On 7 May Collingwood is to play Carlton at the Melbourne Cricket Ground.

Mr Hamilton interjected.

Mr BATCHELOR — Of course the Magpies will win! It is a night game and it has created enormous public interest. Tonight's media reports suggest it is already sold out.

As always an army of loyal football supporters from Melbourne's northern suburbs will travel in to see their teams play. Such is the support for Collingwood and Carlton in the north of Melbourne that there will be a massive evacuation of those suburbs. There will be no people left at home to watch the televising of the match.

I ask the Minister for Transport to ensure that there is sufficient public transport to deliver Collingwood and Carlton supporters to the game and to get them safely home again. Trains and trams are well regarded by the football public as the best and most reliable method of travelling to a football match, especially those held at the Melbourne Cricket Ground. For games that are held at normally scheduled times, the travelling public is well catered for by the public transport system and those services are well patronised — especially on lines such as Epping and Hurstbridge that go to the north — on a normal football day when Collingwood is playing at either Victoria Park or the MCG.

The special timing of this game requires the special attention of the public transport authorities. I ask the Minister to ensure that extra carriages are added to the presently scheduled services and that additional trains are provided at peak times, particularly for the homeward journey. I ask that details be well publicised in advance so that people can plan to use public transport on this wonderful occasion.

I have mentioned the northern suburbs but I suppose there will be great interest from other areas

of Melbourne. Extra attention should be given to them. This will be a great occasion. It is almost 100 years to the day when Collingwood played its first game. It played against Carlton on 7 May 1892. Despite the first goal being kicked by the great Collingwood player, Will Proudfoot, Carlton went on to win the game, 3 goals, 13 behinds to Collingwood's 2 goals, 11 behinds. The best players for Collingwood in their first match were Longford, Allan, McLaughlin, Toll and Costello. There were 16 000 people in attendance at the first game; and it is only fitting that Collingwood's centenary game should be a sell-out.

It is expected that the Great Southern Stand will be filled to capacity. In 1892 the number of seats sold raised 150 pounds which Carlton gave to the new club. I was wondering whether Carlton, through its president Mr Elliott, would consider a similar donation for the centenary match, but I shall leave that to others to follow up.

Plenty of people from the northern suburbs will be there and I ask the Minister to take up the matter with the operational sectors of the public transport system.

Kananook and Mordialloc creeks

Mr LEIGH (Malvern) — I refer to the Minister for Water Resources, and in his absence to the Minister for Transport, a front-page article in the *Mordialloc Chelsea News* of Tuesday, 4 February 1992, reporting the announcement by the Minister for Water Resources of a \$250 000 major clean-up program of the Mordialloc and Kananook creeks, in which the Minister suggests that the Meander the Mordialloc and Canoe the Kananook programs will be complete by June. The government is now getting involved in as many stunts as it can think of.

I did some research and it may be said that whenever a government is in trouble it uses the Mordialloc creek as a back-up to get itself out of trouble. Liberal governments have been involved as well. This is a waterway on which we can almost walk and nobody wants to do anything about it.

Of a total of \$247 519, a wonderful \$41 225 will be spent on administrative costs. That is a considerable portion of the cost of the clean up. How many jobs will it create? A memorandum dated 22 November from Melbourne Water states:

Activities and works should be labour-orientated, with opportunities to utilise both Melbourne Water employees and community groups.

How many people will be employed?
Recommendation No. 4 states:

That approval be given to appoint a minimum of one extra maintenance person to the Dandenong office's Southern Maintenance Crew utilising redeployees from existing MWC staff.

That is wonderful. As the memorandum says, the weekly clean-up phase will require additional maintenance crews to be put on. Currently the Dandenong office's southern maintenance crew has been depleted by resignations and will require a further minimum of one extra full-time staff member to be employed for the weekly clean-up.

Some poetic words were spoken by a local resident. Mr Jim Kerin of the Mordialloc Creek Action Group said he wanted "tangible improvements" instead of "tillation". He said improving the creek's water quality was more important than cosmetic changes. Never have truer words been spoken. The memorandum from the Manager of the Environmental and Scientific Branch to Graeme Rooke, the manager of the Dandenong office, says:

Real improvements to Mordialloc Creek and its environs are constrained by a lack of large amounts of funding to tackle these issues. Further, little influence can be borne on the major water quality problems until silt/trash traps are installed in Heatherton and Mordialloc settlement drains ...

The government proposes to do what? That is not included. Government departments are saying they cannot do anything unless they get on with the real problem of water quality. What is the point of planting trees on creek sites when they die because the water is so bad you can almost walk on it? This was a silly stunt by the government.

It is now proposing to employ another 20 people through a Federal and State government program of unskilled people who will walk around under the guidance of some bureaucrat who does not know what he is doing.

The SPEAKER — Order! The honourable member's time has expired.

School bus safety

Mr HAMILTON (Morwell) — I raise with the Minister for Transport my concern about school buses. I hope the Minister does not wince because it is not the perennial problem that concerns school buses from Churchill, but a different one.

I have received a letter from the student executive of Kurnai College, Churchill Campus, about an important issue of school bus safety. Honourable members who have had anything to do with school buses over a period would know about the set of guidelines that allow a licensed bus to carry a certain number of passengers and to carry three students for every two adult seats. That has created a number of problems because many of our school buses have become overloaded and in some cases up to one-third of students have had to stand for the journey. The letter states:

If there was an accident the students standing up would be seriously injured or even killed. We think that this is a disaster just waiting to happen and that the guidelines be altered so something can be done about this.

The matter of school buses has been an ongoing concern of this government and previous governments. The safety of children at any time and especially when they are travelling on school buses must be taken seriously. These days primary school children seem to be growing to a much larger size than they did in my day. Maybe it is because of better nutrition, better health care and perhaps even better parents. The size of the children has created a problem on our school buses.

Even though the guidelines might specifically apply to primary school children there is evidence that a large number of buses carrying secondary school students travel with many of the students standing up. If there were an accident inevitably there would be serious injury. The issue of school bus safety has been raised by a number of committees and there have been discussions about safety belts being installed on buses.

I commend the students for bringing up this matter and I ask that the guidelines be reviewed and that the government seriously consider providing sufficient space so that students travel to and from school in safety. We have encouraged students to stay at school for longer periods and to become more actively involved in their education. Therefore we have a responsibility to address this serious

issue. I ask the Minister to consider this matter and provide a result that will ensure that our children travel in much safer circumstances than they currently do.

New South Wales Club Keno

Mr BILDSTIEN (Mildura) — I address a matter for the attention of the Attorney-General and I ask him to consult with the Minister for Sport and Recreation and the Treasurer. It relates to an anomaly that has been brought to my attention about the Lotteries, Gaming and Betting Act 1966 as it applies to all Victorian media outlets that report on a New South Wales lottery called Club Keno.

Club Keno is registered in New South Wales but not in Victoria. It can be played only at selected clubs in New South Wales. My electorate borders the towns of Wentworth and Coomealla, which both have Club Keno as attractions. They are keen to promote it to local people and visitors.

Section 7 of the Lotteries, Gaming and Betting Act prohibits any advertising by the Victorian media of Club Keno. It says:

It is an offence to broadcast advertisements mentioning Club Keno in the State of Victoria.

It also states:

Any person who publishes or exhibits or causes or permits to be published or exhibited in a newspaper or on a notice or in a broadcast, telecast or otherwise any information relating to a lottery shall be guilty of an offence.

This provides an interesting situation in border areas. The Sunraysia district operates as a regional entity and does not consider it is divided by the River Murray. Victorian-based media outlets such as commercial radio, commercial television and newspapers are on our side of the river. I have had advice from Tattersalls that Victorian-based television and radio that transmit across the border into New South Wales and newspapers that circulate across the border are breaching the provisions of the Act if they mention Club Keno.

Technically, even if a Victorian news outlet were to report a big Club Keno win by a person playing the game at a New South Wales club it would be in breach of the Act. Ironically in my home town of Mildura the Victorian Keno is sponsored on the local television by the Wentworth club.

One can imagine the revenue ramifications for the Victorian media outlets that are being advised that they cannot accept any advertising revenue, and one can imagine the concerns of the clubs that wish to create a community awareness of their facilities. As I said, the legal advice that has been put to me is that if the letter of the law is adhered to no Victorian media outlet could advertise or report a large profit or gain by a person who was playing Club Keno at a New South Wales club.

This is clearly an anomaly that needs urgent investigation by the government so that problems facing communities that straddle State borders can be solved.

Responses

Mr SPYKER (Minister for Transport) — The honourable member for Gisborne raised a concern about the proposed transfer of the VIC ROADS office from Kyneton to Woodend and wishes me to raise the matter with VIC ROADS. We are trying to rationalise services in some areas and we have asked local government to make sure that people in both metropolitan and rural Victoria are within reasonable travelling distance of VIC ROADS facilities. I shall take up that matter with VIC ROADS and respond to the honourable member.

The honourable member for Warrnambool raised for the Premier the berthing fees and charges proposed for Port Fairy and referred to her holidays in that town. He is concerned that the fees and charges will impact on Port Fairy, particularly as it is a fishing village and a tourism area. I will take that up with the Premier.

The honourable member for Thomastown raised the centenary football match between Carlton and Collingwood on 7 May and wanted to ensure that sufficient public transport is arranged for that evening. I assure him that the Public Transport Corporation will ensure that sufficient trams, trains and buses are provided. Late at night the PTC normally runs three-carriage trains, and often only the carriage next to the guard's van has its lights and doors operating, but on 7 May six-carriage trains will be available for travel.

The honourable member seemed to be suggesting that there were more biased Collingwood supporters in the northern suburbs than anywhere else, but I assure him that my spouse is a biased Collingwood supporter so they are not all in the northern suburbs. I will take up the issue with the

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PTC to ensure that there is sufficient rolling stock of trams, trains and buses before and after the match. I advise members of the public thinking about attending this match that the most efficient way of getting to the football is on public transport. I also ask supporters of the winning team on the way home to show some discipline and, if there is a mixture of Carlton and Collingwood supporters at railway stations, I ask them to take separate carriages. I suggest in the interests of safety on public transport that is the better way to go.

The honourable member for Malvern raised for the attention of the Minister for Water Resources an issue concerning the Mordialloc Creek. I find it extraordinary that the Mordialloc Creek should be of interest to the honourable member for Malvern. I suggest it is outside the electorate he represents. The honourable member will be aware that the major pollution problem in the Mordialloc Creek was caused by the former Springvale-Dandenong Water Board. I am pleased that the Minister for Water Resources agreed to amalgamate the water board with Melbourne Water because formerly 80 per cent of sewerage effluent discharged into the creek was untreated. I strongly supported the merger of the boards because it was important that the Springvale-Dandenong Water Board be under the discipline of Melbourne Water and that only treated effluent be discharged into the creek. I suggest when the new guidelines are in place the major pollution problem in the Mordialloc Creek will be overcome. Over the past 10 years the government has done a lot in cleaning up the creek, which was neglected by previous Liberal governments for decades.

The honourable member for Morwell raised with me the issue of bus safety. I am conscious of the fact that if Victoria is to have an outstanding record on bus safety we must ensure that appropriate numbers of buses for primary and secondary students are provided. Safety on buses is a serious issue, as is bus design and ensuring that we minimise the possibility of overcrowding. There is not always an even distribution of the number of vehicles and students on all buses. One can see a bus that is almost overcrowded pass by and a couple of minutes later another bus will have many seats available. I will discuss the matter further with the honourable member to ensure that assistance is provided to allay his concerns.

The honourable member for Mildura raised for the attention of the Attorney-General the fact that Club

Keno is legal in New South Wales and not in Victoria. The Leader of the House has advised me that the government proposed to allow Tattersalls to conduct Club Keno in Victoria but the Liberal Party knocked it back in the Upper House.

Mr Bildstien — You missed the point!

Mr SPYKER — I will refer the matter to the Attorney-General but I suggest the honourable member should speak to his colleagues in his party room.

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, like the honourable member for Glen Waverley, I raise the fact that the Leader of the House and the Minister for Transport are the only Ministers who have been in the House tonight during the debate on the motion for the adjournment of the sitting. As the Acting Whip, I am well aware that no arrangements have been made for government Ministers to be absent. They are all in the building but none of them has had the guts to come into the House for the adjournment debate to listen to members of Parliament putting their points of view and making comments.

Mr Micallef — Put your point of view across!

Mr LEIGH — We have rights in this Chamber. Ministers of the Crown are paid more than \$110 000 a year but since about 1987 they have not fronted up in this Chamber night after night to address the complaints raised by honourable members, irrespective of their political affiliation. I ask you, Sir, to take it up with the Leader of the House and the government to ensure that, as is their duty, Ministers are present in the Chamber for the adjournment debate.

The SPEAKER — Order! On the point of order raised by the honourable member for Malvern, my understanding is that the Minister for Water Resources is absent on Ministerial duties.

Mr Leigh — It's not just him!

Motion agreed to.

House adjourned 11.57 p.m.

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The SPEAKER (Hon. Ken Coghill) took the chair at 10.35 a.m. and read the prayer.

ABSENCE OF MINISTER

The SPEAKER — Order! I have been advised that the Minister for Water Resources will be absent during questions without notice.

QUESTIONS WITHOUT NOTICE

PRIVATISATION OF GOVERNMENT UTILITIES

Mr KENNETT (Leader of the Opposition) — I refer the Premier to the government's privatisation program for the Gas and Fuel Corporation and to her public support for such a program, and I ask —

The SPEAKER — Order! There is far too much audible conversation on both sides of the Chamber. The honourable member for Brighton! I ask honourable members to remain silent so that the Leader of the Opposition can be heard clearly.

Mr KENNETT — I will start again, Mr Speaker.

Mr Leighton interjected.

The SPEAKER — Order! The honourable member for Preston!

Mr KENNETT — I refer the Premier to the government's privatisation program for the Gas and Fuel Corporation and to her public support for such a program, and I ask —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Keilor is out of order, as he is well aware, and I ask him to remain silent.

Mr KENNETT — Is it a fact that the proposal of the Minister for Manufacturing and Industry Development in another place to publicly issue preference shares in the Gas and Fuel Corporation —

Honourable members interjecting.

The SPEAKER — Order! I warn the honourable member for Preston; he has already been cautioned and I will not warn him again. I ask the honourable member, and other honourable members to the right of the Chair, to remain silent so that the question can be heard clearly.

Mr KENNETT — I ask: is it a fact that the proposal of the Minister for Manufacturing and Industry Development in another place to publicly issue preference shares in the Gas and Fuel Corporation in line with the Premier's policy was defeated in Cabinet on Monday; and what is the government's policy on privatising the Gas and Fuel Corporation?

Ms KIRNER (Premier) — The government has always had a clear policy that the core assets of this State should remain in public ownership. The government has never varied from that position and will not vary from it. It was a view —

Honourable members interjecting.

The SPEAKER — Order! I ask the Premier to pause while the House comes to order. I ask honourable members on my left to remain silent so that the Premier's reply can be heard clearly.

Ms KIRNER — The view that the Gas and Fuel Corporation, the State Electricity Commission of Victoria and Melbourne Water should be privatised is a view that is held only on the other side of the table. Not only do members of the opposition hold that view, which is clearly spelt out in the papers that are released by the honourable member for Brighton, so that there is no question about it, but the opposition has a whole tribe of people — all the people who want to get their hands on the people's money — working behind the scenes on this issue so that after the election —

The SPEAKER — Order! I ask the Premier to pause. The honourable member for Ivanhoe! I ask honourable members on both sides of the House to remain silent, and I ask the Premier not to debate the question but to relate her remarks to the question.

Ms KIRNER (Premier) — I understood the question to be about privatisation and the government's position, which I have clearly spelt out. At the same time, while the government is in the process of reforming government trading enterprises it has an obligation to consider proposals

put by various statutory authorities. The government does not always agree with those proposals but clearly the public interest in terms of ownership and price has to be the prior interest.

Indeed, the government clearly indicated yesterday that Cabinet and caucus has determined that the Gas and Fuel Corporation of Victoria will not be partially floated, which is what the proposal was about, and that it has no intention — although clearly the opposition has — of privatising the State's core assets.

It is interesting that when the opposition has a clear policy — and it is rare that it has such a policy — it is not prepared to trot it out because it knows the people of Victoria appreciate that the difference between the opposition and the government is that the opposition will privatise core public assets and the government will not.

LOY YANG B POWER STATION

Mr McNAMARA (Leader of the National Party) — I refer the Premier to the government's program of part privatisation of the State Electricity Commission of Victoria by selling 40 per cent of Loy Yang B to Mission Energy. Is it a fact that Mission Energy's status as the preferred purchaser is now in doubt and what is the government's policy today on the continuing privatisation of the State Electricity Commission?

Ms KIRNER (Premier) — I believe all honourable members are in agreement with the government's policy that it is acceptable to take up investment from the private sector if there is a reasonable opportunity to extend public assets, new public assets. That is the situation with Loy Yang B2 — a perfectly clear position. The State Electricity Commission, under our government, as is well known, will stay in public ownership, but the assets of the State will be extended by private investment in the extension of SECV assets — Loy Yang B2.

What would the situation be with the opposition's policies? What is it saying it will do?

Mr McNAMARA (Leader of the National Party) — On a point of order, Mr Speaker, I ask you to draw the Premier back to the question on the point of relevance. I asked about the current position of Mission Energy.

The SPEAKER — Order! At this stage of the Premier's reply I do not uphold the point of order,

but I remind the Premier that her answer must be relevant.

Ms KIRNER — It is perfectly clear that the only group that would like the whole of Loy Yang B to be built by the private sector is the opposition. The government's proposal will still maintain its control of prices charged by the SEC, but will also attract private sector investment in the construction of new assets — and that is generally accepted throughout this State. Mission Energy is the preferred bidder and remains so.

TEXTILE, CLOTHING AND FOOTWEAR INDUSTRY

Mr LEIGHTON (Preston) — Following the announcement yesterday that Victoria and South Australia will jointly pursue a change in Federal government policy on the textile, clothing and footwear industry, will the Premier advise the House of the response to that initiative she has received from industry and trade unions?

Mr Perton interjected.

The SPEAKER — Order! The honourable member for Doncaster is out of order. The question was directed to the Premier, not to him.

Ms KIRNER (Premier) — At least the honourable member for Doncaster is in the Chamber rather than up in the Press Gallery where he normally is. The response from the industry, the unions and members of Parliament to the decision by Mr Bannon, the Premier of South Australia, and myself to take a strong line on the protection of the textile, clothing and footwear (TCF) industry has been very positive. Both the unions and industry as well as members of Parliament are happy to meet with the government over the next 10 days to establish and agree to our 10-point plan or, in fact, develop it.

However, what has become clear is that companies are right now considering their purchasing investment based on the abolition in quotas in March next year. That means that there is an urgency to this issue that needs to be clearly addressed by all members of this House as well as by the Federal government.

By next March Australian buyers will be free of quantitative restrictions on their purchases from overseas, and although we are not clear on what that means in total job losses, we know that it clearly

means fewer jobs at a time when we have a record number of jobless.

The position of the industry and the unions is clear. The Victorian government is prepared to go in and, together with the TCF industry, fight for its survival but what is unclear is the opposition's position. It is interesting that whenever I raise this matter in Parliament the Leader of the Opposition becomes agitated. That is not surprising, given that his participation in the knitting mill exercise was seen by his partners as both volatile and hair-raising.

Mr Kennett interjected.

Ms KIRNER — You see what happens? It is his attitude and the attitude of the opposition on tariffs. We need a joint Victorian position on the textile, clothing and footwear industry. We need the opposition to stand up and add some value to their rhetoric.

Mr Kennett — Have a debate. Have a debate in this place!

Honourable members interjecting.

The SPEAKER — Order! There is too much audible conversation from both sides of the Chamber, and I ask all honourable members to remain silent. The Leader of the Opposition should resist the temptation to interject, and I ask the Premier not to respond.

Ms KIRNER — Victoria needs both the Leader of the Opposition and the Premier to stand up and be counted on the TCF industry in terms of what —

Mr Kennett — In the Parliament!

Ms KIRNER — No, outside or even on the phone to Professor Hewson. That would be nice!

Mr Kennan — That would be nice, wouldn't it? And we could get the Nationals into the debate, too!

Honourable members interjecting.

Mr Kennett interjected.

Mrs Hirsh — Go home and have a good sleep!

The SPEAKER — Order! The honourable member for Wantirna is out of order, as she is well aware. I ask both the Premier and the Leader of the Opposition to cease their exchange across the table. I

ask the Premier to direct her remarks to the Chair and the Leader of the Opposition to cease interjecting.

Ms KIRNER — The Leader of the National Party was prepared to stand up on the issue of sugar tariffs. It does not have much to do with Victoria, but he did stand up and voice his opinion. At the weekend we heard rumblings that the Leader of the Opposition might stand up on the issue of the TCF industry, but he obviously thought better of it. The government will stand up for TCF. We will make it clear that we intend to have a TCF industry in Victoria and that neither the position on quotas nor the position of total tariff reduction in Fightback is tenable. Over the next two weeks we will develop a revitalisation plan that John Bannon and I will put to the Federal government, but I am waiting to hear whether the Leader of the Opposition will stand up to Professor Hewson.

PRIVATISATION OF STATE ASSETS

Mr STOCKDALE (Brighton) — I refer to the Premier's first answer today that her government will not privatise State assets and ask: does that mean that her government intends to cancel the sale of the State Insurance Office or has she misled the House yet again?

Ms KIRNER (Premier) — In the context of my answer it was perfectly clear that I was talking about the Gas and Fuel Corporation of Victoria, the State Electricity Commission of Victoria and Melbourne Water. I know the opposition is very uncomfortable with its view of privatisation, very uncomfortable. When it spells it out —

Honourable members interjecting.

The SPEAKER — Order! I ask honourable members on my left, especially, to remain silent so that the Premier's reply can be heard.

Ms KIRNER — The opposition's view, whether they spell it out or the government spells it out to the public for them, is that these core assets should be privatised. Not that they should be made more effective, not that they should remain in public hands because they are monopoly assets, but that they should be privatised. That is a clear view, and even in the Liberal Party some are worried about that because they know the Victorian public does not find that to be a tenable proposition.

The government's position on the core assets of the Gas and Fuel Corporation, the State Electricity Commission and Melbourne Water is absolutely clear, and I look forward to debating it in the future.

TRUST FUND MANAGEMENT FOR INTELLECTUALLY DISABLED CLIENTS

Mr NORRIS (Dandenong) — I ask the Minister for Community Services to inform the House of any changes to trust fund management that are proposed for intellectually disabled clients of Community Services Victoria.

Mrs SETCHES (Minister for Community Services) — The House would be aware that Community Services Victoria has been running a program of investigation into malpractice in its institutions. That has resulted in charges being laid by police and convictions being gained in many instances, as well as to a general upsurge in disciplinary action against members of CSV staff.

Community Services Victoria has had eight investigators working to find what is happening in the institutions and it has also had auditors and accountants working to see what is happening with funds in various units within institutions. The investigation task force, which was established last year, has found that there needs to be a review of all aspects of the management of trust funds of clients in institutions for the intellectually disabled.

In accordance with the Intellectually Disabled Persons' Services Act, CSV now manages approximately \$17 million on behalf of clients within institutions. That sum includes individual client's trust accounts and amenities accounts, in which money from all residents of the institution is pooled and spent on some of the things they may want, such as outings, stereos or videos.

Honourable members would be aware that the government provides 24-hour support, meals, accommodation, furnishings and everything these people need, but when they want something like a video they can pool their money. This means there might be an averaging of \$2 to \$3 per person in the amenities account. Organisational arrangements for the management of these large amounts of money on behalf of intellectually disabled people will be changed.

The staff handling the amounts must be accountable and balance sheets must be provided to the advocates, the guardians or the people themselves,

where appropriate, showing the amounts they have, the interest they have accrued over time and how money has been spent on their behalf at their request.

In 1987 CSV created a breakthrough by authorising a major bank to handle the funds. We must ensure that we work with the bank in improving the way these moneys are handled. There has to be a change. I foreshadow that I will be introducing legislation to ensure that there is accountability for the funds held by CSV on behalf of clients. We will ensure that there are safeguards for staff handling the money on behalf of clients and, most importantly, on behalf of the people who, in some cases, have substantial amounts of money invested with trust funds. This process will ensure a clear separation of the two categories of funds: the amenities account and the trust accounts of clients. There must be public scrutiny to ensure that the moneys are being well spent, and I foreshadow that the government will be doing that later this session.

TRANSPORT ACCIDENT COMMISSION

Mr PLOWMAN (Evelyn) — I refer the Premier to an answer she gave yesterday to a question in this House when she said that the opposition was running around establishing committees to sell off Victorian assets. Is it not a fact that her government has just appointed Baring Brothers Burrows to formulate a means by which her government can rip off motorists' accumulated reserves in the Transport Accident Commission to create the illusion of a lower Budget deficit?

Ms KIRNER (Premier) — I should have thought the place to have asked that question was in the Liberal Party's party room! The only person who is trying to rip off the Transport Accident Commission (TAC) for a political gimmick is the Leader of the Opposition. In contrast, the shadow Treasurer, in an earlier statement to the media — and I suspect to this House but I am not sure about that — said that those reserves should be treated very carefully indeed.

The TAC, as all Victorians and Australians know, is one of the most effectively managed organisations in Australia. It is successful not only financially but also in changing community attitudes and lessening the road toll because of its excellent media campaign.

Mr Kennett — Privatised it!

Ms KIRNER — It is absolutely fascinating to see how hung up the opposition is today on the issue of privatisation. The opposition is well aware that the community is starting to wake up to the fact that it is the only Victorian party proposing privatisation. Indeed, it is the only party that has a view that the State Electricity Commission, the Gas and Fuel Corporation and Melbourne Water ought to be privatised. That is the opposition's clear view. The opposition is nervous about public recognition on that, as it should well be.

Honourable members interjecting.

Ms KIRNER — The Transport Accident Commission is also very nervous about the Leader of the Opposition's proposal.

Mr W. D. McGRATH (Lowan) — I refer the Premier to the fact that Baring Brothers Burrows has been appointed to examine the privatisation of the motor accident scheme and ask whether the government will give an undertaking that in any privatisation proposal the Transport Accident Commission will be unbundled to create a competitive market in the motor accident insurance industry.

Ms KIRNER (Premier) — The question from the Deputy Leader of the National Party reveals that today is the day for exposition and exposure of the opposition's policies. The only people who want to break up the Transport Accident Commission and sell it off in bits are the opposition, not the government; that is not the policy of the government.

The TAC has an obligation, first, to maintain the current standard of proper financial management, which I assume it will continue to do; and second, to look at its future. If it wants to employ people to do that, that is its decision, not the government's. It may go ahead and do that and at any time may discuss that with the government, which has the final decision on the matter — indeed, not even the government has the final say, Parliament has the final decision on the matter.

RAPID TRANSIT LINK

Mr GAVIN (Coburg) — Will the Minister for Major Projects advise the House whether there has been any private sector interest in establishing a rapid transit link —

Honourable members interjecting.

The SPEAKER — Order! Members of the opposition parties are making it impossible for the Chair to hear the honourable member for Coburg, as is the Minister for Food and Agriculture. I ask honourable members on both sides of the House to remain silent. I ask the honourable member for Bendigo West to remain silent.

Honourable members interjecting.

The SPEAKER — Order! I will call the honourable member when the House comes to order. I ask the honourable member for Frankston South to remain silent.

Mr GAVIN — Will the Minister for Major Projects advise the House whether there has been any private sector interest in establishing the rapid transit link between the Tullamarine airport and the city? If so, can he provide details to the House?

Honourable members interjecting.

Mr Spyker interjected.

The SPEAKER — Order! The question was not directed to the Minister for Transport.

Mr KENNAN (Minister for Major Projects) — Of course the House will be aware that part of the government's vision for Melbourne, shared by many in the private sector and the Committee for Melbourne, is the upgrading of the airport and an international airline based in Melbourne — a matter now agreed to by the Federal government on the basis of policy issues which we initiated and which will be very important for the future of Melbourne — together with a private sector rapid transit link between the airport and the city, as well as a new ring-road system, which the government has announced.

It is interesting that the opposition expressed grave doubts about the project referred to by the honourable member for Coburg. The opposition said it was a waste of money calling for expressions of interest and did not support it. Members opposite will be aware that a couple of weeks ago in this House I referred to work that showed there was substantial support on the ground for the project and substantial likely patronage. The expressions of interest we called for in December, which was not supported by the opposition, closed yesterday.

In contra-distinction to what the opposition said — that there would be no private interest — we

received 23 expressions of interest, many from major consortia. What is pleasing — and the Leader of the Opposition can mock it just as he mocks any proposal for the future of the city of Melbourne; they can continue to bag this project but we will be going on with it — is that the range of consortia are very supportive.

Substantial documentation has been prepared and a great deal of work has been done by the people who have expressed interest. Indeed, technologies that range from bus, to light and heavy rail, to Maglev, to monorail, and so on have been suggested. There are opportunities here for the best technology in Australia and from overseas.

Honourable members interjecting.

The SPEAKER — Order! There is far too much audible conversation on both sides of the House. The honourable member for Glen Waverley is out of order. I ask the honourable member for Frankston South to remain silent.

Mr KENNAN — It is extraordinary that the opposition has no interest in this project, but it is another example of its policy-free, idea-free approach to politics in this State, because what we are talking about is a project that has attracted interest from major consortia both here and overseas. In both technology and financing we can expect the best from Victoria, Australia and overseas to be participating in this project.

During the next month we will be assessing the 23 expressions of interest — 23 more than the opposition predicted, the difference between 0 on their part and 23 out there in the real world, where there are real people who understand what the private sector is about — and we hope in early June we will be able to go to tender with a short list prepared from those 23 registrations of interest.

During that time, if the opposition cannot be positive about these things and about Melbourne and Victoria, we hope they will at least take the Leader of the Opposition's role and remain silent; at least they could hold their breath and say nothing, as the declared policy of the Leader of the Opposition is that it is good politics to say nothing. Perhaps they could all do that! At least then they would move from a position where they are sledging, knocking and bagging to a position where they are silent.

Let us get on with these major projects without the private sector being disrupted by the sledging and knocking opposite.

The SPEAKER — Order! The time for questions without notice has expired.

MEDIA ACCESS

Mr GUDE (Hawthorn) — Mr Speaker, I raise a matter with you and seek clarification because, as I understand it, you have today instructed the press that they are not to doorstep in this place. I seek clarification of whether that is the case and whether that makes this Parliament the first Parliament in Australia to effectively ban free speech.

It is a matter of considerable concern for all free-thinking Victorians, and I seek clarification as to whether that instruction has been given.

The SPEAKER — Order! On the matter raised by the Deputy Leader of the Opposition, his information is quite incorrect. There was an occasion earlier today when it was literally impossible for people to enter the rear door of Parliament House because of crowding, in the course of an interview, by members of the press. An instruction was issued by me asking that a clear passage be maintained — no more and no less.

PETITIONS

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

Companion Animals Bill

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

The humble petition of the undersigned sheweth that the Companion Animals Act currently before the Parliament of Victoria is unacceptable in its present form.

The legislation will not solve the problems of straying, fouling and excessive and irresponsible breeding of companion animals. The legislation is unacceptable.

Further consultation with the public and interested groups is required before any legislation is enacted.

Your petitioners therefore pray that this House will defer the legislation pending consultation and review with interested groups.

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

By Mr Reynolds (1015 signatures)

Victoria Park agreement

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 supports the Victorian government legislating for the Victoria Park agreement. This action will protect Collingwood ratepayers from a substantial financial loss if the matter were left to the courts.

We deplore the action of the current council in obstructing the agreement and ignoring legal advice that the agreement is legally binding and should proceed.

We further note that the agreement delivers significant financial benefits to the people of Collingwood and secures the long-term future of the Collingwood Football Club at Victoria Park.

Your petitioners therefore pray that the Parliament take all necessary steps to ensure that Collingwood council honours its commitments to the Collingwood Football Club.

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

By Mr Batchelor (96 signatures)

Laid on table.

SOCIAL DEVELOPMENT COMMITTEE

Mental disturbance and community safety

Mrs RAY (Box Hill) presented third report of Social Development Committee on inquiry into mental disturbance and community safety, together with appendices, extracts from proceedings and minority report.

Laid on table.

Ordered to be printed.

PAPER

Laid on table by Clerk:

Exhibition Trustees — Report for year ended 31 December 1991.

HERITAGE RIVERS BILL

Returned from Council with message relating to amendments.

Ordered to be considered next day.

FINANCIAL INSTITUTIONS (VICTORIA) BILL

Introduction and first reading

Mr KENNAN (Attorney-General) — I move:

That I have leave to bring in a Bill to make provision for a uniform legislative scheme for certain financial institutions, to establish the Victorian Financial Institutions Commission, to amend the Building Societies Act 1986, the Co-operation Act 1981, the Co-operative Housing Societies Act 1958, the Friendly Societies Act 1986, the Industrial and Provident Societies Act 1958 and certain other Acts and for other purposes.

Mr GUDE (Hawthorn) — I ask the Minister whether it is intended that the Bill will be passed during this sessional period or whether it is intended to hold it over until after the forthcoming State election.

Mr KENNAN (Attorney-General) (*By leave*) — It was decided at the Premiers Conference that this Bill is part of a legislative package that should come into effect nationally on 1 July. At this stage the timetables of all Parliaments appear to allow that to occur. To enable this Bill to be part of that package we wish it to be passed prior to 1 July.

Motion agreed to.

Read first time.

LEGAL AID COMMISSION (AMENDMENT) BILL

Introduction and first reading

Mr KENNAN (Attorney-General) — I move:

That I have leave to bring in a Bill to amend the Legal Aid Commission Act 1978 and for other purposes.

Mr GUDE (Hawthorn) — Does the Attorney-General intend that the Bill be passed during this sessional period or does the government

SMALL CLAIMS TRIBUNALS (JURISDICTION) BILL

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intend holding it over until after the forthcoming election?

Mr KENNAN (Attorney-General) (*By leave*) — I certainly wish to proceed with the Bill in this sessional period. This is a Bill that the opposition, which believes in the private market, would want to rush through Parliament. I do not seek that it be rushed through Parliament but I do seek that it be passed during this sessional period.

Mr Gude interjected.

Mr KENNAN — Of course if the honourable member wants to ask a question and wants to behave in a disorderly fashion, which is something that never happened to me when I was in the other place —

Honourable members interjecting.

Mr KENNAN — The Bill will provide the Legal Aid Commission with the freedom to negotiate with private legal practitioners in the marketplace without reference to financial percentages and scales. It can take advantage of doing the best possible deal in the marketplace. I look forward to enthusiastic support from the Deputy Leader of the Liberal Party because I believe that is consistent with his philosophy. I hope we do not meet with any obstruction of the Bill. It has been unkindly suggested that it might be opposed. It might have been a bit unkind but I suppose the Deputy Leader of the Opposition might be seen to act erratically at times — it depends on the moon and sometimes on who is saying what and when.

He could raise the issue of the 15 per cent goods and services tax (GST) in relation to private practitioners. When I raised the matter in relation to legal aid the honourable member for Kew said that Professor Hewson in another place — I mean another place, not the other place — over the river —

Honourable members interjecting.

Mr KENNAN — The Leader of the Opposition told me that he was down at the Arts Centre last night as a spectator listening to something called the *Messiah*. We were here. I do not know whether Professor Hewson was on stage.

The debate will also give the opposition the opportunity to clarify Professor Hewson's position on whether the GST applies to legal aid.

I do not want to take any more time over this response to the honourable member for Hawthorn, who on occasion and in certain locations — such as at the football — is otherwise urbane. There are a whole raft of reasons for my belief that this Bill should pass this sessional period. I look to the enthusiastic support of the opposition. It will give the opposition the opportunity to reinforce its belief in the marketplace and certainly to clarify the GST issue. I look forward with gratitude to the Deputy Leader of the Liberal Party expressing either privately or on the record his support for the Bill.

Motion agreed to.

Read first time.

SMALL CLAIMS TRIBUNALS (JURISDICTION) BILL

Introduction and first reading

Mr KENNAN (Attorney-General) introduced a Bill to amend the Small Claims Tribunal Act 1973 and for other purposes.

Mr KENNAN (Attorney-General) — I move:

That this Bill be now read a first time.

The government would like to see this Bill passed during this sessional period to facilitate small business.

Motion agreed to.

Read first time.

ROYAL MELBOURNE HOSPITAL (REDEVELOPMENT) BILL

Introduction and first reading

Mrs SETCHES (Minister for Community Services) — I move:

That I have leave to bring in a Bill to facilitate the redevelopment of the Royal Melbourne Hospital and for other purposes.

Mr MACLELLAN (Berwick) — I ask the Minister whether this Bill is to achieve the creation of a car park under the high school which has been the subject of controversial correspondence with respect to the planning issues.

Mrs SETCHES (Minister for Community Services) (*By leave*) — The Bill provides for a number of activities and one is the creation of car parking facilities for the Royal Melbourne Hospital. There has been some discussion about it and it has been agreed with the school that there can be a car park there. There will also be redevelopment of extensive areas of that excellent hospital to enable it to meet the needs of patients.

As a person who visits the hospital on an almost daily basis I understand the need for the redevelopment of the clinical parts of the hospital as quickly as possible, and we would like the opposition's assistance in passing this Bill expediently.

Motion agreed to.

Read first time.

SWINBURNE UNIVERSITY OF TECHNOLOGY BILL

Introduction and first reading

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) introduced a Bill to establish a university to be known as Swinburne University of Technology, to amend the Post-Secondary Education Act 1978, the Vocational Education and Training Act 1990, the Administrative Law Act 1987 and for other purposes.

Read first time.

MELBOURNE MARKET AND PARK LANDS BILL

Introduction and first reading

Mr HARROWFIELD (Minister for Finance) introduced a Bill to revoke the reservations of certain land at Melbourne, to authorise the sale of that land to the Royal Australasian College of Surgeons, to amend the Melbourne Market and Park Lands Act 1953 and for other purposes.

Read first time.

PLANNING AND ENVIRONMENT (FURTHER AMENDMENT) BILL

Introduction and first reading

Mr McCUTCHEON (Minister for Planning and Housing) — I move:

That I have leave to introduce a Bill to further amend the Planning and Environment Act 1987 and for other purposes.

Mr MACLELLAN (Berwick) — I ask whether it is the Minister's intention to have this Bill held over until the next sessional period or passed during this sessional period.

Mr McCUTCHEON (Minister for Planning and Housing) (*By leave*) — It is the government's intention that this Bill be passed during this sessional period.

Motion agreed to.

Read first time.

SUPPLY (1992-93, No. 1) BILL and WORKS AND SERVICES (ANCILLARY PROVISIONS, 1992-93, No. 1) BILL

Second reading

Debate resumed from previous day; motions of Mr A. J. SHEEHAN (Treasurer).

The SPEAKER — Order! The honourable member for Polwarth.

Mr ROPER (Treasurer) — On a point of order, Mr Speaker, the honourable member for Morwell should have the call.

The SPEAKER — Order! I am sorry, I did not see the honourable member for Morwell rise. I uphold the point of order.

Mr HAMILTON (Morwell) — I did rise but unfortunately I was not seen. I shall concentrate my remarks on the recent release of the document *A Place to Live — Shaping Victoria's Future*. It is important that I do so to correct some misinformation that may have resulted in some hysteria being created locally with the release of the document. Concern has been expressed that the Latrobe Valley was not included in the central crescent as were Geelong, Ballarat and Bendigo, and

the north-western and northern reaches of Melbourne.

The document introduces a 40-year project of catering for Victoria's increased population; and it must be understood that doubt can be cast on any projection so far into the future. More importantly a close reading of the document shows a lack of evidence that the Latrobe Valley and the central Gippsland region will not remain much as they are because the document states clearly that for the next 20 years there will be steady growth of about 2 per cent in that area.

Nowhere in Australia is there more evidence of what can happen with rapid growth than in the Latrobe Valley because in the late 1970s and early 1980s the growth rate was 6, 7 and 8 per cent a year. It was impossible for Federal, State and local government to cope with that rapid growth and provide the infrastructure and services needed to provide a suitable quality of life for that community.

The key to the predictions for the Latrobe Valley area is contained in the map on page 27 of the report, which shows the distribution of the major physical features of Victoria. It can be noted that to the east and west of the Latrobe Valley are two of the largest areas of rich agricultural land in this country. That is a limiting factor on much urban growth.

I strongly support the need for proper planning and provision of services, both in the Latrobe Valley and the rest of Victoria. We must protect rich agricultural land from the urban sprawl. Many people who travel regularly on the road from Melbourne to the Latrobe Valley are extremely disappointed to see the rich agricultural area around the Drouin bypass and Warragul being subdivided and ruined for agriculture and the provision of food and agricultural products for Victoria and the export market. The community must recognise the richness of its natural resources.

On the same map, if one looks to the north and south of the Latrobe Valley, one sees Victorian forests that are close to significant urban industrial areas. The forest industry is extremely important to our community. It is a sustainable resource that has tremendous possibilities for value adding. The pulp and paper industry represents a large value-added component in the use of natural timber resources.

When considering our forest resources, it should be taken into account that they are renewable. I am

pleased that agreements have been made between government and the forest industry on good management practices that will ensure that we have sustainable timber resources and the planning needed to provide for the replacement of current plantations by new plantations as time goes by. Hardwoods have a 30-year cycle and the cycle for softwoods is somewhat less. In the future it is possible that we will have new and yet to be determined value-added industries to add to our natural forest resources.

The map does not show the coal that sits under the Latrobe Valley, which I believe is critical to the future urban growth of the area. The coal is an extremely valuable resource for Victoria's future energy requirements. Technological developments have been advanced for the use of brown coal for things other than generating electricity. Already it is possible to produce liquid fuels, to turn brown coal into oil by using the technology that has been developed at the Brown Coal Liquefaction Victoria plant. That is proven technology that is now awaiting the second stage of development, a demonstration-sized plant that will use the brown coal resources of the Latrobe Valley.

Given the natural advantages of the Latrobe Valley, it is important that government planning over the next 40 years should recognise the valley's strengths and precious assets. The Latrobe Valley has not been selected as one of the major urban areas of Victoria in the government's planning for the next 40 years. New industries and new job opportunities will be created, flowing from the Latrobe Valley's natural assets. Therefore we should be building on our strengths to provide a better quality of life, a sustainable growth pattern and a totally safe environment for the people who reside in that part of Victoria.

The report refers to the various features of the Latrobe Valley. The Latrobe Valley is about 50 per cent further from Melbourne than Ballarat, Bendigo and Geelong. I do not mind coming to Melbourne, but I have a great deal more pleasure in returning there from Melbourne, from the hustle and bustle, the hurly-burly and the crowding of Melbourne, back to the beautiful Latrobe Valley, where the lifestyle is better and people are more relaxed because they have easier access to their places of work and recreation. It is easier to get from the Latrobe Valley to the centre of Melbourne than from some of the outer suburbs of Melbourne. Access from the Latrobe Valley to Melbourne has been improved and will be improved further with the

imminent completion of the duplication of the Princes Highway and the introduction of the rapid transit link, together with the existing regular comfortable coach services.

Some concern was expressed in my local media about the provision of the commuter rail service. This again reveals a lack of close reading of the report. It is dangerous to make criticism without having got the facts correct and without having read the information carefully. The media reported that the Latrobe Valley had been left out of the provision of transit rail services like those planned for Ballarat, Bendigo and Geelong. I have had discussions with the Minister for Transport, who has assured me — and wants to assure the people of the Latrobe Valley — that the rapid transit rail link between the Latrobe Valley and Melbourne will proceed. It will provide another important asset for the people of the Latrobe Valley.

The Latrobe Valley is unique in Victoria. It does not have a single urban centre, such as exists in Geelong, Ballarat and Bendigo; it has the three nodal centres of Moe, Morwell and Traralgon. The fast-growing centre of Churchill is becoming one of the larger urban settlements in Victoria, with a population of over 6500, which makes it the same size as Warragul and almost as large as some of the north-eastern towns.

Many centres of population are separated by very low-density development or a green belt with no development. One of the detractors from a better quality of life in the Latrobe Valley is that some unnecessary competition has been created between the towns of Moe, Morwell, Traralgon and Churchill. The quality of life and community facilities could be greatly improved if there were cooperation and coordination between those four major towns.

The local community should address the fact that it cannot rely on government to provide everything. People have an important responsibility to be involved in determining their own future. The communities in the major centres of the Latrobe Valley should ensure that they work together and with the local government authorities representing those centres to develop and pursue a coordinated and cooperative approach to providing services for the local people. I look forward to such an outcome.

It should not be necessary for the State government to impose conditions by amalgamating municipalities. Municipal councils should wake up

to themselves, as it were, and achieve a degree of cooperation and coordination that will ensure that the quality of life of all the local people continues to improve.

In the Latrobe Valley people do not say, "I am crossing over the border between Moe and Morwell", or "I am crossing over from Morwell to Traralgon". They do not reflect the parochialism that exists in local government. People in the Latrobe Valley commute regularly between various centres. They shop, work and go to school in various parts of the Latrobe Valley and regard themselves as being residents of the Latrobe Valley rather than of particular municipalities. That strength should be built on.

On the same theme, the opportunity should be taken by local communities to become partners in determining their future based on the ground rules laid down in *A Place to Live — Shaping Victoria's Future*. Local communities should decide how they will develop. They should ensure that the proper bases are established for the provision of education, health and other community services.

Local communities should decide on the services that are most effective for local people. It is impossible for someone sitting in an office in Melbourne to determine what the needs are and what is the most effective way of supplying the needs of any local group. Such decisions are more appropriately made and implemented at the local level.

The important partnerships, whether between State and local government or Federal, State and local government, should be built on. For example, the home and community care program has demonstrated quite clearly that local government can put programs on the ground that will benefit a community by addressing the special needs that exist at the local level. Such an outcome is possible with joint government funding, and that partnership can be built on.

The initiative, innovation and imagination of members of local communities can add to the strength of an area. Over a considerable period a number of entrepreneurs in our community have come up with some great ideas about the future of the Latrobe Valley. For example, during the last State election campaign my Liberal Party opponent had a vision for the Latrobe Valley. He said that it could become one of the major food suppliers for the whole Asian market. Such visionaries should be

encouraged and supported. The local community should be able to work through any obstacles and impediments to development so that industries are supported. People should be able to say, "Look at what we have here; we can do better and build on those strengths".

During my term as a representative of the Latrobe Valley I have been happy to work with a number of local entrepreneurs and businessmen in an attempt to make progress with some of the great ideas that have come forward. In my experience that work has been conducted across party political lines.

One of the important strengths in the Latrobe Valley community is that we have been able to work together. I have worked with my colleagues in the Liberal and National parties in considering what can best be done to determine and improve the future of the Latrobe Valley. Those sorts of strengths need to be built on in a bipartisan and non-party political manner. Everyone must work together to decide what is best for the future of the Latrobe Valley.

A Place to Live — Shaping Victoria's Future mentions some of the initiatives that have been taken in the community that might be used as guideposts for future development. Reference is made to the establishment of the Australian Securities Commission Information Processing Centre, an electronic data processing and handling centre that will process company and corporation information from all over Australia. Initially the Federal government decided that the data processing plant could be established anywhere in Australia, provided a work force was available with the necessary communication network. With the support of the State government and the Latrobe Regional Commission, the centre has been established in Morwell.

Developments in technology over very few years have been significant, providing flexibility and enabling fast electronic transmission and communication of information. In the next couple of years the Australian Securities Commission will move from Morwell to a new building in Traralgon. This new industry provides attractive employment prospects for a large number of members of the Latrobe Valley community and can be built on. Other possibilities in data processing can be considered, such as in banks and other business establishments. That work can be done at a local level, as has been demonstrated by the community in the Latrobe Valley.

Education has been one of the important growth industries in the Latrobe Valley. Quite often the importance of education is overlooked. The facilities available in the Latrobe Valley range from preschool right through to tertiary level. A considerable improvement has been made in preschool facilities provided throughout the Latrobe Valley. The State government recognised the problems being encountered by local government in seeking to provide enough facilities for young children and, through the Latrobe Valley Development Fund, it has supplied the funds necessary to improve those facilities in our community.

Education facilities are available from preschool level through to the primary, secondary and tertiary and TAFE sectors. These facilities have been developed to a high standard and that work is continuing. We can be proud of the development that has taken place in the Latrobe Valley across the entire education sector.

As was mentioned yesterday, in some instances the standard of facilities provided for educational institutions is not good enough. Over the past two years or so I have spent a considerable amount of time working towards the improvement of the secondary education facilities in Traralgon. In Morwell we have been fortunate to have established a combined secondary college with four campuses — three catering for students in years 7 to 10 and the other for students in years 11 and 12 — so that students from Morwell and Churchill are provided for.

In Traralgon we have two facilities for secondary education, the Traralgon High School, which has rapidly grown to well over 1100 students on a campus originally designed for some 600 students, and the former Traralgon Technical College, now the Traralgon Secondary College. The standard of facilities and accommodation at both those institutions is unsatisfactory. Traralgon has been the fastest-growing population centre in the Latrobe Valley; yet we have not been able to ensure an adequate level of accommodation or facilities for secondary school students.

I hope that with continued lobbying and work we can convince the government to upgrade those vitally important facilities in the immediate future. I am pleased to inform the House of the great support of the Traralgon community for the program. The community has done its bit by providing facts and information and supporting my lobbying. I hope we can convince the government that this much-needed

facility is essential and justified, and is an area in which we can continue to improve existing facilities.

The development of the Central Gippsland College of TAFE has been amazing. Its history dates back to the late 1920s, when it was established as the Yallourn Technical College to train State Electricity Commission of Victoria personnel. It is now one of the best TAFE college facilities in Victoria.

The recent addition to the college of a driver education complex to provide driver education and training to people in the Latrobe Valley and to attract people from all over Victoria to specialist courses will eventually require the investment of millions of dollars in addition to the approximately \$1 million already invested. The driver education facility addresses transport and safety issues by properly educating and training drivers.

There has been a marvellous development of the Monash University College campus at Churchill in the past 20 years. Initially part of the former Yallourn Technical College, it evolved into the Gippsland Institute of Advanced Education and in 1991 Monash University became the mentor or adviser to what became the Monash University College campus at Churchill. A process is currently under way for the college to become an important part of Monash University. Each of the teaching areas at Churchill will be directly related to the same teaching area or faculty at the Monash University campus at Clayton.

The growth in tertiary education has meant that people in country Victoria now have access to full university degrees, which until relatively recently were available only to people undertaking study in Melbourne. The availability of that facility has been important in the development of provincial Victoria and should be treasured and supported.

Nothing concerns my local community more than the thought that the campus at Churchill may become just a feeder college for the Monash University campus at Clayton. I assure the House that the community is determined that the campus at Churchill should provide full courses in a range of tertiary disciplines for students in the central and wider Gippsland regions.

The many great improvements in the quality of life of and the opportunities for people who live in my area should not be impeded by uncontrolled growth. The people in my area require quality of life and development and not just quantity. If that fact is

recognised *Shaping Victoria's Future* will have served its purpose; it will have ensured that we have economically, ecologically and environmentally sustainable growth patterns in the Latrobe Valley and throughout Victoria. I hope my community supports and works within that concept.

Mr TANNER — Mr Acting Speaker, I direct your attention to the state of the House.

Quorum formed.

Mr I. W. SMITH (Polwarth) — Although the opposition does not oppose this Bill I propose to make some critical comments about it. Labor governments across Australia have failed to come to grips and deal with the issues of our time. Keating, as Federal Treasurer, caused most of our problems. Why those in the media, particularly the electronic media, follow that man's silly diversions about changing the flag and criticising British ties rather than forcing him to address the real economic issues of micro-economic reform and jobs remains a mystery and a source of amazement to me. It is a case of Nero fiddling while Rome burns.

Keating deregulated the banking industry —

The ACTING SPEAKER (Mr Evans) — Order! The honourable member should make proper reference to the Prime Minister.

Mr I. W. SMITH — The former Federal Treasurer, Mr Keating, deregistered the banking industry without providing proper investment incentives, which in the past 10 years has resulted in approximately \$120 billion coming into Australia for share transactions, takeovers, real estate purchases and imported goods that have replaced Australian-made goods. Where previously one saw on the roads International and Bedford trucks that were produced in Australia, one now sees imported Mercedes Benz and Mack trucks.

The so-called J curve has never eventuated and will never eventuate. Where are the new industries and new resource developments that were purchased with that \$120 billion? There are no new oil wells, gas fields, mines or import replacement industries. There may be a few new hotels, office blocks or resorts, but they have a limited capacity to produce the wealth that the nation needs to trade out of its economic difficulties and provide jobs.

The Prime Minister cannot focus on the important issues for long periods. He spends much of his time

pulling stunts, camouflaging and diverting media attention from the real issues of the day.

When the Federal government reduced tariffs nobody took much notice, but at long last the Premier has realised that the reduction of tariffs has reduced the job opportunities for Victorian industry, particularly in the manufacturing, clothing and footwear sectors. The former Premier and the current Premier should have taken action years ago. The effect of the Federal government's policy of reducing tariffs without the commensurate micro-economic reforms has been that industries are dying and jobs are being exported overseas.

One would have thought that the media would have looked after its own vested interests, even if it was not interested in the nation's interests. If it had done so it would have quizzed and referred the Prime Minister and his Federal Ministers to the real issues involving the import of some \$120 billion over the past 10 years: what has Australia produced from that influx of money and how will Australia trade out of its economic difficulties?

The Australian Labor Party's counterpart in New Zealand had the foresight to bite the bullet and introduce micro-economic reforms with the deregulation of the banking industry and the reduction of tariffs. New Zealand is now gaining the benefit because at long last it is trading profitably. It has had several months of trading surpluses and last month it had a record trading surplus.

One would think that those who are responsible for the administration of the nation and the States, particularly in Victoria where the manufacturing industry is pre-eminent, would take notice of what has occurred in New Zealand. It is high time the Prime Minister addressed the real issues of micro-economic reform rather than camouflaging the mistakes he made as Federal Treasurer.

The electronic media stands condemned for allowing the Prime Minister to divert the nation's focus from the most important long-term issues. Contrary to Federal Labor's policies, the Fightback package released by the Federal Leader of the Opposition not only continues the policy of the Federal government to reduce tariffs but addresses micro-economic reform, which must precede the reduction in tariffs or at least go hand in hand with it.

The Fightback package will abolish: wholesale tax; petrol tax — saving 19 cents a litre; payroll tax; lump sum superannuation tax — so people can make their

individual investment decisions; the training guarantee levy; customs duty; and the coal export levy.

The lead shown by the Federal opposition should have alerted this inept, incompetent, wasteful government that something should be done about micro-economic reform. Victoria is the worst managed, most highly taxed and most debt-ridden State, and it has the highest level of unemployment of any mainland State of Australia.

When the Liberal Party left government in 1982 it was criticised for the financial problems the State was experiencing. In fact, it left a \$5 million surplus. It was a silly thing to do! The Labor government claimed it inherited a debt of \$11 million. This inept government has turned around the well-managed Budget it inherited; Victoria now has at least a \$3 billion to \$4 billion deficit! I am not talking just about the Budget deficit — which was estimated at \$1.5 billion, but which will exceed \$2 billion unless there is further fiddling of the books or a windfall sale of assets that can be only a one-off gain — but about the borrowings of the statutory authorities. The Premier explained during question time that the authorities will remain within the public sector, but when their deficits are included the total State deficit is around \$4 billion or \$5 billion. What a turnaround in 10 years — from a modest surplus left by the former Liberal government to this massive deficit!

If it stopped there it would not be so bad, but the debt has increased from \$11 million in 1982 to \$32 billion now, and probably more. That is made worse by the State's liability for another \$32 billion in borrowings that must be serviced and paid for when the debts fall due.

The community should understand the extent of the State's indebtedness; it represents approximately \$14 000 for every man, woman and child. This inept, incompetent government has mortgaged the house of mum and dad and their two children by another \$56 000 because these debts have to be paid for through increased taxes and charges. They will not go away. The magic money tree does not exist and there is no rush of people coming to the rescue of the government.

That is the legacy of 10 years of Labor government for the next generation of Victorians. The government has stifled opportunities for the current generation of young people. It is not surprising, therefore, that almost half of them are unemployed! Many young people will never have meaningful jobs

because it will take a long time to turn the economy around and return to the position in which the former Liberal government left the State in 1982.

Recently I overheard a conversation between some prominent left-wing Labor people. I recall one prominent left-wing female member of Parliament in another place saying, "These mugs did not just lose their purses, which would be a disaster to most of us, but they lost the bank!" That puts the issue right into focus. Something that most people would not contemplate has happened. All through the 1980s the government pump primed the economy with absolutely no idea of when to stop. It tried to pick winners but, as was inevitable, failed in almost every case, hence the VEDC and Tricontinental scandals of which we are all aware.

The former Premier and honourable member for Bundoora, Mr Cain, boasted of cranes on the skyline; he said they were his measure of success. However, as a result of cranes on the skyline and pump priming and feeding money to rapacious developers through Tricontinental and the VEDC, 25 per cent of all office space in the business district of Melbourne remains untenanted. Of the rented space in the business district 10 per cent is unused, therefore 35 per cent of all office space in the business district is not used. That is some legacy for the former Premier's boast of cranes on the skyline as a measure of progress!

The government frittered away time. It has in no way comprehended or contemplated the ramifications of the Federal Labor government's deregulation of the banking industry or its tariff reductions.

Mr Cole — What are you doing?

Mr I. W. SMITH — We have been in opposition, but that will not be the case for much longer. I will explain to the honourable member for Melbourne what we propose to do. If he cares to read the details of the Fightback package, he will see a massive program of micro-economic reform that will put industries — that is, any that are still left — in a competitive position by reducing costs.

The government has frittered away 10 years not realising that its Federal colleagues have predetermined the fate of our manufacturing industry. The Federal government's tariff policies have predetermined the death of much of the manufacturing industry and almost all of the clothing and footwear industry in this State. Your

Federal colleagues have determined it, and you have done nothing about it!

Mr Cole interjected.

The ACTING SPEAKER — Order! The honourable member for Polwarth should address the Chair. The honourable member for Melbourne will have an opportunity of refuting any claims at a later stage.

Mr I. W. SMITH — For 10 years the government has had opportunities that it has totally ignored. It had the opportunity of reforming the waterfront. In Queensland business people will tell you that they bring shipping imports and other goods across the wharf and that the reform on the Queensland waterfront at least gives them cost and time advantages over any other port in Australia, particularly Melbourne's port, which is the worst. It is the most inefficient and costly port for bringing goods across the wharf, and the government has done nothing to reform it.

What other ingredients of the cost to business and enterprise has the government under its control? One of them is gas. Has it reformed the gas industry to bring about a greater efficiency and a reduction in cost? No. In fact, the price of gas has been increased at a rate higher than that of general inflation in order to provide the government with a milch cow to cover for its wasteful and incompetent spending.

Mr Hamilton interjected.

The ACTING SPEAKER — Order! The honourable member for Morwell was heard in silence, and he should extend the same courtesy to the current speaker.

Mr I. W. SMITH — The same applies to Melbourne Water and the SEC. The SEC has begun to make some inroads into micro-economic reform, but the benefits and the effects have not yet been felt by the consumers, particularly the industrial consumers affected by SEC tariff policies. Any benefits of micro-economic reform made by the SEC of its own volition and not as a result of government initiative have been ripped off by additional statutory authority duties being imposed on the commission by the government. What incentives do statutory authorities have to improve their efficiency? No incentive at all!

WorkCare is another area heralded by the government as a great reform. It happened to cost

industry in this State twice as much as it did in New South Wales, and therefore it is not surprising that, where possible, industry moves elsewhere.

The Fightback package eliminates payroll tax. Has this government done anything to reduce or make representations to the Federal government to abolish the need for payroll tax? Not at all. Nine per cent of the cost to industry of employment is the result of payroll tax, which is a tax unfamiliar to many of our competing nations. Therefore, at the same time as Treasurer Keating was reducing tariffs Federally and making that position widely known and clear to everyone else, this government was frittering away time, wasting money, flogging off the State Bank and doing all sorts of things it now rues and which will cause it to lose office.

The government frittered away time until now — surprise, surprise — the Premier has suddenly realised the effect of tariff reductions introduced by the current Federal Labor government. The tariffs are hurting industry; over the next 12 months the jobs of an additional 35 000 people in the clothing, footwear and textile industries will be lost.

Suddenly it is new knowledge to members of the government. One might well ask what they have been doing for the last 10 years. All of this has been painfully obvious to the industries involved who have tried to make representations and tried to suggest to the government that it attack labour market reform and other micro-economic reforms so that costs are reduced and so that industry at least has some fighting chance of survival in what is a new reality in the world market. The reality should have been made obvious to the government by Mr Keating as Treasurer and now as Prime Minister.

The government stands condemned for leaving the State's industries vulnerable to high taxes and charges and for doing nothing about the situation when it knew for all that time — it had been warned — about the Federal government's policies on tariff reductions.

This hopeless, spendthrift and incompetent government has no plans to overcome these problems. Indeed, during question time today the Premier proudly boasted that there were no plans to sell off the Gas and Fuel Corporation, the SEC or any other major government-owned enterprises. Of course, she misled the House because the government is about to sign a deal not only to sell

40 per cent of Loy Yang B but also to give the management of Loy Yang B to private enterprise.

The government is about to sell the State Insurance Office because it desperately needs the money. It is about to try to sell a wide range of office buildings occupied by key public Ministries, departments and public servants in this State. It is about to sell them off and rent them back, and it has to rent them for a high fee to justify the price it is demanding to bridge the gap between the \$32 million it has so far earned out of the sale of public assets and the \$400 million it claims in the Budget that it will earn.

At long last the government is starting to recognise the follies and neglect of the past 10 years of its regime in Victoria. There is no time to catch up — it is too late; it has no plans and no money. As the shadow Treasurer, the honourable member for Brighton, eloquently said yesterday, until there is a new government with a different approach there will not be any new impetus or ability in Victoria for the government to give benefit to industry so that it has some hope of a competitive cost advantage and capacity to maintain and improve its operations.

Victoria has many assets. If you look underneath the ground you will find enormous wealth in oil, gas, brown and black coal, alluvial gold, copper, molybdenum and other minerals. If you look on the ground you will see that 8 per cent of the land area produces one quarter — sometimes almost a third — of the nation's food and fibre needs.

If you look in our factories you will find 40 per cent of Australia's skilled labour. With these assets and a population of only 4 million you would think Victorians would be among the wealthiest people with the highest standard of living in the world — but we are not, we are slipping. We are now down to equal thirteenth with Italy, a place from which many people came as immigrants at the end of the second world war because their economic conditions were bad and they were oppressed. Those people came to this land of opportunity, as it then was, but now the land from which they came has picked itself up and has equalled Australia's standard of living. What is this government thinking about when it dissipates our many assets? It has no policy for proper asset management and industrial development. To the contrary, the Victorian government's policies have not complemented those of its own colleagues in Canberra; it has not taken the golden opportunity of implementing micro-economic reform that it has had over the past 10 years.

In New Zealand the Labor government bit the bullet; it achieved an enormous amount through reorganisation and privatisation. For example, the New Zealand shipping line, which was losing \$60 million before the Labor government of New Zealand came to office, is now profiting to the tune of about \$100 million a year. The railways in New Zealand were losing an enormous amount of money; their staffing level has reduced from approximately 25 000 to approximately 5800. All these sorts of things have been done by Labor governments elsewhere.

Why is it that this Labor government failed? Why did it not tackle the obvious? Why did it not try to come to grips with the new realities of communication and the world market? Why did it not try to take on labour market and micro-economic reform in the very areas for which it had responsibility — the very areas in which it should have known it had to introduce micro-economic reform because of the policies of its own kith and kin in Canberra which were clearly enunciated by the former Treasurer and now Prime Minister, Mr Keating, and the Federal Minister for Industry, Technology and Commerce, Senator Button? The policies were clearly enunciated and well known, yet the Victorian government stood by and watched because it was fascinated by cranes on the skyline, which have brought very little lasting benefit to this State.

It is probably a negative benefit because the buildings are now not utilised and will take many years to be utilised by the private sector. They will actually cost money to be serviced. This will be a further drain on Victoria. The government has sat on the sidelines with ancient left-wing doctrine and a couple of Keynesian pump-priming philosophies, which it has administered ineptly because it did not know when to stop.

The government stands condemned for 10 years of absolute and utter failure, which has resulted in putting in hock every man, woman and child in this State to the tune of \$14 000. It has condemned to a life of unemployment the current generation of young people who wish to obtain employment; only half of them will be able to, and many of them probably never will.

The next election will be a watershed because there is not one person out in the electorate who does not have a gut feeling that something is disastrously wrong. The people know and feel it and when they cast their vote we will all see the result.

Mr SHELL (Geelong) — I am pleased to join in this debate on the Supply (1992-93, No. 1) Bill. It puzzles me why we have to have this additional Bill because we passed one last year. Why cannot — —

Mr I. W. SMITH (Polwarth) — On a point of order, Mr Acting Speaker, we have been adhering to normal rotation of speakers in the House, but because I was still standing and may have been obscuring your view, you may not have noticed the Deputy Leader of the National Party on his feet. My understanding is that in the normal rotation it would be his turn to speak.

The ACTING SPEAKER — Order! I am advised that in the normal rotation I should have called on the Deputy Leader of the National Party. I regret the mistake.

Mr W. D. McGRATH (Lowan) — Mr Acting Speaker, I realise that you may not have seen me because the honourable member for Polwarth was standing in front of me.

I should like to speak about the lack of confidence and motivation in the State of Victoria at this time. I liken Victoria's situation to that of a small child. If it is in a good and sound family environment it has the confidence when growing up of knowing that it is safe, secure and sound. If it is in a poor family environment the child is nervous about and distrustful of its environment and lacks confidence.

The same situation applies with the unemployed. If they feel there are job opportunities and they have the chance of securing employment, they are confident within their environment and they go about learning their trade, developing their education and becoming stronger young Australians. At this particular time that confidence is missing.

It is like the situation of a farmer: if he gets an inch of rain across his farm he has confidence that the grass will come out of the ground and that he will be able to feed his stock and plant his crops; there is an emergence of confidence within that farming community. But the big problem in Victoria at the moment is that confidence has been totally destroyed. The only way confidence can be renewed is by calling an election. The Premier and the Treasurer should not hang on to power just for the sake of it. If they believe the Labor government has the right policies and the right direction they should go to the people. The calling of an election will bring about a resurgence of confidence in the State.

At present Victorians are down on confidence and Victoria is dragging down the Australian economy because it is not pulling its weight. The Premier should no longer continue to hide behind the skirt of power. If she believes her government has the right policies she should have the confidence to put those policies to the people now. The coalition will put forward its policies and the people will decide and after the election the State will go forward. No matter whether the coalition or the Labor Party wins the election, the State will adopt a resurgence of confidence and direction.

Currently Victoria is stagnant because the Labor Party has not provided leadership. The Labor government wants to be the manager; it wants to manage everything. Governments should provide leadership and encourage the wealth producers by providing an environment that is business friendly and which allows people to manage their various enterprises. That is the only way Victoria will get up and running.

Confidence in Melbourne and in country Victoria is low. Through talking to people on the streets of Melbourne or in the board rooms of various companies it is obvious that many Melburnians are on their knees, but it is even worse in country Victoria.

Since the Labor Party has been in office it has drained the resources and withdrawn government services in the country. The former Premier, the honourable member for Bundoora, started the trend which has been accelerated by the current Premier, Ms Kirner. There has been a reduction in health, welfare, police and educational services and in an area critical to the Victorian economy, crop and agricultural research.

I remind the House of the value of agriculture to this State. In the 10 years since 1980-81, the Department of Food and Agriculture, as it is now known, has suffered major funding reductions. In real terms its funding has increased by 5 per cent compared with 75 per cent for other departments while the consumer price index has increased by 86 per cent. The department has fared badly compared with other agricultural departments in Australia.

The importance of agriculture to both the Victorian and Australian economies is significant. In 1988-89 the gross value of agricultural production in Victoria was \$4.8 billion, or 22 per cent of Australia's agricultural production. Agriculture, food and fibre processing contributed about \$12 billion or

19 per cent of Victoria's gross product. Victoria's agricultural industry employs 93 000 Victorians on a full or part-time basis and the food and beverage manufacturing sector employs an additional 53 000 people.

I now turn to the importance of agriculture to the export market. About 66 per cent of Australia's agricultural production is traded on the international market, making Australia the seventh largest exporter of agricultural products. Agriculture accounts for 46 per cent of the State's exports.

Not so long ago when the Prime Minister of Australia, Paul Keating, was the Federal Treasurer, he and the then Prime Minister, Bob Hawke, destroyed private enterprise and the farming community with their high interest rates policy. Earlier the honourable member for Polwarth talked about the deregulation of Australia's financial institutions. This madness in pursuing fiscal policy by the use of interest rates to control the economy brought Australia to its knees. When Mr Keating became Prime Minister he rushed from capital city to capital city talking about how his government would improve the economy. There is only one way the Australian economy can be improved. The trade deficit must become a trade surplus; it is as simple as that.

While we hold back on agricultural research and while we fail to give confidence to the business community and food processors there will not be the turnaround in trade that Australia requires. We will continue travelling down the path of having to borrow more money to maintain our standard of living. At some time in the future overseas money markets will say they have had enough of Australia. That is when Australia really will become the banana republic Mr Keating spoke about a few years ago when he had a key role in sending us down the path of decay and lack of confidence and motivation. Unfortunately that direction was adopted by the Victorian Labor government when it came to office in 1982.

Victorians are looking to the State government to provide some leadership and confidence. It does not matter whether it is a Labor, Liberal or National party government.

Mr Cooper — They want a change!

Mr W. D. McGRATH — Victorians want a new government to provide them with the opportunity of improving their position over the next three or four

years. Victoria is stagnant at the moment; it is marking time with nowhere to go. The people do not have the confidence or motivation to go ahead and become highly productive and competitive. They are reluctant to participate in venture capital or entrepreneurial investments in the State in order to generate job opportunities that will create employment for our young people. Government should be creating an environment for this to happen, which means phasing out payroll tax, changing work practices and bringing about micro-economic reform.

A recent article in the *Weekly Times* referred to Dr Bruce Cockroft, a former employee of the agriculture department who has established a private research consultancy in Shepparton. The article states:

A former director of Tatura Research Institute and the Kyabram Animal Research Institute, Dr Cockroft works as a research consultant to 11 Shepparton growers.

A few months ago I took the opportunity of travelling with Dr Cockroft to visit those horticulturalists and examine the way they have been able to increase their production of strawberries, pears, peaches and apples through the use of new technologies developed by him and those forward thinking farmers who have significantly increased the quantity and value of products coming from the irrigated acres in the Goulburn Valley region.

With the price of water in Victoria one cannot afford to graze beef or lamb for production and retain viability. One must produce more highly valued crops on that land if one is to justify the cost of the water. It is interesting to see how Dr Cockroft is working to improve the soil to lift farm output. The article states:

The aim of his work is to increase yields through soil improvement and better soil management.

Dr Cockroft said researchers understood the soil's nutritional need for phosphorus/nitrogen trace elements but was still thwarted by Australia's degraded soil structure.

This degraded structure meant Australian soils were not as productive as soil in other countries.

"Our soils tend to be shallow and they set as hard as rock," Dr Cockroft said.

He said scientists had worked out three steps to improving soil structure.

The first was to get the chemistry right.

"The chemicals needed are gypsum, lime and organic matter," He said.

"The second step is to shatter the soil by deep tillage or ripping and that involves a tractor.

"The third step is to stabilise the soil.

"If it is not stabilised it will simply collapse back into the same state."

Dr Cockroft said 10 to 20 per cent of Australia's 1000 soil scientists were working on ways of stabilising the structure of irrigated soils.

He said soil could be stabilised by earthworms, soil animals and microbes.

Plant roots also had a stabilising effect.

The stabilising agents had to be managed by the farmer.

That technology and research must be undertaken by our agricultural research institutes and be coordinated with consultants, such as Dr Cockroft, and the farming community. Significant changes have taken place in my electorate in relation to cereal and legume production. There has been a significant move away from the traditional fallow process that applied in the Wimmera/Mallee for many years to minimum tillage to stabilise soil retention using a degree of chemical farming. One of the reasons is the cost of fuel. The American farmer buys 1 gallon of distillate at the same price as the Australian farmer buys 1 litre. The American farmer has a 75 per cent advantage in the cost of producing any agricultural crop.

New tines and shears are being used by wheat farmers. Two companies, one in Western Australia and one in Queensland, are producing new types of tines and feet for those tines that will minimise soil disturbance when planting crops. The tines have the ability of ensuring that the trash from the previous cereal crop remains on the top of the soil which helps the overall biology of the soil, thus improving its structure. That work should be coordinated and the Department of Food and Agriculture should assist by providing research facilities through the extension programs for not only the well-briefed, well-read and learned farming community but for

the whole of the farming community to enable it to retain the ability to produce quality and quantity agricultural products that we are so reliant on for export earnings.

Earlier I spoke about the population drift away from the country to the metropolitan area. The only way that can be turned around is to put an infrastructure in place where the supplies match that infrastructure. Natural gas should be piped from Ballarat to Ararat, Stawell and Horsham to provide the energy source for any value-added industry to enable it to compete on an equal footing. It is essential that we move towards the piping of natural gas to the Wimmera/Mallee to facilitate economic activity.

In a memorandum to the Shire of Wimmera and the City of Horsham on the possible use of natural gas for processed heating, Denby Ward states:

Further to your request of 17 September 1991, I advise that the best estimate we can make at this time for process heating requirements for potential downstream operations arising from a commercial operation on the WIM 150 deposits is:—

5.5×10^6 GJ per year.

This assumes that all process heat requirements would be supplied by natural gas and does not take into account any potential for waste heat recovery from the different processes.

Whether natural gas would be used, or some other form of energy source, will largely depend on the price and timing of the supply.

Wimmera Industrial Minerals is coming on stream and for that company to be efficient it will be necessary for natural gas to be piped to the Wimmera. The incoming government at the next election will need to understand the requirement to assist the Gas and Fuel Corporation, the various municipalities and industry for energy supply.

Another area that has enormous potential for value adding is turning cereal straw into paper pulp. The magazine *The Straw Revolution* says that the Moora Pulp and Paper Company Pty Ltd proposes to establish a pulp and corrugated paper plant at Moora in Western Australia. Such a plant could be located in the Wimmera because of the amount of cereal straw that is available. The company in Western Australia will produce 57 000 tonnes a year of high quality unbleached semi-chemical pulp and

50 000 tonnes of paper suitable for the production of high-quality corrugated containers.

The article states:

The \$A100 million capital cost project is now in the last months of development leading to a 'Bankable Document' which will form the basis of financing for the mill.

The mill being developed by the Moora Pulp and Paper Company Pty Ltd will produce pulp from cereal straw using the S. A. Industrias Celulosa Aragonesa (SAICA) process.

The pulping method was developed by S. A. Industrias Celulosa Aragonesa of Spain some 33 years ago and includes a continuous process operating at low temperature and atmospheric pressure.

The Australian Wheat Board put \$1.2 million into the scheme. I further quote from the magazine, under the heading "Decision":

The AWB's decision was that the Moora Pulp and Paper Company Pty Ltd represented a solid vehicle for the investment of \$1.2 million of wheat industry fund money.

The board has said there is a real prospect of a solid industry being developed in Australia. Western Australia has become involved on the ground floor ahead of Victoria and it is interesting to read the comments of Hendy Cowan, Leader of the National Party in Western Australia. In that magazine article he states:

It's a concept which has been talked about at length and with which few people would disagree. The National Party, with its strong rural base, has long stressed the need for value to be added to this State's primary production. We will never get maximum benefit from our raw materials so long as we continue to export our natural wealth to the benefit of overseas manufacturers.

Downstream processing of our raw materials also offers more economic diversity for rural and provincial Western Australia.

At no time has it been more important than now to offer more and varied employment opportunities to those people who live outside the metropolitan area.

That's why the National Party has taken a close interest in the Riverhouse project at Moora.

I bring this to the attention of the House because the Wimmera is ideally situated and has the raw material of cereal residue that can be utilised to turn straw into paper pulp. Everyone knows of the community pressure for preservation of our forests, particularly from environmentalists, and the similar pressure about imports of paper pulp to Australia. I am sure that the honourable member representing the North East Province in the other place, the Honourable David Evans, would say that each year Australia imports about \$1.6 billion worth of paper pulp and product. We must try to create import replacement industries within Australia.

This concept has the capacity to do just that. The new, incoming government must ensure it creates the environment to encourage such people to come to Victoria and to establish industries; it must allow them not only to create employment but also to make profits for this State. Such wealth-creating industries will bring confidence and motivation to the State.

In conclusion, I refer to an article by Greg Craven in last Saturday's *Herald-Sun*. He referred to how the incoming Premier, the present Leader of the Opposition, would need to have a Public Service goal — but I shall not enter into that debate at the moment. Mr Craven states:

Naturally, the degree of political contamination throughout government varies. No-one suggests for example that Agriculture is a seething hot-bed of activism. But parts of Education, Premier's and the Attorney-General's departments are about as politically neutral as John Halfpenny.

That comment is from an independent observer, a lecturer at the University of Melbourne; he openly refers to the politicisation of various government departments. That problem leads to a destruction of confidence when the community realises government departments are politicised to that extent.

We cannot afford to have that degree of politicisation in government departments. As I said at the commencement of my contribution, the opportunity of establishing new confidence and new motivation in Victoria can happen in only one way. We should not mark time from now until the end of the year. The Labor government should put its policies before the people and we will put our policies forward. Before the end of June we should be out there letting the people decide who will

govern Victoria for the next four years. If the policies on the other side are good enough, so be it.

However, the only way we can move Victoria away from its present position of marking time is to invite progress through motivation and confidence by means of an election so that new directions can be taken.

Sitting suspended 12.57 p.m. until 2.3 p.m.

Mr SHELL (Geelong) — It is about time the House heard some rational and meaningful debate on the Supply Bill.

Honourable members interjecting.

Mr SHELL — Mr Speaker, you should have heard what was being said prior to lunch — although I am sure you were listening to what was going on.

The Liberal and National parties are constantly bleating about the need for an early election; but in 1988 they did not want an early election, they wanted a late election. What are they on about? They cannot make up their minds whether they want an early election or a late election. We heard similar bleatings in Canberra in 1975. The Labor government is starting to look good, and the opposition is frightened it will lose the election. You have not been able to win an election since 1979. You are hopeless!

Honourable members interjecting.

The SPEAKER — Order! The honourable member should address the Chair. I remind the House that the honourable member is entitled to make his contribution without interruption.

Mr SHELL — Both the Deputy Leader of the National Party and the honourable member for Portland have commented in the debate about the Australian flag. The opposition is concerned about the possibility of a new flag because it does not like change of any kind.

Mr Kennett interjected.

Mr SHELL — Any time change is suggested the opposition always responds by saying, "Not right now. Another time, not now".

Mr Weideman interjected.

Mr SHELL — That is the only argument ever put by the Liberal and National parties. Whenever the prospect of electoral redistribution is raised, they always say, "It's not time. Another time".

Mr Kennett — It's time for a change of government!

Mr SHELL — It is not time for a change of government.

Mr Cooper interjected.

Mr SHELL — Certainly, this country should have a flag of its own. We should be proud to be Australians; and Australia should no longer consider itself to be a mere appendage of Great Britain. The Union Jack, which sits in the top left-hand corner — —

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, given the honourable member's remarks I point out that the Australian Labor Party logo contains a depiction of the Australian flag. Is the honourable member attacking his own side, or is he on our side?

The SPEAKER — Order! There is no point of order.

Mr Kennett interjected.

The SPEAKER — Order! I warn the Leader of the Opposition. He is well aware of the provisions of the Standing Orders and I will not warn him again. I remind the honourable member for Geelong that the House is debating the Victorian Supply Bill. I ask him to confine his remarks to the matter before the Chair.

Mr SHELL (Geelong) — I appreciate your ruling, Mr Speaker, but I was merely expanding on the comments of the Deputy Leader of the National Party and the honourable member for Portland. All I shall say in passing is that — —

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, you have just ruled that the honourable member should direct his remarks to the debate, but now he is again talking about the flag.

The SPEAKER — Order! At this stage of the honourable member's further comments I do not uphold the point of order.

Mr SHELL (Geelong) — The Union Jack ought to be replaced on the flag by the Australian coat of arms. If we claim to be proud to be Australians we should be proud to have our emblem on the flag.

The honourable member for Portland said that by abolishing payroll tax the Fightback package will help Australians — and Victorians in particular — get back to work and give incentive to industry. I ask honourable members opposite to tell me where in the Fightback package it says that the States will be reimbursed for the revenue they will forgo as a result of the abolition of payroll tax.

Mr Weideman interjected.

Mr SHELL — Approximately one-third of State revenue comes from payroll tax. The honourable member should have outlined how the States will be reimbursed. If they are not to be reimbursed, what services will be slashed to accommodate the reduction in revenue? When the Labor party came to office in 1982 after 27 years of Liberal government mismanagement — —

Mr Leigh — Get off!

Mr SHELL — You only have to look at the evidence. Schools had been neglected and were badly in need of maintenance. The morale of the Victoria Police, a favourite subject of the honourable member for Mornington, was at rock bottom. Police stations throughout the State were obsolete and dilapidated and the police were not being given sufficient staff, vehicles and other resources to fight crime. The Police Force had to make do with an obsolescent forensic science laboratory — —

Mr Cooper — That's why we get headlines like this, today.

Mr SHELL — Let me say this — —

Mr Leigh interjected.

The SPEAKER — Order! If the honourable member for Malvern wishes to have an opportunity of contributing to the debate I suggest that he remain silent. I similarly ask the honourable member for Mornington to allow the honourable member for Geelong to exercise his right to speak without interruption.

Mr SHELL — During the period of the Labor government one in four police stations has been replaced or refurbished, including the Geelong

police station. The Liberal government said that it would do these things but it did nothing about them.

Mr Weideman interjected.

Mr SHELL — The Geelong police station; you do not even know about it. The law courts complex was also recently completed at a cost of \$30 million.

Some Geelong councils, like the opposition, were upset when the police stations that were no longer in use were put on the market. That is typical of the opposition. Asset sales generate income to build new modern facilities or to replace outdated ones. We will sell the police stations that are no longer being used. Honourable members have only to examine the 27 years of Liberal Party government to see the mismanagement that occurred in this State.

Mr Weideman interjected.

Mr SHELL — The honourable member for Frankston South well knows that hospitals were crying out for new buildings but nothing was done. That is not quite correct — the Liberal Party did go around the State promising new hospitals, new wards and new wings but all it did was to dig holes in the ground. In Geelong only half a hole was dug and when the Labor Party took office it had to extend the hole!

So far as public transport is concerned — —

Mr Weideman interjected.

The SPEAKER — Order! The honourable member for Frankston South has been asked to remain silent many times today, which is unusual. I warn him; I will not warn him again. If he continues to disrupt the contribution by the honourable member for Geelong, I will take the appropriate action.

Mr SHELL — It is appropriate that we examine public transport because the shadow Minister for Transport is in the Chamber. He well knows the condition of public transport services during the time of the Liberal government. The honourable member for Berwick also knows about those matters because he is a former Minister for Transport. The red rattlers were running on the Geelong line. He well knows that there were constant delays on the Geelong-Melbourne line because — —

Mr Brown — They are on strike now!

Mr SHELL — Trains were late because of the faulty signal system. Every time it rained the signals went out. I know about the Geelong-Melbourne line because I travelled on it for 17 years under the Liberal administration. In winter I froze and in summer I sweltered on the trains. The Labor government rejuvenated the train system.

One of the first things the Labor government did when it came to office was to replace the antiquated signalling system. Rolling stock was replaced with stock that was carpeted and air-conditioned. The old locomotives were refurbished. Now people can travel from Geelong to Melbourne at a reasonable cost and arrive on time. The cost is more competitive than the cost of using a motor car. Passengers can travel to Melbourne from Geelong in the same time as it takes to travel by motor vehicle, and in similar comfort. This is the result of the actions of the Labor government. The Liberal government was not concerned about the public transport system. It let it run down.

Honourable members interjecting.

Mr SHELL — That is your record, which is there to be seen. The honourable member for Portland said in his contribution that there was a \$5 million surplus when the Liberal Party left government. I do not know whether that is correct but I do know that if there was a surplus it existed because services to the people of this State had been sacrificed, particularly the services to Geelong.

Mr Cooper — Now we have a great big deficit!

Mr SHELL — The Labor government improved the bus services in Geelong. When it came to government fares were going through the roof and patronage was down, but now the fare structure has been revised and there are regular services provided by modern buses painted in Geelong's football colours, which has meant that patronage is up. These suggestions were made by a former Liberal Party member, Mr Norm Bender, of Geelong. When the Liberal Party did not act on them he brought them to the Labor government and it adopted them.

We have provided better services for the people of Geelong at the Geelong Hospital, which had been waiting for some time for a north wing to be built. During three successive elections the Liberal Party promised that it would be built but it did nothing about it. When the Labor Party came to government it made inquiries and found that the north wing was needed. It was built in the name of Patricia Heath,

who is the current president of the hospital. A day surgery unit and a renal dialysis centre have also been established.

For years Geelong had been crying out for the opportunity to become a tourist precinct. Apart from its marvellous beaches and the Otway Ranges, more tourist attractions are needed to bring people to Geelong.

Mr Cooper — Put yourself up on a pole!

The SPEAKER — Order! The honourable member for Mornington is well aware that interjections are disorderly.

Mr SHELL — The State and Federal governments refurbished the National Wool Museum at a cost of \$10 million.

Mr Maclellan — Is that a tourist centre?

Mr SHELL — It is part of a tourist centre framework. You cannot have one facility standing alone, as the honourable member for Berwick would know. You need various attractions to get tourists. There is an outstanding shopping centre and the Market Square has been redeveloped by the Geelong council and the Geelong Regional Commission. It has proved a great attraction to bring people into Geelong and it is complemented by the Bay City Plaza. The honourable member for Berwick may not be aware that when holidaymakers come to our seaside resorts during the summer and find the weather inclement, they come into Geelong to do their shopping, which assists the retailers of Geelong.

Mr Maclellan — Geelong is good on a wet day!

Mr SHELL — It is good any day. It beats this place hands down.

Mr Brown — That wouldn't be hard!

Mr SHELL — The other thing about which the opposition is not concerned is public housing in Geelong. When we came to office in 1982 we found that the Liberal government had let the housing stock run down. It had sold off some of it and there were long waiting lists.

Mr Brown — They are longer now!

Mr SHELL — They are longer now, even though this government has built more than 500 additional housing units in Geelong, because it has widened

the criteria for people who want public housing. If the Liberal Party gets into government it will do two things: downgrade public transport and downgrade public housing.

Mr Brown — Rubbish!

Mr SHELL — This is on the record! This is what the Liberal government did in 27 years of mismanagement in Victoria. The old Housing Commission sites in North Geelong, Norlane and East Geelong — —

Mr Maclellan — Which you fixed up!

Mr SHELL — Yes. We knocked some down and we are currently building modern townhouse units that will provide better housing. In Godfrey Street, East Geelong, the properties are being joined up and a number of units are being built where two or three houses used to stand. We are providing modern accommodation that people are anxious to get as they find the private housing market beyond their reach.

If by some mistake the Liberal Party happens to get into government — it could only be by mistake — the manufacturing training centre that was recently announced will not go ahead. It is terribly important that skills are retained and increased. People of my vintage who had to leave school early had no particular skills, so they had to get jobs where they could. I left school in about 1951 or 1952 because I was told that if I could not pass an exam I had to get a job. I got a job delivering telegrams.

Mr Maclellan — Jobs were available then.

Mr SHELL — Those unskilled jobs were available. Why are they not available now?

Mr Maclellan — The recession we had to have!

Mr SHELL — What nonsense! You, Mr Speaker, and I know and the opposition ought to know that those kinds of jobs are no longer available. It is not because of any government.

Mr Brown — We don't have telegrams now!

Mr SHELL — Telegrams have been replaced by the telephone and the facsimile machine. In my day not many people had telephones. Technology has replaced the telegram.

In my era girls who had to leave school went to work in banks and totted up ledgers. We were living in the Dark Ages. Now, ledgers are no longer done that way; they are done by computer and you need computer skills to do them.

Mr Brown — This is rubbish!

Mr SHELL — The honourable member for Gippsland West says this is rubbish. He is denying the technological age we live in. He is denying that jobs have gone and will not come back. We have to make sure that people who leave school without appropriate qualifications can get jobs. That is why I ask the honourable members opposite to maintain and implement the manufacturing training centre in Geelong if they get into government. Do I have that commitment? No, they are silent.

The Geelong Hospital now has a radiotherapy unit. We must congratulate Betty Laurie, who has been raising money for cancer after-care. Her group has raised more than \$700 000, and the wife of the Attorney-General was one of the first presidents of the organisation. I hope if it gets into government the opposition will maintain that centre.

The latest acquisition for Geelong is the police and law courts complex built at a cost of \$30 million. Visitors who attended the official opening were amazed not so much by the building but by what is in it. There are no manual typewriters; there is modern computer technology. The complex has implemented the Posse system, which helps to identify crime.

In the past few years things have been hard in Geelong and unemployment is the key problem. We need to be able to generate work for the unemployed. The first calamity was the collapse of the Pyramid Building Society. It caused a great deal of anguish and concern in the Geelong community and many people suffered. Many had retired and put all their money in Pyramid. Those losses had a further effect on business because there was less money to be spent. A number of businesses that operated through those societies relied on the cash flow to survive, and most of the businesses survived because they were well managed and able to find other financing methods.

The other crisis that affected Geelong was the laying off of staff at the Ford plant during the restructuring process. It had to happen. We must be competitive. The motor industry in Geelong is far more competitive now than previously. It makes parts

that go into the Falcon and Capri, one of our best export earners in the motor vehicle industry. It has rid itself of some of the anachronisms in the plant and is now operating efficiently. It is well poised for the export market because it can make parts that are needed overseas. Anyone familiar with the automobile industry would know that there is no such thing as a one-nation car. The components from one car can be used in other models throughout the world. The Norlane plant is in an excellent position to capture some of the market that will earn export dollars for Australia.

Another topic I wish to cover is the relocation of the Coode Island facility. Honourable members and the community recognise that if we use hazardous chemicals in our daily life we must have a place to store them. Everyone now knows that Coode Island was not safe and following the disastrous fires there last year the government appointed an independent committee to consider whether Coode Island should be refurbished and used again or whether another site should be chosen.

People in the Geelong area are disappointed that Point Wilson has been chosen as the site. Nevertheless they also recognise that if we use paints and plastics in our home and in our work we must have a place to store the chemicals from which they are made. An environmental effects statement will be put in place —

Mr Maclellan — And it will go to Point Wilson.

Mr SHELL — If it can be proved that Point Wilson is not an acceptable environmental site for this facility I shall be opposing it and so will other members of Parliament who represent the Geelong area, including the honourable member for South Barwon on whose support I know I can count. Whenever an issue that affects the people of Geelong arises, the local members put their political allegiances aside. The honourable member for South Barwon has always done that. It is disappointing that the Liberal Party did not see fit to preselect him for the seat of South Barwon.

The final matter is Deakin University, which was established after the Whitlam years but instigated during that time.

Mr Maclellan — By a Liberal government.

Mr SHELL — Yes, but the Liberal government could not make up its mind whether to put it at Ballarat, Bendigo or Geelong. It would have had

campuses in three places. The reason why Deakin was chosen as the name for the university rather than Geelong, Ballarat or Bendigo was because it would not relate to a specific location.

The SPEAKER — Order! The honourable member's time has expired.

Mr BROWN (Gippsland West) — I start by acknowledging that the honourable member for Geelong made a truly amazing contribution. The fact that he attempts to defend the current government's record in mismanaging public transport in this State is amazing. He proudly wears a returned services badge on his lapel, so it is amazing that he would state on the record, openly and publicly, that the Australian flag should be done away with. I am sure the vast majority of his electorate and the vast majority of Australians would not share his view.

The badge that the honourable member wears was worn by tens of thousands of people from this country who fought for this nation's freedom, security and future prosperity. The fact that tens of thousands of them died under that flag is reason enough for not changing it. None of the many people with whom I converse regularly see the issue of changing the flag as something that should be debated at any time let alone at this stage in our history when we are deep in recession caused by the Labor government's incompetence. I note that you, Mr Speaker, wear the Victorian flag on your lapel but many other honourable members proudly wear the Australian flag as a way of displaying their support for what the flag stands for.

I do not know whether the honourable member meant it as a diversion — certainly the Prime Minister did — but he made a tragic mistake in representing the proud people of Geelong when he suggested that the flag should be done away with.

The honourable member only touched on unemployment. That is the real issue in Geelong. Thousands of young and not so young people are out of work and face no prospect of getting jobs. What amazed me most of all was his weak defence of the government's policy on and management of transport over the past decade. At this very moment no trams, trains or government buses are running anywhere in the State. Our public transport system is having a 4-hour closure today, the second in a month. That shows how effective public transport is in this State. Because of this government's policy, people have deserted the public transport system in

droves, and it is no wonder! I shall quote from an editorial in the *Herald-Sun* of 2 January 1992:

Jobbernowl. A curious word meaning "blockhead, clodpate", it was first used in print by Thomas Nash precisely 400 years ago. Four years later John Marston provided this memorable line, "His guts are in his brains, huge jobbernowl, right gurnets-head".

I am quoting from an editorial in the largest circulating daily newspaper in this State. It goes on:

So light-hearted an introduction to so deeply serious a subject demands explanation: if we look objectively at the State government's handling of public transport since its election in 1982 we realise that if it were not so serious a subject each of us would fall off the rails laughing.

Unfortunately we cannot stand back and laugh. Unfortunately we are all affected by the way public transport in this State is managed — or mismanaged. Thousands of jobs and hundreds of thousands of commuters depend on it.

The end of that article states:

The Premier Mrs Kirner's turning of a blind eye to keep Mr Spyker in the Ministry is just as incomprehensible.

While he might not be a jobbernowl Mr Spyker has nevertheless shown he is inept, a ditherer, incapable of sensible, straightforward decisions. He must go.

It is certainly the case that the Minister on his own performance can be judged as one of the most incompetent Ministers this State has ever had the displeasure of having to suffer. Under him unions rule the roost. If they say jump, he asks how high.

An honourable member interjected.

Mr BROWN — It might be a good one for you but it is not a good one for the citizens of this State who have to foot the Bill for this ongoing daily incompetence. We are losing more than \$4 million a day of taxpayers' money. One can look at a raft of scandals, disasters and examples of gross mismanagement such as WorkCare, the Victorian Economic Development Corporation, Tricontinental Corporation Ltd, Pyramid, the State Bank and many others. People are clamouring not just to get rid of the Minister for Transport but also the incompetent government. Many would say that after a decade the government's exit from running this State is long overdue.

This year, \$20 million of taxpayers' money will be put in to prop up public transport. That is how much the government will lose in running — or in not running — public transport, when the cost of servicing the debt is added in.

When the opposition was in government, public transport ran regularly and reliably; it was clean, safe and efficient. I am not saying it was perfect — we have never said that — or that there was not room for improvement. The then Minister for Transport, the present member for Berwick, made changes to ensure that the system was improved and that the then losses of some \$300 million a year were reined in because we were not satisfied with the rail, tram and bus systems losing \$300 million when some 85 per cent of Victorians did not use the system. This system of public transport services some 15 per cent of the community. We say unequivocally that it is an essential service that will continue to exist. It will be properly funded and supported by us in government. It is intolerable that the \$300 million loss of a decade ago, which worried us then, has now increased to \$2000 million a year.

The leaked document shows the amount of crime that has been perpetrated by people travelling on public transport in the 12 months of 1990-91. An average of 17 criminal offences per day have been committed; 6000 crimes in that year.

Mr Cole — Does that include fare evasion?

Mr BROWN — If it included fare evasion, it would be 60 000 crimes, not 6000. Fare evasion is rife in the public transport system because of the incompetent way in which the system is run.

On the day that these statistics were made public, the Chief Commissioner of Police said that Victoria "has one of the worst crime rates in the Western World". He said:

We are losing the battle against crime.

That was said on the same day that I made public the figures that had been hidden by the government, showing that over 6000 major crimes are committed each year by people travelling on our public transport systems. My information is that in the year to date the crime statistics are worse.

The offences committed cover drug offences, stabbings, gang brawls, serious assaults, sex crimes, vandalism and theft. They are serious crimes and

they should be a cause for concern to every citizen and every legislator in the State.

Mr Micallef — Even the member for Melbourne?

Mr BROWN — Especially the honourable member for Melbourne, because the worst station for crime is in the electorate of the member for Melbourne. I refer, of course, to Flinders Street station. More muggings, bashings and thefts take place at that station than at any other. It may interest him to know that Spencer Street station has the second worst record for crime. It is time that he started to worry about the very high crime rate on the public transport system.

I refer to other issues that show the incompetence of the government. I heard, with some disbelief, that \$750 000 of new and sophisticated equipment was stashed under the West Gate Bridge. When I heard this, my colleague the honourable member for Malvern — soon to be elected to a Legislative Assembly seat replacing the present Minister for Transport — and I went out to investigate this personally. We found huge locked steel doors and no way could we get in. We made some further inquiries and the staff told us that they knew of this, and said, "Internally we call it the bat cave. We can tell you, Mr Brown, that it is full of equipment that was purchased in the last two years".

As we, like all other opposition members, are concerned about the waste and extravagance of this government, we pursued the issue of what was in the bat cave. We then found that a quick meeting had been called of senior personnel of the Public Transport Corporation, no doubt including people who are very close to the Minister, and the items were whisked away. Before our freedom of information request was fulfilled, the bat cave was empty. We made further inquiries and, unbelievable though it may seem, the incompetents had sold the bulk of the contents of that cave for \$1500 to a scrap metal dealer to get rid of it. Some \$750 000 worth of equipment, which had been purchased only two years before, was flogged off for \$1500 for scrap metal! The equipment had been bought for the government's ill-fated driver-only operated tram system. The present Deputy Premier and former Minister for Transport — one of many former Ministers under this government — said, "We have a great idea to save money. We are going to get rid of conductors on trams". He was a man of his word, and they went. He spent tens of millions of dollars on doing just that.

The story goes on, and it gets worse. The same former Minister came up with another harebrained scheme called MetTicket. That scheme was that people would have to buy tickets — we have no objection to that — and would have to determine which bit to scratch off. It was a bit like getting a free scratch ticket from a supermarket, where one wins a packet of lollies if the right bit is scratched off, or at McDonalds, where one gets a free burger or fries if the right bit is scratched off. In this case the former Minister himself got scratched. The tragedy for Victoria is that \$28 million was thrown away and enough tickets were printed to last for 20 years; we still have rooms full of them.

I might add that, before the MetTicket fiasco, the former Minister had bought 16 Toyota Corolla hatchbacks at a cost of more than \$12 000 each. Some other big ticket items included \$400 000 worth of state-of-the-art computer equipment and \$150 000 worth of two-way radios. He even splurged on some kitchen equipment and bought a frost-free refrigerator and some microwave ovens. It beats me why he would buy a frost-free refrigerator and microwave ovens to introduce MetTicket, but he did.

Mr Richardson — To cook the books.

Mr BROWN — That might be closer to the mark than one would otherwise think.

The other you-beaut scheme that the government has entered into is sale and lease-back, which is the piece de resistance. Under that scheme the stock is retained and still runs around the system, but our Japanese friends own it and we now have to make hefty payments under the lease agreement. Some material has been leaked to us that indicates that, as a result of rolling stock having been sold between April 1989 and June 1990 for \$448 million, future leasing commissions of \$787 million have been generated.

That is not a bad deal. The theory is that you flog off assets and get \$448 million and then you owe \$787 million! Of course, a future government will have to face the liabilities and clear up the matter.

If honourable members look across the border into New South Wales, they will find that the government of that State has shown the way in railway reform and improvements in public transport generally. The New South Wales government has given a lead on what should be done.

Mr Cole interjected.

Mr BROWN — I am talking about rail and public transport reform. I refer to the Industry Commission report on rail transport, which featured in a detailed study undertaken by the consulting firm Travers Morgan Pty Ltd and documented the performances of the most populous States, Victoria and New South Wales. It was found that, when compared with New South Wales, Victoria is grossly inefficient across a range of areas.

Only one conclusion can be drawn: when Minister — or outgoing Minister — Spyker comments that Victoria is doing as well as New South Wales, which is one of his oft-used phrases, he is obviously making it up because it is not true; it is not the case.

The rapid transit link to Tullamarine was mentioned in this House. It is a great concept and the coalition supports it. However, it could be undertaken only by private enterprise. There is no way it will proceed unless one of two things happens. It will never make a profit; therefore private enterprise will never put a rapid transit link to Tullamarine on a stand-alone basis unless the government picks up the annual running loss, the deficit, or agrees to a massive divestiture of land currently held by the Crown.

The land along the route of the rapid transit link could be developed and the profit generated could go to a private enterprise consortium. The incoming coalition government will look closely at what can be done to develop a rapid transit link to Tullamarine with private enterprise undertaking the project.

However, currently some 34 brand new trams are in storage. There are more of the beautiful state of the art articulated trams in storage than there are running on the tracks around Melbourne! Currently some 30 are yet to come; they are being delivered at the rate of two a month and going straight into storage! Each tram costs \$2 million, so the incoming coalition government will inherit 64 trams in storage, some \$120 million worth of brand new articulated trams. The trams cannot run on the tracks. Honourable members may ask: why not? The answer is: because there is not enough power in the system to operate them!

Mr Tanner — That is good forward planning!

Mr BROWN — That is brilliant forward planning! It started with former Minister Roper,

continued under Minister Kennan, and ended up in the hands of the world's worst Minister for Transport, the incompetent Minister Spyker.

The coalition's preference will be to use some of the brand new trams on the rapid transit link to Tullamarine — that is, if it is possible to do so. In government, the coalition will not do what the current government does — that is, use froth and verbiage to achieve nothing. The coalition will move on the issue and, as I said, our preference will be to use some of the new trams that are in storage. Deciding what is to be done with the other trams will be another major problem for the incoming coalition government.

I refer to the waste of \$90 000 on preparing television advertisements to promote the Public Transport Corporation (PTC). It happens prior to every election. The \$90 000 will pay for just one series of advertisements and the program will be upgraded so that the government will squander not hundreds of thousands of dollars but millions of dollars in an attempt to deny what the public knows: that the government is the guilty party. The government will spend millions of dollars in the Ministry of Transport alone to try to mislead the community into thinking that the government is worthy of being returned to power, which, of course, it is not.

I suppose the biggest pre-election stunt would be what Mr Spyker has described as the magnificent double-decker train. Inside the PTC the train is known as the "sardine can". When I heard this I naturally inquired why it was called that. I said, "Mr Spyker is saying such nice things about this train; it is the most expensive train ever purchased in Australia. Why do you call it the sardine can?" It was explained that although it was built to the specifications of the successful Tangara trains that run in New South Wales, our train is different. The reason is that a Tangara train could not come to Victoria and run on our system because the roof would be ripped off, along with the heads of those who happened to be sitting in the upper section of the train.

I ask: what did the wise and astute people at the PTC do? The answer is that they had the new train made with a lower upper storey. The result is that if you are fairly short it is all right for you; you can get in and stand up!

The new double-decker train is also narrower than the Tangara trains. The reason for that is that the rail system in Victoria is such that the New South Wales

trains would rip the sides off one another if they met while travelling around a corner. So the people at the PTC had the train made narrower than the New South Wales trains.

The result is that our you-beaut pork-barrel double-decker train, known as Spyker's sardine can, is narrower and more squat than the New South Wales trains. Anyone who is disabled in any way, aged or infirm, cannot use the upper storey of the train because of the steps that have to be negotiated.

The train seats fewer passengers than the existing Comeng or Hitachi trains. The fact is that the most expensive train ever bought in Australia — it cost \$14.4 million — and made exactly to PTC specifications does not seat as many passengers in its two storeys as do the trains that are already in use on Victoria's system. That is what the you-beaut pre-election train amounts to.

I am sorry that I have only 6 minutes left to speak. I should be glad if the House were kind enough to give me an extension of time.

Not long ago, during a police raid, fraudulent activity was found in checking the licensing system at VIC ROADS. After some interviews were conducted it was found that licences could be purchased for a sum of money; that is, people could buy licences from VIC ROADS. In one instance a man had had his licence cancelled for life but had been able to acquire another licence. I am delighted to note that of the 30 persons interviewed to date — 5 of whom were VIC ROADS officials — 3 were charged; and of the 4 driving instructors interviewed 1 has been charged. I say I am delighted because people who do such things should be brought to justice and at least those people have not got away with doing what they were doing.

My main concern in raising the issue is that the police officers in charge of the inquiry made a specific request for more resources because they were able to deal with only the tip of the iceberg using the resources they had. They were denied further resources.

Mr Maclellan — Not after the next election!

Mr BROWN — No, because after the next election the incoming coalition government will have a much stronger commitment to the Police Force in this State, both as to the number of officers and the power they have to protect Victorians.

That leads me to another current issue. Under the present government we have a mickey mouse Police Force so far as public transport is concerned. I refer to the Transit Patrol officers. Decent human beings as no doubt they are, they are not equipped to handle the job as members of the Victoria Police would be. The coalition considers public transport — dangerous as we now know it is — to be another section of the community that should be policed and patrolled in the usual way. The coalition's preference is to have only members of the Police Force — that is, real police officers in uniform, with a power to arrest, patrolling our public transport system day and night — in charge of policing. Those police should regularly work in close cooperation with plain clothes members of the Police Force to apprehend louts.

Mr Ken McIntyre, who is well known for his interest in public transport and who should be commended for his work over the years, recently wrote to me and referred to attempts to cover up the unsafe condition of the rail tracks in the loop. In his letter Mr McIntyre suggests that bolts securing rails to the track in the loop have been breaking off, leaving rails unsecured and thus creating the danger of the gauge spreading, resulting in derailment. Towards the end of his letter he says it would be a gross dereliction of responsibility for government officials to hide the dangerous state of the track from the public in order to avoid causing alarm.

I want the Minister for Transport to tell the House whether what Mr McIntyre described is true and whether there is danger of any kind to the public travelling in the loop. If it is known that bolts are breaking regularly and that there is a risk of derailment in the loop, something should be done, because the consequences of a derailment could be horrendous. I want the Minister to give the House an assurance either that there is no risk, or, if there is, that everything possible will be done immediately to ensure the problem is overcome.

Last year the Minister for Transport said that W-class trams were safe. In a news release issued on 7 August 1991 the Minister is quoted as having said:

I have directed the Public Transport Corporation to keep as many W-class trams as possible in the system ...

To this end, I have requested the current Tram and Bus Strategy Review Committee to take this decision into account in shaping and developing the tram fleet for the future.

The government has walked away from the commitment to W-class trams and has just announced that 50 of them will be stuck in a shed. Although the government says they are in permanent storage they will be cannibalised and will continue to deteriorate. The view of the opposition, and of the transport staff involved, is that there has been a deliberate attempt to wind down the W-class tram fleet. Maintenance has been effectively non-existent. The W-class trams are a cheap and environmentally friendly way of moving people around Melbourne. They are a part of our heritage that can easily be preserved. An incoming coalition government will not look to scrap as many W-class trams as it can; it will retain on the system as many as possible.

Much needs to be done in public transport to redress Labor's decade of incompetence. That process of turnaround will start on the day following the next State election when Victoria will have in place a coalition government. That day cannot come soon enough for the people of Victoria.

Mr MICALLEF (Springvale) — The comments made by the honourable member for Gippsland West were low key.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Ernst) — Order! The honourable member for Malvern would do well to remain silent. I suggest he take note of my comment.

Mr MICALLEF — The honourable member for Gippsland West usually puts more into his contributions. Today he started off in a fiery manner defending the Australian flag. I suppose that is his right and that he thought it was a distraction.

To a person like me who comes from an electorate in which 40 per cent of the people were born overseas and have non-English speaking backgrounds and up to 60 per cent are either first or second generation Australians who have non-English speaking backgrounds, there is nothing wrong in discussing the future of the Australian flag. I do not see it as being unAustralian. I consider it contradictory in a democracy and find it offensive to be called unAustralian for discussing the Australian flag. Last weekend I attended two Anzac Day functions and there seemed little controversy about this issue among ordinary working people.

Mr LEIGH (Malvern) — On a point of order, Mr Acting Speaker, the Speaker ruled in relation to the honourable member for Geelong that discussion of the flag was not consistent with the debate on the Supply Bill. I ask you to direct the honourable member to debate the issue in question.

The ACTING SPEAKER — Order! There is no point of order.

Mr Leigh interjected.

The ACTING SPEAKER — Order! The honourable member for Malvern can take the appropriate action to dispute the ruling of the Chair if he wishes. The honourable member for Gippsland West alluded to the flag in his contribution and the honourable member for Springvale is also entitled to do so. I suggest that the honourable member for Malvern take the appropriate action if he does not like the ruling I have just given.

Mr Leigh — You are the ones who are unAustralian!

The ACTING SPEAKER — Order! If the honourable member for Malvern wishes to comment again I will call the Speaker.

Mr Leigh interjected.

The ACTING SPEAKER — Order! I suggest that the honourable member for Malvern restrain himself and refrain from making the type of remark he has just made.

Mr MICALLEF (Springvale) — If it is unAustralian to speak your mind, then I plead guilty to doing that. I find it offensive to be called unAustralian in a democracy. Honourable members have a right to say what they think and to speak up on behalf of people they represent. I will continue to do that.

I use public transport regularly. I often catch the train from Springvale to the city via the loop and do not feel threatened or in any danger. I must miss all of the activity because I do not see any of the serious crimes referred to by the honourable member for Gippsland West. The most serious offence I have seen on the rail system is people sometimes trying to get past the ticket checker without showing a ticket. The public transport system works effectively. I find that half an hour of travel on the train beats an hour of travel in the traffic between Springvale and the

city. On the train one is able to read a newspaper or compose one's thoughts before the day's activities.

An honourable member interjected.

Mr MICALLEF — I often come in with the workers for an 8 o'clock start. It has been said that Spencer Street station has the second highest level of violence among stations in the rail system. For about 12 years I used to catch a train from Cheltenham and alight at Spencer Street station, and I did not find it hazardous.

Mr Maclellan — That was under a Liberal government!

The ACTING SPEAKER — Order! The honourable member for Berwick has been in this place long enough to know that interjections are disorderly.

Mr MICALLEF — Many visitors from places like Wonthaggi and San Remo get off trains at Spencer Street station. In those days I did not stay around to see what sort of behaviour they got up to, but one suspects something may have gone wrong later in the day.

The attack on the Minister for Transport is amusing. The Minister for Transport is a successful and effective Minister. If one examines the public transport system today one finds it is clean —

Honourable members interjecting.

Mr Tanner — What is running today?

Mr MICALLEF — The trains are now winding up for the afternoon peak in line with the good industrial relations that exist between the government and the unions, with stop-work meetings being held in non-peak periods.

I was amused by the Auditor-General's criticism of the government for putting aside \$10 million to clean up graffiti on railway stations. I believe that program is very popular with the community and the Minister for Transport should be congratulated for instituting it.

Honourable members opposite referred to \$2000 million that is required to prop up the transport system. That indicates the way the opposition regards public transport. But the government believes it is a public service that must be subsidised by the broader community for a range

of reasons: it enables people to move quickly from one part of Melbourne to another in an efficient, environmentally friendly and safe way rather than using private cars, as occurs in some cities overseas, such as Los Angeles — that requires massive freeways and costly infrastructure. I believe the expenditure of \$2000 million is supported by the community.

The honourable member for Gippsland West said that when the opposition is in government it will significantly reduce the work force of the public transport authorities. The honourable member referred to safety factors and the services that will be provided, but he does not say who will provide those services when the work force is significantly reduced. I am amazed by his comments, and I believe he is dishonest, if only by omission.

Mr Leigh — You are casting a reflection on an honourable member.

Mr MICALLEF — It is a nice reflection. Springvale is a diverse electorate. I remind honourable members that when I was a candidate for the Australian Labor Party in 1983, less than one year after the Labor government took office, a decision was made to build the Monash Medical Centre. It is alive and well and now caters for more than 800 patients. It is a world-class hospital and many health experts from overseas visit it to gain ideas on how to run a world-class public hospital. It is a credit to the community and to the government that the centre has such a significant world-class status. In fact, the hospital has appointed a person whose sole job is to look after the inquiries from international visitors who queue up to visit the hospital. It is a real plus for the government.

A psychiatric geriatric nursing home was opened recently in Noble Park. It looks after those people who require the particular service that the home offers. During the 10 years of Labor government world-class health services have been provided for the benefit of the community and they are still being provided. The Dandenong and District Hospital received a grant of approximately \$1.3 million to upgrade its casualty facilities.

Since the election of the Labor government there has been a massive expansion of community health centres. The Springvale area is now acknowledged as having some of the best community health services. It has a range of services, including a popular dental service. The community has available

to it a range of programs, which includes health promotion and prevention programs.

Recently the government announced that Dandenong would receive its own community health centre and I have no doubt that centre will be the equal of the Springvale community health centre and will service the people of Dandenong and growth areas surrounding it. It is a much needed service and the Minister for Health should be congratulated for expanding community health centres.

Nissan Australia recently announced that it will close its Clayton factory. That will cause considerable hardship for the community. It is unfortunate that the decision to reduce tariffs for the manufacturing industry, which is the cause of Nissan Australia's decision to close down its factory at Clayton, has coincided with the recession. It is now much more difficult for people who are laid off work to obtain other employment. Various programs are being initiated both at the local community level and by Nissan Australia to prepare and train the people who will be laid off so that they will be able to take up jobs in surrounding areas.

The Federal opposition's Fightback package is a tacky document. It advocates the dismantling of all tariffs by the year 2000. The conservatives should rethink that policy and join with the State government in its campaign to have the tariff policy examined on the basis of the hardship that it will cause and has caused for many Australians.

The Minister for Sport and Recreation well knows that many people in his electorate will be affected by the lowering of tariffs. Many local communities are adversely affected by high levels of unemployment when tariffs are lowered or dismantled. The Premier has announced that, in cooperation with the Premier of South Australia, she will go to Canberra and put the case against the lowering of tariffs for the textile, clothing and footwear industries. She suggested that the National Party would be better served if it joined with the government in trying to protect local industry rather than worrying about its conservative friends in Queensland — sugarcane farmers who want greater protection.

The government has cooperated with the community, the trade unions and employers. It has not singled out any one section, although I accept it has a special relationship with the trade union movement. It is unique in this country for governments, particularly conservative

governments, to consult with trade unions. The government has harnessed the expertise and innovation that exists in the trade union movement.

The Manufacturing Industry Advisory Council is one example and the State Training Board is another. A whole range of other bodies with both employer and trade union representatives advise the government. It is excellent that that consultative process takes place.

We should also be proud of the reforms to WorkCare. The 1985 reforms, which were made when the government briefly had control of both Houses, were monumental. They have cleaned up the insurance industry in this State. They have also been instrumental in delivering a range of benefits that are second to none in this country.

In the period 1982 to 1984 the levy that had to be paid by employers under the old workers compensation system was around 8 or 9 per cent and was blowing out. However, a price-cutting war was undertaken by insurance companies pursuing business in the compensation area, and the 8 to 9 per cent levy was held down artificially by the price war that was being conducted.

A lot of criticism is levelled at the WorkCare levy, which is around 2.5 per cent or at most 3 per cent. People say that is far too high, which is ironic because it took a Labor government to bring about reforms that reduced the levy significantly. The benefits have certainly flowed on to employers in this State. The cross-subsidisation that occurred under the WorkCare system, especially in the metal and associated industries, was responsible for the high percentage of employment growth in the nine years between 1982 and 1990. That is something of which the government is justifiably proud.

The WorkCare system places emphasis on prevention and rehabilitation, which is certainly a new tack in respect of workplace accidents. It is one of the government's really worthy reforms, and it is in stark contrast to the previous policy of giving people some form of entitlement or compensation for a brief period and then pushing them off onto the social security system.

Reforms have also occurred in the areas of superannuation and long service leave. I remember a demonstration on the front steps of Parliament House by police, who said that the government kills police because it does not allow them to retire on a proper superannuation scheme well before they are

60 years of age. Recently I met up with someone with whom I was an apprentice years ago. Some time after he finished his apprenticeship he spent two years in the Police Force. He is now in his early forties and has retired on full superannuation. That is pretty good for a person coming from a trade union background.

The government has introduced excellent conditions in that area; maybe by some standards they are even overgenerous. Sometimes I am amazed at criticisms levelled at the government by the Police Force about what the government has not done to improve police conditions. The previous speaker, the honourable member for Geelong, spoke about new police stations in Geelong West. As well as new police stations the government has provided new equipment, new cars with air-conditioning, computer equipment and public servants to do police work. Overall the Police Force has fared particularly well.

One of the pamphlets issued by the Minister for Police and Emergency Services states that the number of police has increased by 1720 since 1983, which is a significant increase. Given this statistic one wonders why the headlines in the *Herald-Sun* are so lacking in veracity. For those who understand the hidden agenda of that newspaper it becomes clear; however, it is still rude.

The money spent on buildings and equipment since 1983 has increased by 386 per cent, which is also significant, and again it leads me to question the accuracy of comments made by the media on police resources.

I had the privilege of being a member of the Social Development Committee during its inquiry into community violence, and the inquiry taught me that one has to be a little careful about statistics. The committee visited the Australian Institute of Criminology in Canberra and was briefed on the way various statistics are compiled and then analysed. Statistics are often compiled on different bases and analyses are not always drawn up in an accurate way, so one does not always gain an accurate understanding of the crime rate. Violence has decreased in this country, although obviously spectacular instances of violence are experienced from time to time. Unfortunately the media seems preoccupied with sensationalising those violent incidents for the purpose of improving ratings or selling more newspapers. I find that rather offensive.

A few years ago a suicide was actually shown on television with a person putting a gun to his head and shooting himself. The television news services showed it on bulletin after bulletin for about two days. That type of conduct by media outlets does not enhance community safety in any respect. I am also critical of the media's role in promoting violence and then criticising governments for not providing the resources to deal with that violence.

It is important to differentiate between statistics that show a decrease in violent personal crimes as against statistics that show an increase in crimes against property, such as house break-ins and car theft, which tend to increase in a recession when more people are out of work. I would hate to think what sort of a society we would live in if we did away with unemployment benefits, which conservative politicians often talk about. Certain pressures to survive would be unleashed on people out of work and on the streets and survival would ultimately turn them to petty thieving and crime.

Mr Leigh — What?

Mr MICALLEF — You may not understand that.

Mr Leigh — Who made a million people unemployed?

Mr MICALLEF — If you want to understand anything about violence, I suggest you visit a place like Chicago.

Mr Leigh — What about London?

Mr MICALLEF — It is nowhere near as bad as Chicago. Every store in Chicago has an armed guard with an automatic weapon at the door, and police cars everywhere have their motors running so that they can get to the scene of a crime as quickly as possible.

Mr Cole — Sometimes before they happen!

Mr MICALLEF — Yes, sometimes they cause crime because they are so keen. When I was in Chicago I remember going to a roadside kiosk with a friend who wanted to purchase a packet of cigarettes. When standing at the kiosk, you could not see anyone serving but there was a peephole and you had to say what you wanted. My friend said he wanted a packet of cigarettes. You had to put the money on a steel turntable that turned around and came back with a packet of cigarettes and the change on it. You never saw the person serving.

Mr Maclellan interjected.

Mr MICALLEF — You may think it is getting like that in Victoria, but you really do not understand what a crime-ridden, violent city is all about. I travelled around the ghettos of Chicago and saw at first-hand some of the difficult situations there. I travelled on the underground on my own, and that is a place where anyone would be frightened. If you think Australia or Melbourne is as bad as Chicago, I would ask you why Melbourne was voted one of the most livable cities in the world. We have this rubbish in the newspaper that violence is out of control.

Mr Leigh interjected.

Mr MICALLEF — That is unAustralian; if the comments were made out of context I suggest that the people who made them should be more considerate when making comments in future and the newspapers that report them ought to be more responsible. Those newspapers ought to take the responsible position.

Other initiatives which have resulted from the recommendations following the inquiry into community violence and which have been taken up by the government are programs such as Vic Safe and safety audits. The emphasis has been on crime prevention programs where you do not necessarily need to have an army of police with the latest sophisticated cache of weapons. The latest initiative is the Confident Living program, which is aimed at enabling older people to feel more comfortable and secure in their homes.

In Springvale on New Year's Eve a very violent murder took place: Mr Santo Ipolito, the president of the Italian pensioners club of Springvale, was bashed to death by an assailant who broke through his front window. Many older people in the ethnic community have fears. The Confident Living program is the type of program needed to give older people confidence so that they can continue to live in the community and attend their organisations in safety and keep supporting each other.

Crime prevention programs are very important and we need to work on them as a community to combat crime and address other social justice issues so that we can live in a society of which we are proud. That will enhance Melbourne as being one of the world's most livable cities.

Mrs WADE (Kew) — The Supply (1992-93, No. 1) Bill covers the period July to October and relates to ongoing programs of the government. I should like to consider the ongoing programs of the Attorney-General's Department and its administration. However, before I move to that I should like to make a few general comments about the Bill.

I start with my usual statement relating to Budget Bills: Budgets are about priorities and getting them right. This Bill is accompanied by an Appropriation Bill that is also listed on the Notice Paper, and that rearranges the government's priorities during the Supply period. Neither of these Bills takes any action to meet community needs.

The Supply Bill gives no indication that the government is making any progress with debt management. For instance, I note that the expenditure set out in the Supply Bill relating to the Department of Treasury for the first four months of 1992-93 is 43.7 per cent of the 1991-92 Budget.

A major part of the expenditure in that department is Program No. 727, which this year is called "Debt, Liability and Financial Asset Management". That has a figure of \$832.2 million and covers financing charges. Last year's Supply Bill showed a figure of \$802 million for the equivalent program, No. 726. It is difficult to compare the two Supply Bills because this year the Department of Treasury has a totally different set of programs compared with the programs that were set out in the last two years' Supply Bills.

I note that financing charges, which were previously covered in Program No. 726, are now in Program No. 727. But other items previously in Program No. 726 have been transferred to Programs Nos 722 and 724. Therefore the difference in finance charges is greater than would appear to be the case on the face of the Supply Bill. It appears that a number of programs that have traditionally appeared in the Department of Treasury table have disappeared. Programs Nos 723, 724, 725 and 726 have been replaced by new Programs Nos 727, 730, 731 and 732. Supply Bills are not supposed to cover new policy. A matter that requires consideration is whether it is appropriate to have a total change in programs.

As a result of the downgrading of our credit rating Victoria is paying more for borrowings than is New South Wales, which retains its AAA credit rating. Victoria has double the level of debt of New South

Wales on a per capita basis. We are being told daily that Victoria is in the same boat as other States and some overseas countries.

One has to say that some boats appear to be far more leaky than others, and it appears that Victoria's is in a situation where it is likely to go to the bottom if something is not done in the short term. It is the year-by-year increase in debt — I note that the Victorian government has run up operating losses of \$11.25 billion over the past six years and more than \$1.5 billion in this current financial year — that has led to more of the State's revenue being earmarked for interest payments. As a result, increases in taxes and charges are being imposed to meet these increased interest charges and the government's need for more money to support its massive bureaucracy.

The impact of taxes and charges is bad enough in relation to individual members of the community, but the worst aspect of it is its impact on business. Businesses are failing throughout Victoria and as a result we have a massive loss of jobs in this State. That is epitomised by the millions of dollars that are being spent in Swanston Street Walk at a time when businesses in the central business district are having great difficulty in meeting tax obligations, particularly land tax and council rates. Businesses are being forced to close.

This morning I heard the honourable member for Polwarth talking about Nero fiddling while Rome burned. The Swanston Street Walk project is an example of the lack of proper priorities in this State.

What we are seeing in Victoria is not just the effects of a depression — Victoria has been going downhill ever since the government was elected in 1982.

In the period of Labor government, from the end of 1980-81 to 1990-91, economic growth in the rest of Australia was 3 per cent, while in Victoria it was 2.5 per cent. Growth in jobs in the rest of Australia was 19 per cent; in Victoria it was 13.9 per cent.

In February 1982 unemployment in Victoria was 6.7 per cent while in the rest of Australia it was 7.2 per cent. In February 1992 unemployment in Victoria was 12.3 per cent, while in the rest of Australia it was 11.3 per cent. Jobs have been lost at the rate of 3.5 per cent in Victoria and 1.1 per cent in the remainder of Australia. The number of unemployed people between the ages of 15 and 19 looking for their first jobs has increased by 75 per cent in Victoria and by 49 per cent in the remainder of

Australia. Women are in a particularly difficult situation as a result of the downturn in the economy. Between August 1990 and March this year the unemployment level for women in Victoria leapt from 6.9 per cent to 11.6 per cent.

Everywhere one looks the figures are worse in Victoria. Retail turnover in the 12 months to January this year increased by 3 per cent in Victoria and by 5.3 per cent in the remainder of Australia. New dwelling approvals decreased by 3.5 per cent in Victoria and increased by 15.4 per cent in the remainder of Australia. New vehicle registrations were significantly higher in the remainder of Australia, with an increase of 4.4 per cent, than they were in Victoria, where the increase was only 1.8 per cent. In the 12 months to September 1991 the increase in the number of social security beneficiaries was 82.6 per cent in Victoria and 45.4 per cent in the remainder of Australia. As previous speakers have said, Victoria is also leading in the area of bankruptcies. Since 1982 it has been downhill all the way, as it has been downhill in the Attorney-General's Department.

I refer the House to the court system and to the 1984 report of the Civil Justice Committee, which reported delays in the Supreme Court lists of almost double the 1980-81 figures. The committee referred to a serious deterioration in the causes list where the waiting time between the commencement of a case and setting it down for hearing was in the vicinity of 21 months. The committee concluded that there were unacceptable and growing delays in the major civil lists of the Supreme Court. As a result the government conceded that changes were necessary and it altered the jurisdiction of the County and Magistrates courts.

In addition, since 1984 a series of committees were established to make recommendations about case management and other ways of reducing delays in the courts. There was some success with that program during the reign of the former Attorney-General, now the Minister for Planning and Housing, but unfortunately the return of the current Attorney-General has seen the delays in the courts significantly increased again. This is particularly obvious in the Supreme Court, where in February 1991 the waiting time for jury lists was seven months and for causes nine months. By February this year the waiting times had increased to 14 months for jury lists and 17 months for causes. The waiting times in both lists have virtually doubled since last year. It appears we are returning

to the position reached in 1984 when the Civil Justice Committee issued its report.

The position in the County Court is more difficult to assess because there have been changes in jurisdiction. There has been a significant reduction in the number of cases relating to transport accident claims. At present there is not the problem in the County Court that exists in the Supreme Court. Waiting times are generally at an acceptable level, but I suggest that may not be the case in the future.

I note some cause for concern with criminal cases because the Director of Public Prosecutions reported that in February this year 41 people had been awaiting trial for more than 18 months after they had been committed for trial. Some of those 41 people will be held in prison on remand. It is of significant concern that there should be such a delay in criminal cases.

The position in the Magistrates Court, as in the Supreme Court, is going downhill. The report of the courts management division of the Attorney-General's Department for February this year was that the civil lists, particularly in the southern region, are at unacceptable levels. The waiting time for civil cases in the southern region is approximately seven months. In criminal cases the longest delays are in the north-eastern region, where the waiting time for criminal cases is six months.

The waiting times in the County Court are not a matter of concern at present. However, we cannot take too much comfort from that because the accommodation in the County Court is totally unacceptable. The House will be aware that for many years the County Court building has been surrounded by scaffolding. Apparently nothing has been done to resolve the problem of masonry falling from outside the County Court building. The building is an absolute eyesore. I understand the government has bought the scaffolding at some significant expense. If it were a private building the owners would have been forced to take some action to resolve the problem and would not simply be allowed to buy the scaffolding and leave the problem for people entering or trying to walk past the building. This is a site in central Melbourne that epitomises the problems of the government.

The 1990 annual report of the County Court judges estimates a growth of 74 per cent in the volume of hearings between 1988 and 2001. The judges say that 12 additional courtrooms will be required, as well as accommodation for most County Court judges.

Currently accommodation for judges is being leased from the barristers chambers next door.

On page 5 the report states:

... delay in the hearing of matters results in a financial cost to the State along with adverse consequences both for those involved in cases and also for court operations.

The judges suggest that the only solution is a new court building. I hope the shadow Treasurer is listening to their estimate of the cost if a new building is not provided:

The interim report estimated that if further buildings were not provided (assuming that the court was able to continue to function with such non-provision) the additional cost to the State by 2001 would amount to a cumulative total of \$306 000 000 in operating costs in the remand system and County Court alone.

That is a horrifying proposition and shows the government's total neglect of the future needs of the County Court. Problems have already arisen. Earlier this year six County Court judges who were willing to work were not able to do so because no courtrooms were available for them. Criminal matters have continued to remain on the waiting list because courts are not available for the cases to be heard.

Some of those people are being held in custody awaiting trial for periods of more than 18 months. They may be innocent, so that should not happen. Recently I received a copy of a letter from the Chief Judge of the County Court to the Attorney-General. He makes the point:

If a new court complex is not available by the end of 1998, the future for the court will be nothing less than disastrous in that (a) there will be no accommodation for two-thirds of the judges ... (b) the court building is even now inadequate in its size and in its general facilities; (c) the court is potentially dangerous by reason of the presence of asbestos; and (d) the court will become progressively inadequate with the inevitable increase in the court's business in the interim.

The court system will be a major problem for an incoming government as a result of the inability of the Attorney-General to come to grips with this problem. Even when new courts have been built there will be no lasting benefit to the Victorian public because the new courts are now on the government's asset sale list. The Attorney-General is

proposing to sell the courts and lease them back at great cost to the Victorian taxpayer.

During question time last week the Attorney-General spoke about the new court complex in Geelong. My understanding is that the Treasurer has asked the Attorney-General to put that complex on the asset sale list with a view to obtaining money by the end of the financial year. If that takes place the Victorian taxpayer will have to pay for the lease of that court complex. The courts are in a precarious situation. Unless there is a change of Attorney-General the situation can only become worse.

I turn to legal aid, which has received a lot of publicity. Some weeks ago the Attorney-General wrongly advised the House that the goods and services tax (GST) would increase the cost of legal aid. I reassure all honourable members that the GST will have no effect on the funding of legal aid commissions. Any GST that is payable in providing legal services will be fully rebatable to legal aid commissions. As a result, the GST will not have any significant impact on legal aid budgets. The Attorney-General raised that again this morning, and I hope it clears up the matter because he seems to be a slow learner.

The Legal Aid Commission, which is responsible to the Attorney-General, is claiming that it is in a desperate situation. It has asked the Law Institute of Victoria and the Bar Council to carry out a certain proportion of work for it at no cost — that is, to volunteer their services — and is also proposing to reduce fees payable to barristers and solicitors. It is difficult to know how that situation could have arisen. There has been no significant increase in applications for legal aid, although the increase of 3.1 per cent in 1990-91 is lower than in previous years when the commission has been able to cope. The revenue of the commission was increased by \$7 million this year. The small operating deficit of \$1.2 million can be covered by surplus funds. Additional funds were provided by the government for a number of long trials.

The Legal Aid Commission believes extraordinary measures are necessary and is asking the legal profession to perform work for nothing and take reduced fees. It has also asked the Commonwealth and Victorian governments for an additional \$700 000. I understand the Victorian government has refused to provide its 40 to 45 per cent share of that amount, and I am unsure of what the situation is with the Commonwealth government.

I believe all honourable members are aware of the deserving people whose requests for legal aid are being turned down. It is difficult to know what the solution to the problem is, because it is difficult to obtain the appropriate information. Some attention should be given to reviewing the operations of the Legal Aid Commission and assessing its efficiency.

The 1990-91 annual report of the commission discloses a number of interesting facts. First, 75 per cent of legal aid cases are handled by private practitioners, with the remaining 25 per cent being handled by the Legal Aid Commission. Second, private solicitors who handle 75 per cent of the cases received \$26.5 million out of the total expenditure of the Legal Aid Commission of \$76.3 million.

Third, the commission handles the remaining 25 per cent of cases at a cost at least \$28.6 million. The commission also carries out education and administrative functions. From those figures one can see that the commission is a very expensive way of providing legal services.

The Attorney-General cannot afford to ignore this problem any longer. Although the situation as disclosed by the 1990-91 annual report could be overcome by better management, additional problems will occur in the future. Priorities should be reorganised. Some applicants who are being turned away should be given aid. The funding situation will be more difficult in the future. Victoria has been fortunate in that a greater part of the funds for legal aid has come out of the Solicitors Guarantee Fund. For various reasons the level of funding from the guarantee fund will be reduced in future years. It is essential that urgent action be taken to review the operations of the Legal Aid Commission. It is undesirable to adopt further bandaid-type solutions — which, I suspect, is what we will see in the near future. The commission should be a cost-effective organisation providing a high level of professional services.

I turn to estate agents. A problem has arisen as a result of an amendment in 1989 to the Estate Agents Act. It has caused problems for about 50 to 60 estate agents. The way the matter is being handled is symptomatic of the inability of the Attorney-General to properly administer his portfolio. In 1989 section 15 of the Estate Agents Act was amended to prevent licence lending. It was intended to cover a situation where a licensed person who sold the business to a son or daughter who was unlicensed remained on the company board in order to give legitimacy to the business, although taking no part in the business.

The person who bought the business was excluded from membership of the board of the company. Because an employee working in the estate agency business who was unlicensed was unable to be on the board of that business, he or she would appoint a spouse or a relative to ensure that the business was handled in accordance with his or her desires. The business would thereby avoid the licensing requirements.

The amendment sought to exclude that sort of arrangement. It said that the spouse or relative of an unlicensed employee of an estate agency could not be on the board of a company. Unfortunately nobody anticipated, least of all the Estate Agents Board or the Real Estate Institute of Victoria, that the amendment would cover legitimate family businesses where the husband and wife were directors who may have a child studying the estate agency courses employed in the business. When licenses were renewed this year the Estate Agents Board refused licenses where a child who was as yet unqualified was employed in the family business and where the mother of that child, the spouse of the licensed agent, was on the board.

The Estate Agents Board decided the section was not intended to cover family businesses — about 50 to 60 family businesses are affected by that provision — and recommended to the Attorney-General that the Act should be amended to remove genuine family businesses from the reach of section 15. The Attorney-General says that this matter has no priority and he will not place it in his legislative program.

This matter could easily be dealt with in this place without much notice. It particularly affects women because almost without exception in those cases the sons or daughters continue employment in the family businesses while the mothers are normally retired from the boards. Some may say it concerns only 50 or 60 women, but I intend to write to the Premier seeking to have the Attorney-General put this matter into his legislative program. It should be sorted out in the appropriate way.

In the time available it is not possible to deal with all the problems in the Attorney-General's Department. I have tried to deal with three quite different areas to show that nothing is going right in any of them. I receive continual complaints about almost every aspect of the administration of the Attorney-General's Department.

Many people have approached me about the administration of the Equal Opportunity Commission and the failure of the Attorney-General to deal with changes in policy required in that area. I have received complaints about the failure until recently to regulate in any way fundraising by charities. I have received complaints about the cost of the Tricontinental Royal Commission.

Many people, including barristers and solicitors who have appeared before the Guardianship and Administration Board, have complained to me about the proceedings before that board. The variety of complaints is very wide and there are so many that they should be taken seriously. I have also received complaints about the relationship between that board and the Office of the Public Advocate.

Recently the honourable member for Morwell referred to the treatment received at dispute settlement centres. The coalition supports the concept of the centres, but apparently the Attorney-General has some secret plan to amalgamate or discontinue them and has failed to consult with people involved in their operation.

It is difficult to think of any area in the Attorney-General's Department about which complaints have not been made. As I have said, I do not think we will reach a satisfactory solution until Victoria has a new Attorney-General. Had the government acted in the best interests of Victorians we would not now be debating this Bill but would be holding an election.

Mr COLE (Melbourne) — I support the Bill and shall raise a number of matters particularly relevant to some matters raised by the honourable member for Kew, including the legal aid problem. There will always be problems about the funding of legal aid and the growing need for that service because public awareness of it will lead to an increasing drain on its resources.

The honourable member for Kew raised the problem of falling masonry at the County Court building. I should hate to think we had free masonry at the County Court! That problem must be addressed because it could be dangerous.

The main issue I refer to is funding and the question of Supply and the State revenue. I well recall appearing in 1981 in the Flemington courthouse; that building still exists but no longer functions as a courthouse. Things were not necessarily all rosy in the legal field then. There was minimal legal aid and

the facilities at courthouses were particularly poor. Very little had been done to most of them since they had been constructed.

I remember one occasion when I represented a person charged with a minor traffic offence. I made a plea on his behalf before a packed courthouse — it was "traffic day" at the courthouse. Having made my plea in the usual style the person was given a good behaviour bond, which did not always happen! Upon my completing my plea, the front pew in the court collapsed and people flew everywhere. Apart from the fact that it was the first time I had ever brought the house down, it was a real indication of the parlous condition into which most courthouses had fallen by 1981 — after 26 years of Liberal government.

The tasks set for this government in the area of responsibility of the Attorney-General were large. The capital works programs required to be carried out, particularly on the court rationalisation programs, were immense on any analysis and what has been achieved is significant. That has been done at a price — namely, debt. One wonders whether, had the work been carried out on an incremental basis over a number of years, some of that debt may not have been incurred.

The most important issue, which is crucial to this Bill and which will be most relevant to Victoria on 11 May next, is State revenue and Federal-State financial relations. This State raises only 17 per cent of the taxes by Victorians but is responsible for approximately 45 to 50 per cent of government expenditure in Victoria. The revenue base is rather limited and subject to fluctuations in the market, particularly through revenue from land transfers, land tax, to a lesser extent, and payroll tax.

The whole question of State revenue is so subject to that fluctuation that it is very difficult to forecast the condition of State revenue from one year to the next. The State is reliant on Federal special and general purpose grants, and in times of economic stringency there is a tendency — as has happened in the past five years — for the Federal government to restrict what it allocates to the States. That factor, in addition to an already eroding revenue base, makes it difficult to govern the State. The revenue base for the State is in a parlous condition because of economic and tax factors, combined with Federal government control over the purse strings.

I refer to an article in the *Australian Financial Review* dated 28 April 1992, which states:

All of the States except Queensland which benefits from present Grants Commission policy are believed to be in difficulty.

Victoria has admitted that this year's deficit will reach at least \$1.63 billion while NSW's Niemeyer statement, due this week, is expected to incur a \$1.8 billion deficit.

New South Wales, which supposedly had Liberal stability for a while and which is also the centre of so-called economic rationalism, is in a position almost identical to that existing in Victoria. It is probably worse off in the Budget sector but that is not surprising due to the nature of the revenue that must be raised in all States.

The one issue crucial to the analysis of Federal-State financial relationships concerns payroll tax. The Niemeyer statements for this year will show a reduction of almost \$50 million in the amount Victoria was hoping to receive — the obvious reason being the decline in the economy — even though payroll tax rates were increased last year.

I shall firstly comment at length on payroll tax because claims have been made to the effect that there is a mass migration of capital from Victoria as a result of this State's payroll tax rates being too high. That is not true. The fact is that the payroll tax rate in Victoria is the same as that in New South Wales. The rate was set by agreement between conservative governments for a good reason. The reason was, firstly, that it would prevent migration from one State to the other, and, secondly and mainly, so that one State would not be in competition with the other because neither has the necessary revenue base to compete over payroll tax.

When honourable members hear debates on what is happening in this State we rarely hear comment on payroll tax. The honourable member for Polwarth referred to WorkCare rates as being higher in Victoria than similar rates in New South Wales. He said nothing about payroll tax, which is exactly the same rate in both States. It is claimed that people are leaving Victoria in droves because of payroll tax but that is not so; the issue is somewhat misleading.

WorkCare should not be seen merely in terms of what is happening in 1992; consideration should be given to what happened in 1980. The honourable member for Springvale pointed out that under a previous Liberal government workers compensation rates were far too high and something had to be done. When the government came to office the problem was addressed. The fact is that conservative

governments were in the pockets of the insurance companies and would not respond in the appropriate manner by taking up the issue.

I take the matter of payroll tax one step further by referring to the proposals of the Federal Liberal Leader, Dr Hewson. The consumption tax proposal, which members of the coalition seem to embrace with such alacrity — why, I do not know —

Mr Jasper — It's in Fightback!

Mr Cooper — He has not read it!

Mr Jasper (to Mr Cole) — You do not understand; that is why!

Mr COLE — I do not understand why it would be raised, that is true. The fact that the coalition has relied on the consumption tax is really a matter for them. What the government must do is try to undertake an analysis of what it all means.

Under the proposal to introduce a consumption tax, the coalition would get rid of payroll tax. Everybody jumps up and down and says, "What a wonderful thing it is; let us get rid of payroll tax". This year Victoria will collect \$1789.6 million in payroll tax. Under the consumption tax package that revenue will be taken away. Fightback, which I have read, indicates that Victoria will be compensated by the Federal coalition government — if it is ever elected, which I consider to be unlikely — at the existing level.

Currently the State raises 17 per cent of its revenue. Because of the terrible vertical imbalance, if payroll tax is taken away Victoria will raise an even lower percentage of its income. As a result Victoria will become totally dependent on the Federal government. The vertical fiscal imbalance will worsen if the major source of revenue is taken away. Even if — and it is an "if" — that amount is returned in toto, the result will be the creation of a dependence on the Federal government. That fails to address the dependence that currently exists and it does not provide an answer to the question of what will happen to the States if they are at the mercy of the whim of a Federal government.

Mr Cooper — Do you support payroll tax?

Mr COLE — I certainly do.

Mr Cooper interjected.

Mr COLE — All I can say is that the honourable member for Mornington should listen and he will hear a bit more of what I hold on payroll tax.

Mr Jasper — It is an iniquitous tax!

Mr COLE — It is not as iniquitous as your proposed consumption tax on food! That is what the conservatives do; they tumble in every time. They put an additional price on food so that those who can least afford it have to pay, and they claim that if they give the profits over to others those people will create jobs! Moreover, even if the promise of payment of compensation to the States for the reduction in payroll tax revenue is honoured and is not a ruse, under the consumption tax it is proposed to reduce the specific purpose grant by 5 per cent, that is, a minimum of \$137 million will be deducted from the amount of specific purpose grants to Victoria.

The result will be that at best under the proposed consumption tax Victoria — which already suffers badly under the fiscal equalisation program, as does New South Wales — will be \$137 million worse off than it is currently. That is the proposal the conservatives in this State are putting forward.

Mr Jasper interjected.

Mr COLE — The fundamental question of moving revenue raising away from income to expenditure also arises. It is claimed that when people spend that is when they will pay. On any analysis, that is a regressive policy because it hurts the poor.

Mr Jasper interjected.

Mr COLE — It always hurt the poor; there can be no doubt about that. The other point is that getting rid of payroll tax does not, of course, provide employment. Everybody knows that businesses are still having a cost added to them; they will still have to pay. They have to pay when they buy goods; they have to pay for their imports; they have to pay that 15 per cent on everything and that is directly on top of the costs.

Mr Cooper interjected.

Mr COLE — I take up the interjection of the honourable member for Mornington. My business experience was gained in running a solicitor's practice. Unfortunately the honourable member for Kew is not here; she would know that all legal costs

will increase by 15 per cent. How she can come to the conclusion that legal aid fees will not be affected is something that amazes me. My understanding is that those fees are 80 per cent of the scheduled fee and that the scheduled fee will increase by 15 per cent under the consumption tax package. The shadow Treasurer in Canberra, Mr Reith, who was a solicitor, has not denied that will happen.

Mr Cooper interjected.

Mr COLE — You want to embrace those things. Legal fees will increase. My experience in business is that people do not understand the extra cost. They see it as another price and it puts another burden on small business.

Another problem is that among the people who will not benefit under the consumption tax package are those in businesses that do not pay payroll tax, and there are thousands of them. They will be directly affected because they will have to pay the 15 per cent consumption tax despite the fact that they will not get any benefit from it.

I ask: who will benefit from the consumption tax? Of course, the answer is: the consumption tax benefits the big ones again, and it does not solve the problem. The reality is that in essence the consumption tax and payroll tax are exactly the same and they have exactly the same effect upon employment.

As anybody who knows anything about payroll tax will acknowledge, it is easily converted and passed on to consumers.

Mr Jasper — Provided you are in profit!

Mr COLE — I shall take up the interjection of the honourable member for Murray Valley. If you are not in profit you have to pay the consumption tax, and that makes the cost higher than the wholesale price. Honourable members know this: some things are certainly going to cost a lot more.

Another certainty is that the States' revenue will be substantially reduced and any State operating under a conservative Federal government will be totally dependent upon that Federal government's grants. In essence it will be the end of State governments, yet the honourable member for Mornington continues with his puerile, facile comments about business that he knows so much about; he knows all about business —

Mr Cooper interjected.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Mornington!

Mr Jasper — But it is interesting!

Mr COLE — The honourable member for Mornington knows all about these issues. The reality is that any State government that will operate under a Federal coalition government — that is, if the coalition is still in existence, and that depends on how much they have to compensate the sugar industry which is so terribly inefficient that it must be totally subsidised, of course —

Mr Jasper interjected.

Mr COLE — Let us hear from the honourable member for Murray Valley, a member of the National Party, about the economics of the sugar industry. Why do we not hear about the economics of the sugar industry in respect of its business activities and how much its members need support? When we have finished talking about that we will talk about the egg industry and how much it needs to be regulated, supported, propped up and given bonuses and subsidies to ensure that private business —

An honourable member interjected.

Mr COLE — I do not support it. Private business in Victoria is well protected. The bottom line on all these issues is that any suggestion of the introduction of a consumption tax and the removal of payroll tax, regardless of whether you believe it is right or wrong, will mean Victoria will be subjugated totally to the Federal government. It is an ill-conceived notion at this time. There must be a method of assessing what relationship should exist between State and Federal governments.

If we must get rid of payroll tax it should not be at the cost of the introduction of a consumption tax. Consumption taxes are regressive and place burdens on the poor and the workers that they should not bear. A consumption tax would not add up to fairness and equity; the opposite would result. The purpose of a consumption tax is to pay for reductions in income tax, which will never be delivered in real terms.

The abolition of payroll tax will reduce the amount of revenue the government receives. The States will have \$2 billion taken away, forcing them to cut

expenditure, increase loans or raise taxes. Nobody can dispute that those things will happen — they must happen! Victoria will be \$2 billion worse off and will have to get that money from the Federal government.

There is now deathly silence from the honourable member for Mornington, and the honourable member for Murray Valley, who is sitting in stunned silence, is no doubt thinking, "Oh, my God".

Honourable members interjecting.

The ACTING SPEAKER — Order! The honourable members for Mornington and Murray Valley should not respond.

Mr COLE — When Victoria has to go to Canberra to beg for 70 per cent of its revenue to pay for train services to Wangaratta we will really know what this issue is all about.

Land tax affects many people in my electorate. In 1990 the rates in the dollar for land tax were not altered. That was unfortunate because the valuation carried out in 1986 was substantial and fees rose markedly. Land tax is predicted to bring in more than \$400 million.

The Liberal and National parties were not too keen on land tax but did not jump up and down and say it would not happen under a Liberal government. What hope will the opposition have of reducing land tax by half if it gets into government? That will take another \$200 million from the State's revenue. If the opposition goes down that track one wonders whether there will be any taxes or revenue at all and what the then government would use to govern. The answer is that the opposition, if it were in government, would do nothing about the problems of land tax.

What came across in the debates last year and the year before was that people from the conservative side do not understand the essential problem with land tax: that the rate in the dollar for land tax had been set on lower valuations and was not altered because the land tax legislation requires proactive legislation to reduce the amount of tax.

It is my understanding that the Liberal Party never sought an arrangement to reduce the burden of land tax; Liberal members did nothing apart from jumping up and down and saying they would not support it. In the end they did support it.

In a declining economy such as that which has existed in 1990-91, because the State's revenue base is so limited governments are tempted to use what limited revenue is available to try to obtain as much as possible. That happened in relation to land tax.

Issues like land tax need to be addressed, and my concern is that they will not be addressed for the future. I was the only member of Parliament to make a submission to the Fordham inquiry on land tax. No-one from the opposition bothered to make a submission.

Unless we can address the issue of Federal-State financial relations the burdens of land tax and other imposts on business will continue to grow. There is no solution to that problem unless we can sort out the financial relationships between State and Federal governments.

An honourable member interjected.

Mr COLE — An honourable member has just said it is about time I finished. He was not here for much of my contribution and he missed the good bits. There is one thing about the conservatives that you can always rely on: it is always too little, too late!

Issues such as Federal-State financial relationships, the fiscal balance between States and the fact that the larger States like Victoria and New South Wales subsidise the smaller States all mean there will be continuing problems in Victoria and New South Wales which must be addressed. The proportion of State taxes must be related to the amount of income tax paid to the Federal government. Unless that is done Victoria will continue to experience problems and State taxes will continue to be affected badly.

Mr JASPER (Murray Valley) — The honourable member for Melbourne said that an honourable member on the opposition side of the House did not hear much of his contribution. I heard all of his contribution and take issue with some of his comments. I would describe many of the honourable member's comments as the ravings of a person whom I should have thought would have had a better understanding of the economics and the practicalities of how Victoria operates.

I agree with his closing comment about the amount of tax collected by the Commonwealth in relation to the amount returned to Victoria. That issue has been raised by former Premiers Sir Rupert Hamer and Lindsay Thompson, and the honourable member for Bundoora and by the current Premier. There is no

doubt that Victoria has been disadvantaged by the tax system under which for a long period the larger and more populous States have subsidised the smaller and less populous States. That situation should be rectified.

The honourable member for Melbourne should obtain the documentation concerning the Fightback package of the Federal coalition to gain a true understanding of its meaning and implications and of the great benefits it will provide to the Australian people when it is implemented.

The bottom line is that Fightback will provide an incentive for people to work. In my view Australia's greatest problem is that insufficient Australians are working to achieve the productivity necessary to make Australia the great nation it should be. Many would say that that is a generalisation. Of course it is a generalisation, but it is the bottom line. Fightback is the way to increase Australia's productivity. The Federal government has found it difficult to respond to the Fightback package. The introduction of the package led to the downfall of the former Prime Minister, Mr Hawke. He was unable to come to grips with the wide-ranging proposals contained in the package, the implementation of which is essential to the recovery of the Australian economy.

The honourable member for Melbourne spoke in support of payroll tax. Although State governments have imposed the tax for many years successive Premiers have attacked the principles underlying it. Payroll tax is iniquitous because it is a tax before profit; and even businesses that are losing money are required to pay the tax. We should focus more on taxes on profits than on taxes before profit.

I was surprised by the honourable member's support for payroll tax, because the Premier has made it clear that she does not support its continuation. Although she regards it as necessary in the current economic circumstances, she has said she would like to get rid of it. Consideration must be given to alternative and fairer means of taxation. One of the many strengths of the Fightback package is the proposal to abolish seven taxes.

Not only in Victoria but throughout Australia Labor governments seek every opportunity to try to attack Fightback. But whenever I hear Labor Ministers criticising the package — particularly the goods and services tax (GST) — I know they are doing so because they are frightened that the Australian people will recognise the need to change the way in which the economy is controlled.

I am pleased that the honourable member for Bundoora has returned to the Chamber. I reiterate for his benefit that the honourable member for Melbourne supports the continued imposition of payroll tax. I am sure the honourable member for Bundoora finds that surprising because when he was Premier he did not support the principles underlying the tax, often saying he would prefer an alternative.

Mr Cole interjected.

Mr JASPER — Again the honourable member for Melbourne says he supports payroll tax! Since I have been a member of this House not one Premier has supported the principles underlying the tax — although each has seen it as a necessary means of gaining revenue.

Mr McNamara interjected.

Mr JASPER — By interjection the Leader of the National Party confirms what I said a few minutes ago: payroll tax is a tax before profit.

Mr McNamara interjected.

Mr JASPER — Other government policies have been responsible for the current high levels of unemployment, to say nothing of the detrimental effects of payroll tax.

As I said, under the Fightback package seven taxes will be abolished prior to the introduction of the GST. Labor governments conveniently forget about the iniquitous effects of taxes such as sales tax. Over the past 12 months the Federal government has collected more than \$9 billion in sales tax; and under Fightback that tax will be abolished. The petroleum tax will also be abolished. I have spoken many times about the ways in which the fuel tax discriminates against country people. Payroll tax will be abolished, as will the tax on lump sum superannuation payments. After paying tax on their gross incomes, from which superannuation deductions are made, people should not have to pay tax on their superannuation payouts. That is what I call double dipping! The training guarantee levy of 1.5 per cent will be abolished because it does not work. The customs duty and the coal excise will also be abolished. In all seven taxes will be abolished, to be replaced by only one tax, the goods and services tax.

The honourable member for Melbourne said he did not support the continued imposition of tariffs. Although he spoke a good deal about the sugar

industry, particularly the Queensland sugar industry, he did not say much about Victoria. He also claimed that the Victorian private sector is very well protected, which I vehemently disagree with. The honourable member for Melbourne should go out into the real world and talk to the people who run businesses. They would soon tell him how difficult it is to make a profit and to take on extra workers. The government claims it wants to employ more people, but as I have said on many occasions the government cannot employ everyone. Victoria needs a flourishing private sector if the economy is to prosper.

The Premier often talks about the need to look to the future and about how the government will create jobs. But she takes no account of the disasters of the past 10 years of hard labour, as a result of which Victoria is in desperate straits. Ministers have no idea of how to run the State because they have no idea of how to run a business. Most of them have not worked in the private sector and so do not understand what needs to be done to increase business confidence.

Early this afternoon I met a lady in Queen's Hall who had just returned from living for three years in the United States of America. Without any prompting on my part she gave me her perceptions of the current situation. She is an intelligent and highly educated person, and I found her comments particularly pertinent. She told me she has been astounded by the number of shops in shopping centres that have closed their doors. She perceives an attitude of gloom and is surprised by the general level of pessimism; she believes people are depressed and do not see much hope for the future. She has been particularly struck by the overall lack of confidence in the State's prospects, which she saw no signs of when she left Victoria three years ago — despite the Labor government having been in office for seven years.

I shall quote from editorials and other press commentaries to give the House a clear view of the desperate situation the State is in. On 5 February 1992 the *Herald-Sun* editorial was headed, "A state of crisis". I shall quote from two or three paragraphs that highlight the problems facing Victoria:

An obstinate Joan Kirner is determined to cling to power, though her government has long since squandered its mandate.

The editorial then refers to crisis talks arising from the Tasmanian Labor Party debacle and states:

Indeed, when it comes to the word "crisis", which is defined as "moment of truth" by Macquarie, Mrs Kirner has only to look from her window to glimpse the economic Hiroshima which 10 years of Labor have wrought from this once prosperous State ...

Doubt surrounds the ability of her new Treasurer, Mr Sheehan, to deliver the 80 000 jobs promised within 18 months. The Nissan closure will set him back by thousands of extra lost jobs. In this grim game of one step forward and two back, how can Victorians seriously expect the promised jobs to materialise?

The last paragraph states:

Victorians have reason to be bitter about the 10 wasted years. At the end of the day we no longer have the State Bank, and each of us share in a crippling common debt. The sooner Mrs Kirner stops denying reality and gives the people the chance to speak through the ballot-box, the sooner we can concentrate on cleaning up the mess that she and John Cain have bequeathed us.

On 15 April the *Age* contained an article by David Walker headed, "Sparks fly over Victoria, still the big spender". It states in part:

The Victorian government has continued to spend more generously than other States, despite having one of the weakest Budgets in the country, new figures suggest.

The figures came in the latest report by the Commonwealth Grants Commission, which also touched off a new round of arguments over Canberra's grants to the States ...

According to the Institute of Public Affairs, the figures show Victoria has room to cut its record projected deficit of \$1.5 billion.

Honourable members know the financial year has not yet finished but the debt is estimated at \$1.7 billion. The article continues:

The institute, a conservative think-tank, found higher-than-average spending concentrated on education (\$234 million), health (\$352 million) and payments to cover the losses of State-owned businesses (\$375 million).

The Premier, Mrs Kirner, last night rejected the reasoning behind the figures.

I understand the Premier rejecting those figures and comments and saying that they do not apply to

Victoria; that changes implemented by the government will overcome those problems and the State will go forward in the future. The stark reality is that Victoria is disintegrating.

A comparison of figures during the 10-year period from 1981-82 to 1991-92 highlights the desperate situation facing Victoria. In 1981-82 the seasonally adjusted number of unemployed people in Victoria was 112 300. In 1991-92 that figure increased to 244 500, an increase of 132 200 — more than 100 per cent. In 1981-82 the level of unemployment was 6.1 per cent. In 1991-92 it is 11.1 per cent. All honourable members heard the former Treasurer, the honourable member for Doveton, regularly stating that Victoria had the lowest rate of unemployment in Australia; that for 15 or 18 consecutive months it had the lowest rate of unemployment of all States of Australia. That sounded all right, but where are we now?

The statistics show the shambles Victoria is now in. New vehicle registrations have declined by 14.7 per cent. The crime rate has increased dramatically; job vacancies have reduced, and the number of persons on unemployment benefits has increased by more than 160 per cent over the 10-year period and is currently at 210 864.

Figures showing Victoria's share of Australian economic activity illustrate the problems facing the State. In 1981-82 the seasonally adjusted figure for employed persons in Victoria, was 26.7 per cent. In 1991-92 that figure declined to 25.4 per cent. In 1981-82 the seasonally adjusted figure for unemployed persons was 25.5 per cent. In 1991-92 it increased to 26.9 per cent. In 1981-82 the level of unemployment was 6.1 per cent. In 1991-92 it was 11.1 per cent.

The government is trying to overcome its problems by increasing charges. In 1981-82 the total of taxes, fees and fines collected by the government was \$1946 million. In 1991-92 it is \$5967 million. In 1991-92 the taxes and charges per person were \$528. In 1991-92 that figure increased to \$1506. The honourable member for Doncaster and I are members of the Subordinate Legislation Subcommittee of the Legal and Constitutional Committee, and we have seen the significant increases in taxes and fines being imposed by the government. This government was going to reduce taxes and charges, but the stark reality is that it has increased taxes and charges for all Victorians.

The Budget debt and Budget indebtedness have increased significantly. In 1981-82 public debt was \$11 174 million. In 1991-92 public debt increased to \$29 911 million, an increase of 168 per cent. Those figures highlight the desperate situation facing Victorians.

It is difficult to say anything positive about the government. Last week, during the grievance debate, I spoke about the difficulties faced by country people and I indicated that, instead of increasing assistance to rural Victoria, the government was removing the little assistance that it has been providing. Rural Victoria is suffering and is relying on the farming community, which has suffered a severe reduction in income, yet the government is reducing the support it provides.

However, not all is doom and gloom. I give credit where credit is due. Many people would be aware that over a long period I have urged the development of a new police complex at Wangaratta that would service north-eastern Victoria. Last week I participated in a champagne launch of Wangaratta's new police complex when the first sod was turned. It will be one of the largest police complexes in country Victoria and will cost \$12.5 million. It will service the community of Wangaratta and surrounding regions and will assist the police district by housing the uniform branch, the criminal investigation branch, the traffic operations branch, the community policing squad, the radio electronics division, the fingerprinting section and a crime scene unit. A separate building will house the regional firearms and operational survival training complex. It is a wonderful development for north-eastern Victoria and Wangaratta.

It has taken a long time for that project to be undertaken. During that time I have made representations to five police Ministers. The honourable member for Oakleigh, a police Minister from 1982 to 1987, is present in the House and I must say he responded positively to my representations about the totally unsatisfactory conditions for police in Wangaratta. Indeed he visited Wangaratta and agreed with me that the facilities needed upgrading, but it has taken a long time to reach this stage.

Mr Mathews interjected.

Mr JASPER — The honourable member for Oakleigh interjected to say we also have a new police station complex at Yarrowonga that he opened. There are also new complexes at Cobram, Rutherglen and Chiltern.

One issue that has received a lot of attention and discussion not only here but in other Parliaments throughout Australia, including Federal Parliament, has been tariff protection. I was interested to hear the comments made by the honourable member for Melbourne, who does not support tariff protection, when the Premier and the Minister for Manufacturing and Industry Development, in correspondence with me, and in Parliament, have said there needs to be some form of tariff protection for employment and industry within Australia.

I believe there should be a balance. The Fightback package is positive so far as protection is concerned. It has concentrated on a zero-tariff position by the year 2000. I have some concerns about that policy but we need to examine the many changes that would need to be made under that package to work practices, conditions of employment, reform to transport and so forth. If those changes are made, surely we can reduce tariff levels while providing adequate protection for Victorian industries. I cannot fully cover this vast topic in the time available to me.

On the one hand we must and should protect our primary industries. Currently that is not being done at the Federal level. Goods, particularly primary products, are being dumped in Australia to compete unfairly against our products. That is totally wrong. Stronger action should be taken by the Federal government to ensure that efficient primary industries are able to supply local markets without having to compete against imported products that have been dumped.

On the other hand we seek to export manufactured products to the world market, which does not necessarily have the same high cost of production that we do in Australia. It is critical to maintain a balance between the protection provided for industry in Australia and the sale of our products on world markets so that people are employed and goods are manufactured without being subjected to unfair pressure from outside Australia. We must restructure work practices and reform conditions of employment and other areas so that our products can compete on the world market.

The argument on tariffs has been taken out of context. The debate about tariff protection for Queensland sugar producers, referred to by the honourable member for Melbourne, has been taken up by the Federal government. It is a concern of the Queensland Labor government. It is wrong to suggest that action to reduce tariffs has been taken

by the coalition. The problem lies with the Federal government and the Queensland State government.

We need to get back to reality and support production. The bottom line with the Fightback package is that it will provide incentives to make businesses profitable so they can provide employment. The government has tried to do this by dictating to people about what they should and should not do. The government should be providing incentives for people to work. The Fightback package and the action taken by the coalition when it is in government will provide the incentives for a better future for Victoria.

Mr MATHEWS (Oakleigh) — The Supply Bill appropriates in excess of \$39 million for crime, traffic and specialist policing. Victoria is fortunate because it receives outstanding value for every dollar that is allocated to police services. I consider myself privileged to have worked for five and a half years as the Minister for Police and Emergency Services with outstanding police personnel of the quality of the former Chief Commissioner of Police, Mick Miller, the former Deputy Commissioner of Police, Keith Thompson and with the current Chief Commissioner of Police, Kel Glare, then in the capacity of assistant commissioner.

I count myself fortunate to have had the support of outstanding and deeply experienced public servants in the persons of the former permanent head of the Ministry of Police and Emergency Services, Bob King, and his successor, Warren McCann. All these experienced police officers and police department officials recognise that, over the past 10 years, the Victoria Police have been better staffed, better trained, better housed and better equipped than at any previous point in their history.

It is true that more resources for the Police Force might have been desired, but it must also be recognised that enormous strides forward have been taken over the period of the Cain and Kirner governments. It is appropriate that that progress has been made and that we should so willingly and so thoroughly have resourced our Police Force, because Victoria, in common with the other States of Australia and indeed countries throughout the developed world, are faced with serious problems of crimes against property and for gain and crimes of violence.

However, it is not only crimes against property and crimes of violence which trouble us; it is also the rising tide of corporate and white-collar crime.

Earlier this year all members of this House were sent a publication titled *Which banks are still bastards? How the majors and minors stack up*. In case any honourable members did not receive or have time to read that publication, I will quote from the covering letter I received with it over the signature of a Mr Ian Fisher, who describes himself as Chairman of the Foreign Currency Borrowers Association.

Mr Fisher writes:

Dear member of Parliament, please find enclosed your personal copy of "Why the banks are still bastards". It presents a brief encapsulation of one of the darkest periods in our country's history — the Foreign Currency Loan Scandal.

It provides in irresistible form overwhelming evidence that our bankers have behaved incompetently, criminally and most disgustingly in a way in which the people who care about our country would call unAustralian.

These people, many of whom still hide behind a wall of secrecy which temporarily protects their respectability, have destroyed the lives of many thousands of our fellow Australians.

Having done so, they have sought to use every means, every ruse, legal and illegal, to protect themselves from the recriminations they deserve. If you are a shareholder in any of the major banks, money that might have been a dividend to you has been diverted into indecently expensive court cases. Perhaps interest rates might have been able to come down more quickly if this money was not being diverted away from proper banking business.

Initially, the sheer weight of money the banks could call on gave them the advantage over the impoverished customers. But truth is a powerful weapon in the hands of those who have nothing to hide, who have done no wrong, whose only fault was to trust their local banker.

You will no doubt have heard of the Westpac letters. To think they are the be-all and end-all of this matter is to be hopelessly wrong. They are but the tip of a giant iceberg.

Nevertheless they are a tip of the iceberg to which attention should properly be directed and a tip which has important lessons to teach the House in the context of the Supply and works and services Bills where white collar and corporate crime are involved.

The genesis of these matters lies in a series of letters addressed by a Mr B. P. Jones on behalf of Allen Allen and Hemsley, Solicitors and Notaries, to a Mr Warwick Kent, Esquire, Chief General Manager, Corporate and International, of the Westpac Banking Corporation in Sydney.

On 26 November 1987 Mr Jones wrote, in part, that a series of conclusions had been reached about a subsidiary of the Westpac Banking Corporation, Pacific Partnership Limited.

The letter reads:

Conclusions.

1. According to PPL's own documents, PPL: told clients it would do a professional management job; told clients it would adopt a conservative, "when in doubt, hedge" approach to risk management.

2. PPL's own documents acknowledge that: PPL did neither of these things; and this failure caused loss which would not otherwise have been incurred.

3. Trading conditions during the relevant period were such that all a prudent manager could have done is to have hedged and stayed hedged for the duration. This: was objectively what PPL should have done; would have been consistent with PPL's representations as to the policy it would adopt.

4. As a result of 1-3, a number of clients did significantly worse than the fully-hedged position.

5. PPL undoubtedly took points which, at best, exceeded its entitlements and to which, in my view, PPL had no entitlement at all. PPL probably switched transactions between its own account and its managed borrowers accounts.

6. The exemption clause in the power of attorney signed by managed borrowers will not operate to defeat actions which are available to those borrowers based on: point taking and deal switching; failure to follow the conservative management policy which PPL represented to clients it would follow.

7. As a result of 1-6 it is likely that managed borrowers would succeed against PPL.

8. The measure of damages will be: the amount lost via the taking of points; the profit lost via the switching of transactions; the difference between the fully-hedged position (plus, say, 20 per cent to approximate the point

at which clients should have been fully hedged) and the position actually achieved.

9. Clients will be slow to commence action because of: the breadth of the exclusion clause in the Power of Attorney will deter clients (who do not know of the deal switching and point taking and the damaging PPL documents) from commencing action; their lack of knowledge of how damaging PPL's documents are; the lack of success of OCL actions to date; the high costs involved.

10. Given 9 and given full-time hands-on management by a suitable executive having total responsibility, suitably supported by State managers, it should be possible to keep liability at a manageable level.

Elsewhere in the same letter, Mr Jones describes in more detail why he believes clients with Pacific Partnership Limited would be slow to commence action to achieve recovery of their losses. He writes:

The following factors will make clients slow to commence action.

1. Breadth of the exclusion clause.

For reasons discussed, the exclusion clause will not operate to defeat claims based on point taking and deal switching, but clients are unlikely to be aware that these breaches took place.

The exclusion clause will not defeat actions under the Trade Practices Act, but most clients will be unaware of how clearly PPL's oral representations are recorded in PPL's documents, and will assume that proof that the representations were made will boil down to oath versus oath.

Lack of knowledge of the damaging PPL documents.

A number of management/personality/frustration factors which we have discussed led to PPL producing documents which were unusually self-critical. Most organisations tend to produce documents which are unduly self-justifying. Most clients would not expect PPL's documents to provide them with the treasure trove which they in fact present.

Lack of success of OCL actions to date.

Both reported OCL actions have gone against the borrower and one other was discontinued with considerable publicity. None of these actions involved managed OCL's but there is a tendency nonetheless for these results to act as a deterrent to action.

The high costs involved

Many borrowers (particularly in these troubled times) are not flush with cash and they would doubtless perceive that PPL would defend proceedings grimly.

In other words, Mr Jones identified for the Westpac officials the situation that had existed where the merchant bank's subsidiary was concerned and gave advice on the reasons by which people who have suffered as a result of the situation he described would be deterred from recovering against the bank and its subsidiary.

He went on to advise on strategy. He wrote:

PPL's strategy should have the following key elements:

1. Keep close and cordial contact (with as productive a business relationship as possible) with all other potential claimants. This must be done by the chosen executive and by other PMCs and State managers who have the personal contacts. Bob Plummer's efforts in this regard in Adelaide have demonstrated just how effective this can be in keeping the lid on PPL's exposure. It is very important that the State managers in Brisbane and Perth be directed to spend all necessary time in keeping up these contacts and business relationships, and to do so as a matter of priority;
2. Avoid litigation at any reasonable cost;
3. Bring borrowers onshore as quickly as possible;
4. Any concessions given to borrowers should only be given in exchange for a complete release.
5. When particularly dangerous potential claimants come onshore, try and arrange this on the basis of a concession and a consequent releases. My concern is that if these claimants come onshore without a concession, they may become bellicose once their reduced capital and higher interest rates start to bite.
6. Take all practical steps to avoid PPL's weaknesses being known outside PPL/Westpac boards and senior management.

Those were the terms in which Mr Jones of Allen Allen and Hemsley, Solicitors and Notaries, advised Mr Warwick Kent, the Chief General Manager of the Westpac Banking Corporation on 26 November 1987. He described a grievous situation and set out the reasons people properly aggrieved against the bank might fail to pursue their entitlements. He devised a strategy based on the maintenance of keeping from the clients of the bank knowledge of

what had occurred and their true position so far as the bank was concerned.

If the matter had gone no further one might be inclined not to mention a letter written in 1987 but in November 1991 there was a report of the House of Representatives Standing Committee on Finance and Public Administration —

Mr STOCKDALE (Brighton) — On a point of order, Mr Acting Speaker, I seek to establish the relevance of the honourable member's address on the Bills before the House. He is now proceeding to deal not only with a matter that is not within the administrative province of Victoria but to illustrate it by quoting a report to the Federal Parliament. I ask you to bring him back to the debate currently being conducted.

Mr A. J. SHEEHAN (Treasurer) — On the point of order, Mr Acting Speaker, it is a bit rich for the opposition to complain when few of them were listening to the debate.

Mr LEIGH (Malvern) — On a further point of order, Mr Acting Speaker, I take offence at that comment. The fact is there are more members of the opposition sitting in the Chamber and listening to the honourable member's contribution than there are members of his own party. I ask that the person who claims to be the Treasurer be required to withdraw that comment. If he wants to do this the opposition will call quorums.

Mr MATHEWS (Oakleigh) — On the point of order, Mr Acting Speaker, I was discussing the appropriation of the funds for the policing of Victoria. The policing of corporate crime is of major concern to the Police Force in Victoria and, as I shall shortly illustrate, the matters to which I have been referring were the subject of a specific reference to the Police Force by the Commonwealth Attorney-General. I suggest that the point of order has no validity and is intended simply to waste time.

The ACTING SPEAKER (Mr Steggall) — Order! There is no point of order.

Mr MATHEWS — I was referring to the House of Representatives Standing Committee on Finance and Public Administration report on banking and deregulation entitled *A Pocket Full of Change*. That report, which has been widely admired and welcomed, was entrusted with, among other things, the examination of issues connected with the Westpac letters and the foreign currency

borrowings. In connection with the specific partnership with the merchant bank subsidiary of the Westpac Banking Corporation whose activities Mr Jones addressed in the letter, the report states:

After the publication of the "Westpac letters", Westpac placed an advertisement in the national media inviting former PPL customers who had managed foreign currency loans in the period 1985-1987 to contact Westpac with a view to discussing any concerns... It is understood there have been only 16 responses to the advertisement from former PPL borrowers... The committee notes that the low level of response to the advertisement may be explained, in part, by some former PPL borrowers not having seen it...

It concludes by saying:

However, it notes that the tabling of the "Westpac letters" before the committee and the committee's investigation of the issues stimulated Westpac into a belated response to the problems that existed in PPL.

The penultimate paragraph states:

On the second issue of possible criminality in connection with activities revealed in the "Westpac letters", the committee considers that a thorough investigation is warranted. The committee understands that the Commonwealth Attorney-General referred the "Westpac letters" to the Australian Federal Police (AFP) to investigate whether criminal activities were involved. The AFP found no breach of Commonwealth Law. It forwarded the letters to the Victorian and New South Wales police for investigation under State law. There is no outcome yet from the State police's investigations.

When I read that report I was troubled and when I subsequently received this document I was still more troubled. On 6 February I wrote to the Commonwealth Attorney-General, the Victorian Minister for Police and Emergency Services and the Victorian Attorney-General asking them what progress had been made in the light of the disclosures in the Westpac letters and in the light of the House of Representatives report and the committee's recommendation that these matters be referred to the Victoria Police, among others.

On 24 February I heard back from the Minister for Police and Emergency Services:

I refer to your letter of 6 February 1992 in which you request information on any bank investigations by

police and any charges or convictions as a result of these investigations.

As the chief commissioner is responsible for the administration of such matters, I have sought his advice and will write when more information is available.

Similarly I heard from the Attorney-General on 26 March:

I refer to your letter dated 6 February 1992 requesting details of any investigations into foreign currency transactions, including any being conducted by the Victoria Police.

I advise that no investigations into these matters are being conducted by my department.

I regret that I am unable to provide you with details regarding any Victoria Police investigations as this is not in an area covered by my portfolio. However, I have referred your letter for the consideration of Mr Mal Sandon, the Minister for Police and Emergency Services.

At the same time I received the following letter from the Commonwealth Attorney-General:

I refer to your letter dated 6 February 1992 requesting details of any investigations being conducted as a result of accusations of criminal conduct made following the publication of the Westpac letters.

As you are no doubt aware, the investigations of allegations of Commonwealth offences is a matter for the Australian Federal Police while the commencement of a Commonwealth prosecution is a matter for the Commonwealth Director of Public Prosecutions. The investigation and charging of persons in relation to any State offences are matters for the relevant State authorities.

For those reasons, and in response to representations made and documents sent to me from sources both inside and outside Parliament, I forwarded copies of all material received to the Australian Federal Police, the New South Wales Police and the Victoria Police.

The Australian Federal Police and the Victoria Police have informed me that in the view of the respective agencies no offences against Commonwealth or Victorian law appear to have been committed on the facts as known to them. I am not aware of the results of any investigations by the New South Wales Police.

Following a recommendation of the Report of the Inquiry into the Banking Industry conducted by the House of Representatives Standing Committee on Finance and Public Administration entitled "A Pocket Full Of Change: Banking and Deregulation" which was tabled in Parliament on 27 November 1991, all material on the Westpac letters in the possession of my department was forwarded to the National Crime Authority for consideration by the authority of what action, if any, is warranted on its part.

It is now late April. Many months have gone by since these matters were drawn to public attention. Many months have gone by since the amorality of the advice offered by Mr B. P. Jones on behalf of Allen Allen and Hemsley for the Westpac Bank became public knowledge and many months have gone by since the Select Committee placed on public record its findings about these matters.

I believe deeply and I believe other honourable members believe, too, that justice deferred is likely to become justice denied. I hope the appropriations for which this Bill makes provision will contribute towards a situation where the capacity of police forces and law enforcement agencies across Australia will be more adequately able to respond to the challenge of white-collar and corporate crime, as exemplified by the matters to which I have referred and to the lack of professional and commercial morality which underlies them.

Mr LEIGH (Malvern) — When making my comments I do not wish to quote all the statistics the shadow Treasurer made available to the House but I shall quote some because I guess people in my community will read them.

As Vietnam was to the Liberal Party in the 1960s, unemployment will be to the Labor Party in the 1990s. This is the party that claims to represent the worker. This is the party that says time and again that Liberals are a bunch of troglodytes who do not care about the community, are insensitive, are interested only in the rich and all of whom have Mercedes Benz cars.

The party that sits on the government side of this House claims to have the conscience of the people. Some conscience! This State is in a most appalling set of circumstances. It is in crisis and it is not only an economic crisis any more but also a crisis of confidence. People have little faith in the government. I guess when times are tough people look to blame politicians on both sides but primarily they are looking to blame the government.

I know people today who are afraid to admit they voted Labor at the last election. I suppose it is not a fair analogy to compare that with what happened in the 1940s after the second world war when no-one in Germany admitted to being a Nazi but in the Labor Party today there are voters who are not prepared to admit they voted Labor. I have done telephone polling at night and spoken to voters who deny they are Labor voters but tell me they are swinging voters or that they vote Liberal.

Mr Norris interjected.

The SPEAKER — Order! The honourable member for Dandenong is well aware of Standing Orders. I also ask the honourable members for Mildura and Doncaster to assist their colleague by remaining silent.

Mr LEIGH — It is not often I thank you for the protection of the Chair, Mr Speaker, but I thank you now. The honourable member for Dandenong is carrying on and screaming in an attempt to divert people's attention from the statistics of the Commonwealth Employment Service which showed 8232 people were unemployed in Dandenong in March, yet the honourable member for Dandenong dares to interject that somebody is talking about unemployment. Where is your conscience for the unemployed?

Mr NORRIS (Dandenong) — On a point of order, Mr Speaker, the honourable member is quoting from a document and I ask him to make it available to the House.

The SPEAKER — Order! Will the honourable member for Malvern make the document available?

Mr LEIGH (Malvern) — I shall make it available. In fact, by courtesy of the Victorian Liberal Party I shall make one available to every government member, if it will help. You, Mr Speaker, would probably be more than thrilled to know that Werribee had only 3412 people unemployed in March, a significantly lower number than the number of unemployed in Dandenong.

As I said before, this is the Labor Party of conscience, the workers party. Some workers party! Dare I say that the former Premier is being made to look good these days by the current Premier because her period in office has been an absolute disaster!

I shall quote from another document provided by the Liberal Party. If the honourable member for

Dandenong would like a copy I am happy to make it available to him. Under John Cain the number of jobs lost was 147 000; under Joan Kirner it was 255 900. The number of unemployed youth under John Cain was 21 000; under Joan Kirner, 35 400. The unemployment rate under John Cain was 6.6 per cent; under Joan Kirner, 11.6 per cent.

This is the government that for 72 months in a row walked into this Chamber and boasted about the fact it had the lowest unemployment rate in the country. Today the reverse is true: Victoria has the highest unemployment rate in the country. Victoria has even won the medal by beating South Australia and Tasmania. In the past those two States, because of their industries, have always had the highest unemployment rates. It is difficult to believe that Victoria's unemployment rate is even higher than those States.

The State report of the Commonwealth Employment Service records the Cheltenham office as having 5223 unemployed people. Cheltenham comes in at No. 12 on the list of 49 offices of what I call the department of unemployment. Fortunately for the honourable member for Dandenong, the Dandenong office is not first on the list but may be second or third. Unemployment will become as big an issue for the Labor Party as the Vietnam war was for the Liberal Party. The honourable member for Dandenong may laugh but a generation of young people of my age group voted against the Liberal Party because they were upset with its attitude on the Vietnam war. At that time many people exercised conscience votes.

Today the issue concerning young people is unemployment. It may even be a bigger issue than the Vietnam war because the lives and lifestyles of many people are affected. Many people threatened with unemployment or who are unemployed have never been unemployed in their lives. Middle-class management, bank officers and a whole range of contractors are on the unemployed list. In the near future there will be a significant number of former Labor members of Parliament on the list.

If I were the honourable member for Doveton I would seriously think about what he will do after the next election. The honourable member, who is a former Treasurer of this government, will be knocked off at the next election and will be forced to seek a job in the community. Imagine the credentials he will take to an interview. When he is asked what his previous job was he will say, "Treasurer of Victoria". He is responsible for Tricontinental, State

Bank, Victoria, the Victorian Economic Development Corporation, and the list goes on. He will have to live with these statistics. In 1982 the public sector net debt was \$11 174 million or \$2818 per capita. Today it is \$29 911 million or \$6714 per capita. That is a huge jump. The honourable member's employment credentials will be very poor. He is the sort of person one might use to turn a giant business into a small business!

Mr Perton — He'll have his super; he'll be fine!

Mr LEIGH — As the honourable member for Doncaster interjects, the honourable member for Doveton was elected to Parliament in 1979 so he will have a large superannuation claim. I welcome the honourable member for Doveton into the Chamber. He will have an enormous reputation to live up to in the future. It is most unlikely that any other Treasurer in the country has created that much damage. The only one who comes close to him is the former Treasurer of Australia, Paul Keating. When one reflects on the history of governments in this country, the Cain-Kirner government even makes Gough Whitlam look like a credible economic manager. In 1975 Gough got the sack for trying to borrow \$4 billion to build a pipeline across the country. These characters have built up debts of \$29 billion in addition to other liabilities. I wonder how Labor members of Parliament can lie straight in their beds at night. How did they react the day Victoria lost its State Bank? What did they do when Joan handed the State Bank over to her friend Paul Keating? We did not even sell the bank; we gave it away!

Today during question time the Premier attacked the opposition for being interested in the sale of public assets. Who is responsible for having sold the public assets of the State? Probably the biggest fire sale recorded in the *Guinness Book of Records* has been conducted by Victoria. The Labor Party's attitude is, "If you have the money, we will sell it". According to the Auditor-General Victoria has sold 74 per cent of its public transport rolling stock. The government has put up buildings for sale and is trying to lease them back. How can people claim that the government is a good economic manager?

Mr Jasper — Who claims that?

Mr LEIGH — The government. The Premier attacks the opposition for daring to contemplate the privatisation of the Gas and Fuel Corporation to make it more effective for the community. In 1982 when the Gas and Fuel Corporation operated with

subcontractors the cost of installation of gas and fuel equipment was 100 per cent less than during the period it employed its own people. After the corporation changed the system I required some work to be done at my house. It took six people to lay a pipe and connect it. I even had to take out the old pipe. A chap then came along to clean up the nature strip and another employee repaired the roadway. One plumber could have done that work in the same time; he could have hired a concrete subcontractor and saved everyone money, including the taxpayer and me. The government has continued to go on its merry way of destruction and has destroyed Victorians assets.

In 1988 John Cain made a pledge: he said charges would not go up a dollar more. They certainly did not go up a dollar more; they went up \$610.66 a year or \$11.74 a week. What was Joan Kirner's first action when she became Premier? She broke the former Premier's pledge. That pledge was a stunt for the 1988 election campaign. The government cheated the voters then as it did in the Nunawading Province by-election with its untruths and distortions to hide things such as the VEDC.

Mr Jasper — Who was the main player?

Mr LEIGH — The former Deputy Premier, the honourable member for Footscray, who now sits next to the honourable member for Bundoora, on the back bench. They are two sad characters of history waiting for the government to go.

Mr Perton — What about the former Treasurer?

Mr LEIGH — The honourable member for Doveton still attends Cabinet meetings. He still has his government car and receives the salary of the Parliamentary Secretary of the Cabinet, whatever that may be. He still receives all the Ministerial perks. He still gives Ministers of the Crown advice on how to run the State. The government is going nowhere; it is just marking time. Recently a Sunday newspaper columnist suggested the Labor Party was waiting for the holocaust because there will not be many of its members left in the Chamber after the election.

The community has had enough of the mistruths about the sale of our assets and the leasing arrangements. On 8 April 1992 the Minister for Transport was reported in the *Moorabbin Standard* as saying that the proposed Heatherton Links estate would be a brilliant prospect. It was an 80-hectare site owned by Melbourne Water. The Minister said

the project would be a very exciting development; it would have quarter-acre building allotments, a golf course and some commercial development. The problem was that the drawings of the development did not exist and the quarter-acre allotments did not meet the government's development plans.

Last Saturday Melbourne Water put the development site — excluding its own building — up for sale. That 80 hectares in the centre of Moorabbin is one of the best real estate properties in Melbourne. At present it may bring up to \$30 million. In better economic times it could bring up to \$130 million. When times are tough one does not sell unless one is forced. One must consider other measures. The government does not want to make the hard decisions. Government must be accountable. There are better ways to manage rather than through selling.

I have seen audited reports that have been sent to public servants to be acted upon — one can name any department — but nothing happens. The public servants do not do a damn thing with them. Those reports are put into the too hard basket and forgotten.

I turn to the Police Force. The Minister for Police and Emergency Services is playing a clever game. Last night he was on television introducing a new telephone system which will prevent criminals from being able to telephone former victims. If one has ever been a victim of crime one is always a victim. The Minister was telephoning his wife. Criminals in gaol are allowed four telephone calls. Under the system a criminal can dial a number which the Minister's officers have approved. However, what a prisoner can then do is arrange for the recipient of the approved call to divert the call to any other number. By pressing a couple of buttons that approved call can be diverted and a call to a victim can be made. All that someone on the outside who receives the approved telephone call needs to do is to divert the call. The Minister has said that the new practice will be monitored. The prison system is not capable of monitoring such a development because it does not have the ability to do so. What will the Minister do? Will he employ more people to sit around? Will it be like the Barwon Hilton where 250 prisoners are looked after by 202 staff? I hope not.

Some prisoners do not want to get out of gaol because there they have their swimming pool, tennis courts and in-house videos. If one is on the poverty line one would be better off in prison. Does the government care? No.

Mr Norris — What is the solution?

Mr LEIGH — Get out of office and let somebody else try.

Mr Norris — What is your policy?

Mr LEIGH — I believe when one goes to prison one should only be allowed to telephone one's lawyer should the need arise. I would not let a prisoner telephone anybody. Along with everybody, I have had enough of this sort of thing. What happens to the victims of crime? We should look after them instead of the criminals. The Minister is talking about protecting criminals and keeping them out of the system, but what about the victims? The government has introduced the early-release scheme but the Minister has the gall to say that he will have more prisoners locked up over a longer period. It is rubbish!

The police should have the right to ask anybody in the street for their name and address. If a person gets behind the wheel of a car and places the keys of the car in the ignition, the police have the right to ask that person for his or her name and address, but if a person is walking along the street with the intention of throwing a brick through a window the police cannot ask anything. A number of solutions can be found.

The *Herald-Sun* on 28 April carries the headline:

Police 'Losing crime fight'.

It is reported that:

Mr Glare said police were losing the battle against crime "utterly and completely" but he feared government financial woes would see police funding slashed in the next Budget.

No matter whether a good job is being done in the department and it meets its budgets, irrespective of what is happening in the other government agencies, the government cuts the amount of money to the police budget because it is more efficient. The article continues:

"It is one of the worst in the Western World and as police we are losing the battle."

This morning's *Herald-Sun* carries the headline:

Police funding vow 'hoax'.

It is reported that:

Mrs Kirner said police again would be given precedence in planning for this year's Budget.

"Kel Glare knows that he has a commitment from me to totally support our Police Force," she said.

Mr Sandon had earlier yesterday refused to rule out cutbacks in the Budget.

The Minister and the Premier are not in the same faction so do not talk in caucus or Cabinet. On the one hand the Minister for Police and Emergency Services is saying that there could be cutbacks yet, on the other hand, the Premier is saying that the government will give the Police Force more money. Who is right? If there were a Liberal government, which there will be shortly, it would do something about the matter. There is no confidence in the Minister. He is failing in his job.

The honourable member for Oakleigh said that Mr Glare was a brilliant police commissioner. The Minister has said that the *Herald-Sun* misquoted what the police commissioner said. I saw the news tape and unless that tape was doctored the *Herald-Sun* reported accurately what the police commissioner said. The commissioner said that his staffing arrangements had decreased by 14 per cent but the police Minister said they had increased by 40 per cent. Who does one believe?

Does the public believe the Minister for Police and Emergency Services or the Chief Commissioner for Police? I, along with many other people, tend to think the chief commissioner is correct, because he has no axe to grind other than to run an efficient Police Force.

His Minister is running around, as I have said in the past week, misusing police pamphlets in his electorate. Every week he has the police photographed with little old ladies, and himself running around doing all sorts of things, and having his photograph taken for the *Mordialloc-Chelsea News*; at least once a week that newspaper says something about Mal Sandon and the police.

Perhaps he can brainwash everyone into believing he has done a good job as the Minister. Surely many people reading such headlines in the newspaper believe he is the man leading the crime fight. Perhaps we need a Batman or someone to fix up the mess created in this State by the guys opposite. If we could afford the power bill we could use the

searchlight on the roof of police headquarters to get someone to fix the crime problems!

I must say one thing about members of this government: I have been here most of the time they have all been sitting opposite. We saw them assemble years ago on the benches opposite, all bright and happy faces, including the honourable member for Dandenong — although I think he sat further up the back. Gradually their faces became longer and they became more upset as they realised they were losing.

The honourable member for Pascoe Vale must be saying to himself, "Thank God I didn't run for Wills". He was a candidate for Wills who did not run. I know he was the campaign manager but he did not run because he knew he may cause a State by-election and that he would also be collecting his superannuation because his close friend, Phil Cleary, may have been in there first despite any charisma!

What an unhappy government! I wish I could make a more positive speech about what the government has done, and perhaps refer to some good things it has done for Victoria. Even the honourable member for Bentleigh interjects!

I say to every voter out in the streets: when you think of the \$29 billion this mob has lost, think how it could have been spent had it not been wasted. We could have owned our trains and trams instead of having the Japanese buying them.

Mr Honeywood interjected.

Mr LEIGH — Yes, a freeway in every suburb. Instead we do not have freeways but arterial roads — the government got sick of the word "freeways". Instead we have a government that has wasted 10 years of opportunities.

Today we heard the honourable member for Geelong attacking the opposition for what it has done. We have not been in government for 10 years, yet we are still getting the blame! That is incredible! I can still remember the trains that we owned but now, unfortunately, Victoria has trains it does not own.

I was reminded about the trains when the honourable member for Gippsland West spoke about the \$26 million train, the double-decker train, that carries fewer people than the old trains and is the most expensive train in the country. It was not built for us because someone of my height — about

6 foot 3 inches — cannot stand up in it. The government has been very clever because it had the train built by the Japanese so they could take it back to their country in the future. That sardine can train does not even work properly; the government has squandered \$26 million — although the Federal government paid for it, not the State. The government has even had to lift the roof of buildings in the rail yards to get the train through!

The government is in chaos and is going nowhere. As the Leader of the Opposition has said to it: go, and go quickly!

Debate adjourned on motion of Mr THOMSON (Pascoe Vale).

Debate adjourned until next day.

ADJOURNMENT

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — I move:

That the House do now adjourn.

Report on perceptions of Victoria's Mallee

Mr BILDSTIEN (Mildura) — I raise a matter for the Minister for Conservation and Environment in the other place concerning a report that has been prepared by consultants engaged by his department on perceptions of Victoria's Mallee.

I wish to address a number of questions about this report to the Minister. The only reason I have the report is because of the efforts of the honourable member for Doncaster through the freedom of information provisions.

Mr Jasper — His diligence!

Mr BILDSTIEN — His diligence. This report cost Victorian taxpayers \$10 000. The department had recommended that consultants should be engaged because it did not have the expertise to carry out an investigation of perceptions of Victoria's Mallee, and it did not believe such expertise existed in the Victorian Public Service.

I want to know why the whole Victorian Public Service and in particular the Department of Conservation and Environment, which does an enormous amount of tourism promotion, did not have any expertise to conduct such a simple investigation. I have read the 63-page report. Before

I came to this place, I spent 16 years working in the media. I could have written the report from my office and I would not have charged the department for doing it. The report has cost Victorian taxpayers \$10 000!

Anyway, we have the report on the table. I want to know whether the Minister for Conservation and Environment intends to act on some of the recommendations contained in it. The first point made in the report is in respect of a proposed name change for the Murray-Sunset National Park to the Aboriginal name, Yanga-Nyawli. In this report that cost \$10 000 of taxpayers' money, the following appears:

Consideration should be given to maintaining the name Murray-Sunset National Park, rather than changing it to the Aboriginal name, Yanga-Nyawli. Mildura residents were significantly more positive to the original name; it has built up reasonable awareness with the travel trade, and the name Murray-Sunset projects a more powerful marketing and promotional image. This would also help to enhance community support for the parks and reserves of the region, which, with the exception of Hattah-Kulkyne, was not found to be positive.

The first point is: why is there not the expertise among the officers in the Department of Conservation and Environment to produce the report? The second point is: will the Minister accept the recommendation of the consultants to maintain the name of Murray-Sunset National Park rather than change it to Yanga-Nyawli?

The third point I raise relates to the comment the report makes about the significant ill feeling that exists in the local community towards the Department of Conservation and Environment. I quote a section from the report that contains the following observation:

The resistance to the name change is also exacerbated by the general ill feeling for the Department of Conservation and Environment because of the reclamation of much of the land.

If one reads further, one finds the following reference in the report:

In addition, there was a perceived unwillingness by DCE to allow private operators to develop and enhance areas administered by the department. Clearly, there needs to be more consultation between private operators and developers and DCE to establish what in

fact is the optimal balance between conservation and development.

Those who prepared the report are saying that the department clearly has an image problem and that a high level of ill feeling and animosity exists among members of the Mallee community towards a department that is responsible for administering some 38 per cent of public land in the Mallee region.

The questions are: firstly, why did the expertise to prepare the report not exist in the Department of Conservation and Environment; secondly, what is the Minister going to do about the recommendation on the proposed name change of the Murray-Sunset National Park to Yanga-Nyawli; and thirdly, what is the Minister going to do about the image problem that the department has in the Mallee region?

Finally, I would like to know whether the Minister ever intended to release this report that the opposition obtained through the diligence of the honourable member for Doncaster.

Removal of public transport concessions

Mr JASPER (Murray Valley) — I raise with the Minister for Transport the removal of travel assistance provided to young people. I have received representations from a resident of my electorate who is a second-year trainee draftsman, employed and studying in Melbourne, and earning approximately \$208 gross a week. His salary must cover his living and training expenses. He does not own his own car and travels by train between his home at Wangaratta and Melbourne, particularly on weekends.

Until recently he had used a youth saver card, which allowed him to travel at half fare. Earlier this year the Public Transport Corporation (PTC) removed that assistance and this young man must now pay the full fare of \$49.40. He is not classed as a student, is not a trainee recognised by the State Training Board, and does not receive the assistance normally received by apprentices.

Last week I spoke about the removal of assistance previously provided to apprentices in country Victoria who undertook training in Melbourne. This is another example of the government removing a logical form of assistance which had been provided to country people to assist them to remain in training schemes and to travel to their homes in country areas at weekends.

In his response to my representations the Minister exhibited no sympathy towards the case in issue. He said that although he was sympathetic towards the situation of low-income earners from country areas the Public Transport Corporation was unable to provide concession fares to people in full employment. The Minister's reply does not recognise the true situation that exists in this case: this young person is in full employment at a salary of only \$208 a week. I suggest that the PTC and the government have no sympathy for the difficulties experienced by people in this sort of situation.

In his reply the Minister also said that Community Services Victoria issues health care cards to particular groups that are entitled to concessions for transport and who utilise the public transport system. The Minister then went on to defend the \$49.40 fare and said that it was not unreasonable as it represented the cost of approximately 10.5 cents a kilometre for the full 168 kilometre journey.

Although the Minister may consider that a low cost, it is not a low cost to a person who had been paying half that amount previously.

The Minister should re-examine this situation. If the Minister and the government are fair dinkum in their desire to assist young people, particularly those in country areas, who wish to undertake training in Melbourne, they should review the situation and provide genuine support to trainees on low incomes, to assist them to return home at weekends and provide them with what is normally provided to apprentices on low incomes in the Melbourne metropolitan area.

Pop concert promoters

Mr NORRIS (Dandenong) — I ask the Minister for Employment, Post-Secondary Education and Training to direct to the attention of the Minister for Consumer Affairs in the other place the recent spate of complaints about the promoters of pop concerts at the National Tennis Centre.

Melbourne is a profitable venue for local and international promoters; and by and large the promoters have reaped a bonanza from Melbourne's pop concert goers. The tennis centre is a world-class venue that seats approximately 15 000 people. In my day the only concert venue was the West Melbourne stadium. The Beatles gave their only Melbourne concert at the stadium — or Festival Hall, as it was called — which seated no more than 4500.

Mr Roper interjected.

Mr NORRIS — As the Minister says by interjection, it was known as the House of Stoush, patrolled by the gentlemen in the white coats.

Once Festival Hall had had its day the Entertainment Centre became the main pop concert venue. It seated 5000 people at most but was unsatisfactory because the acoustics were poor and people were often forced to sit in cramped conditions, often at right angles to the stage. By comparison the tennis centre is a comfortable, well-appointed and air-conditioned venue.

Melburnians are enthusiastic supporters of entertainment events. Melbourne is one of the best pop concert markets in the world per head of population. Those members who have teenage children will know how they love to see their pop stars in action. My daughter recently paid \$50 to see Prince, who I believe performed six concerts in Melbourne. She was lucky enough to get a seat and was happy to pay her money. She said it was a fantastic concert — —

Mr Maclellan — But not a lot to see.

Mr NORRIS — I daren't quote some descriptions I have heard of him. Nevertheless my daughter thought it was a great concert.

One would have thought that Neil Diamond was a has-been, but that is not so. Neil Diamond could not credit the number of concerts he was able to perform in Melbourne. I believe he performed 13 concerts, which was an incredible number. As if having to pay \$50 to see Neil Diamond were not enough the Paul Dainty Organisation, the promoters, set out to pack the joint for each concert — as letters to the *Age* and the *Herald-Sun* have verified.

Because of the demand for tickets the Paul Dainty Organisation set up six rows of seats behind the performer. International and local promoters do very well out of Melbourne's pop concert goers. Selling tickets behind the stage that give those who sit there a poor or limited view of the performer is just not on. The people sitting in the six rows at the back of the stage saw nothing more than Neil Diamond's back for the entire concert, which is unforgivable! I understand that by agreement with the promoter some of the seats sold for the Prince concert allowed the purchasers to see only the performer's feet or the top of his head — and again, that is not on.

Such practices are nothing more than greed. I ask that the Minister for Consumer Affairs take action to ensure that seats that give members of the audience extremely limited views of performers are either not sold or sold on the proviso that the people buying them are warned that they afford only limited views of the artists.

Australian flag

Mr LEIGH (Malvern) — I direct to the attention of the Premier and, in her absence, the Minister for Employment, Post-Secondary Education and Training, the ongoing debate about the Australian flag, which could also affect the Victorian flag.

I remind honourable members that the Prime Minister is a creature of the Premier and some of her associates because they stabbed the former Prime Minister, Mr Hawke, in the back so that Mr Keating could attain his high office. I want to know the Premier's attitude to the Australian and Victorian flags.

During the recent Wills by-election almost all the literature distributed by the Australian Labor Party, including the how-to-vote cards, depicted the Australian flag. If the Prime Minister is serious about his view of the Australian flag, he should first remove it from all Labor Party literature. Many Australians and organisations such as the Returned Services League (RSL) that support the current flag are insulted by the current debate.

The Premier should explain whether she supports the Australian flag or the view of the Prime Minister. I am aware that a number of Labor Party members of Parliament have attended RSL Anzac Day ceremonies at which they have been silent about their view of the Australian flag. They should state openly whether or not they support the flag. It is time they stated outside coward's castle whether or not they support the flag.

Except for the Northern Territory, every State of Australia depicts the Union Jack on its flag. Victoria's flag contains the Union Jack and the Crown. If the Premier supports the view of the Prime Minister, does it also mean that her view is that the Victorian flag should be changed, because if that is her view all Victorians are entitled to know.

Activities of John Dennis Pacholli

Mr THOMSON (Pascoe Vale) — I direct to the attention of the Attorney-General, through the

Minister for Employment, Post-Secondary Education and Training, the activities of John (Jack) Dennis Pacholli. Mr Pacholli has solicited loans from the public at interest rates higher than commercial rates available at the time through advertisements in the *Toorak Times*. A significant number of people have been seduced by these advertisements to lend money to Mr Pacholli.

According to the Commissioner for Corporate Affairs the total amount of money lent to Mr Pacholli now stands at \$675 000. That money has not been repaid and many of the depositors are people who can ill afford to lose their money. One person was injured during his employment as a truck driver and received a sum of money as compensation for the injury that rendered him unfit for work. He placed that money, together with his own and his wife's life savings, amounting to more than \$200 000, with Mr Pacholli. That couple have not had any of that money returned to them.

Another person placed the whole of his superannuation lump sum, amounting to some \$70 000, with Mr Pacholli. The repayment of that money is overdue but it has not been repaid. A constituent of mine who lives in Sunshine Street, Pascoe Vale, lent the *Toorak Times* \$5000 and received interest payments of \$145, but shortly afterwards those interest payments ceased and the principal of \$5000 has never been returned. I have other similar examples of constituents who have lost money to Mr Pacholli.

As a result of the complaints that were made to the Commissioner for Corporate Affairs about these matters, prosecution procedures were taken against Mr Pacholli under sections 5 and 26 of the Business Names Act. Section 26 refers to the use of a business name in connection with an invitation to deposit money. Section 5 refers to carrying on a business in an unregistered business name.

In December last year Mr Pacholli was convicted of eight charges under section 26, and one charge under section 5. He was fined and ordered to pay costs and he was also ordered to make restitution of over \$200 000 to people from whom he had taken deposits. Restitution has not been made.

Advertisements are now appearing in a changed form. I have a sample in my hand which I can give to the Attorney-General. They carry only the name of Jack Pacholli and they invite people to lend money directly to him.

It is my understanding that because the advertisement does not use a business name it does not breach the Business Names Act. I am not aware of any legislation that would stop Mr Pacholli from continuing to solicit and receive deposits of money from the public. It seems to me that people who lend money in this manner are in grave danger of losing it because he acts in a parasitic fashion extracting as much money as he can without intention to repay it. I ask the Attorney-General to investigate this matter in concert with the Australian Securities Commission to see what action can be taken to prevent this kind of activity from occurring.

Application for brothel licence

Mr MACLELLAN (Berwick) — I direct to the attention of the Minister for Employment, Post-Secondary Education and Training, in the absence of the Minister for Police and Emergency Services, an application for a licence to operate a brothel. I mentioned the matter informally to the honourable member for Footscray because it relates to a premises in Williamstown Road, West Footscray, which is operated by R. and K. Holyoak, which they allege to be a massage parlour.

Mr Roper interjected.

Mr MACLELLAN — They and their solicitors allege that it is being operated as a massage parlour. They deny it is being operated as a brothel. This is significant because if the premises is being operated as a brothel their current application before the Administrative Appeals Tribunal (AAT) for a licence to operate a brothel in another premises nearby can be disqualified. The Holyoaks are operating one premises as a massage parlour and are applying for a licence to operate a brothel at another site. Their solicitors, Slater and Gordon state:

We advise that in the event a licence was granted our client does not intend to use the premises as a brothel.

They want a brothel licence but they do not intend to operate the premises as a brothel! It is a contentious matter. It deserves the assistance of the police in putting the relevant facts before the tribunal. Since 1988 the premises in Williamstown Road has operated as a massage parlour and/or brothel, but the police have not been able to discover which is the case. No-one has been prosecuted. I believe the objectors have the right to go to the AAT and to have this information put before it, namely, that it is alleged the existing premises are being used as a brothel, which will mean under the legislation

that these people will have their application to have a brothel on the nearby premises disqualified. This is not a moral judgment. It is provided for under the legislation.

Residents recently took the matter to the AAT alleging that the proposed premises are unsuitable and that the people should not be given a licence because they are presently operating an illegal brothel. The premises has been rated on the basis that it is a brothel.

Mr Roper — What is the difference?

Mr MACLELLAN — There are differences in the valuation. These issues are in papers that I shall make available to the Minister. I ask that the police cooperate with the residents in making information available to the Administrative Appeals Tribunal at its hearing later this week and early next week in relation to Body Line, which is the trading name being used, or Westgate Cybernetics, as it is listed in the white and yellow pages. The premises is situated on the corner of Williamstown Road and Francis Street, Yarraville, next to a pinball parlour and backing onto a church —

Mr Roper — It doesn't sound like a very good site for business!

Mr MACLELLAN — Regardless of whether it is good for business, it is a lot less controversial than the application presently being made. I ask the Minister to assess with the Minister for Police and Emergency Services the suitability of the site.

Stolen petitions

Mr WALLACE (Gippsland South) — In the absence of the Attorney-General, I direct to the attention of the Minister for Employment, Post-Secondary Education and Training the Collingwood Residents Association, which has been collecting signatures on a petition for presentation to Parliament. Many of the signatures collected from shopping centres, railway stations and hotels in Collingwood have been stolen, which is very serious. Many of the forms completed by hotels have been collected by residents in the area who have knocked on the door of particular hotels and said they have come to collect the petitions.

I am concerned about that situation but, in addition, threats have been made against the people who have been signing the petitions. It is serious and it borders on contempt of Parliament because it is preventing

people from making representations, as is their right in this place.

I ask the Attorney-General to investigate the matter urgently because many of the people whose names are on the petitions have now contacted the residential group and have asked to have their names removed because of death threats made to them. The problem has been reported to the police, and I hope something can be done by the Attorney-General.

Responses

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — The honourable member for Mildura referred to the report on the Murray-Sunset National Park. It is interesting that the honourable member for Mildura is now interested in the park because when its establishment was debated in Parliament he was not very keen on it. I will direct his comments to the attention of the Minister for Conservation and Environment.

The honourable member for Murray Valley raised the issue of funding for student travel. As he is well aware funds for educational purposes are extremely stretched, and certainly in my portfolio emphasis is being placed on the provision of courses and putting all possible effort into maximising the number of students who have access to TAFE courses.

The honourable member for Dandenong raised the issue of seats for concerts at the National Tennis Centre and suggested that promoters were selling tickets for seats situated behind the stage without the ticket buyers realising they would have a restricted or a very bad view.

It would appear to be wrong that in a venue of that sort, particularly with such a large seating capacity, people are so disadvantaged. I shall raise the problem with the Minister for Consumer Affairs, and it should also be raised with the Minister for Sport and Recreation who is responsible for the National Tennis Centre.

The honourable member for Malvern raised the issue of the Australian flag, and I shall bring that matter to the attention of the Premier.

The honourable member for Pascoe Vale raised a matter which has been of concern to a number of honourable members, and not only to members on this side of the House. It is the fundraising activities of Mr Jack Pacholli who uses his newspaper to solicit funds. People who know of him certainly would not be willing to lend him money. Those who have lent him money have not had successful investments. The money vanishes. I shall draw the matter to the attention of the Attorney-General in the hope that something can be done to get rid of what is a serious malpractice that has ripped hundreds of thousands of dollars off people over the past few years.

The honourable member for Berwick raised an interesting matter. No honourable member is going to volunteer to carry out the necessary inspection. If people were to operate a brothel at one site they would have no prospect in relation to another site so far as the Administrative Appeals Tribunal is concerned. As the honourable member for Berwick mentioned, the first property, which is next door to a church, is currently rated as a brothel by the City of Footscray. There does not seem to be any evidence of an appeal against such a rating. I shall ask the Minister for Police and Emergency Services to raise the matter with the Police Force to see whether there is any material they can or should put forward when the matter goes before the AAT.

The honourable member for Gippsland South also raised an issue with the Attorney-General, and I shall draw that to his attention.

Motion agreed to.

House adjourned 6.27 p.m.

Thursday, 30 April 1992

The SPEAKER (Hon. Ken Coghill) took the chair at 10.35 a.m. and read the prayer.

ABSENCE OF MINISTER

The SPEAKER — Order! I have been advised that the Minister for Community Services will be absent from question time.

QUESTIONS WITHOUT NOTICE

CRIME MANAGEMENT

Mr GUDE (Hawthorn) — I direct to the attention of the Premier the recent trenchant criticism made by the Chief Commissioner of Police, Mr Kel Glare, of the state of Victoria Police resources. Does the Premier have full confidence in the capacity of her Minister for Police and Emergency Services, who is also the Minister for Corrections, to deal with the many complex issues involved in modern crime control?

Ms KIRNER (Premier) — The approach Minister Sandon is taking in tackling the issue of crime in Victoria is recognised across Australia as the most appropriate one. Given the issues that are in front of us today I find it pretty amazing that the opposition should give me the opportunity to stand up and outline the details of the integrated plan.

I shall take the opposition through the plan, which is led by the Minister for Police and Emergency Services and the Chief Commissioner of Police. Those two people had frequently approached me saying that what Victoria needed was an integrated approach to crime management. They asked me to set up the Public Safety and Anti-Crime Council, which we have done; and they also asked me to make sure that tougher sentences were available, which we have also done. Both the Minister and the chief commissioner asked the government to put into the hands of police powerful weapons such as DNA techniques to make the detection of crime easier. They also asked me to increase penalties for various crimes, and we have done that.

We are beginning to see major changes in the ways in which the public is thinking about violence. It is

all too easy for the opposition to run a simplistic line on this issue, as they do on most other issues; but that is not the way to address the crime problem. It is a matter for integrated planning, and I look forward to continuing to work with the Minister for Police and Emergency Services and the chief commissioner on this matter.

OFFICE OF CORRECTIONS

Mr McNAMARA (Leader of the National Party) — I direct to the attention of the Minister for Corrections the findings of an internal audit report of the Drug Surveillance Unit of the Office of Corrections, dated March 1992, which reveals details of extraordinary and widespread corruption involving the misuse of public moneys, vouchers, receipts and motor vehicles, unauthorised purchases and payments, the use of blank pre-signed cheques, the pilfering of petrol from government vehicles, bogus expense claims and sham accommodation expense claims. How can the Minister explain his lack of action and control of this gross maladministration? What has he done about the findings, and why has he concealed the information from the public? I direct the Minister's attention to this detailed report which highlights all the matters I have described.

Mr SANDON (Minister for Corrections) — The matters raised by the Leader of the National Party are well known to me. An investigation into those matters has been continuing for some months, and I will await the outcome of those investigations before ensuring that the public is properly informed.

Mr McNamara interjected.

Honourable members interjecting.

Mr SANDON — Stop trying to pre-empt the report.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Derrimut is out of order, as he is well aware. The Minister for Corrections is entitled to complete his reply without interruption. I ask honourable members on both sides to remain silent.

Mr SANDON — These matters have been under investigation for a number of months. The opposition's response of seeking interference with the proper processes shows how simplistic and how

outrageous it is. (To Mr McNamara) You should resign!

Honourable members interjecting.

TEXTILE, CLOTHING AND FOOTWEAR INDUSTRY

Mr SERCOMBE (Niddrie) — Following the Premier's announcement that the Victorian government, in conjunction with the South Australian government, will take action to obtain a better plan for the textile, clothing and footwear industry, will the Premier explain what further action the government will take to provide support for Victorian industry, particularly in light of the release yesterday of the figures for Australia's rate of inflation?

Ms KIRNER (Premier) — It is true that the figures released yesterday showing Australia's rate of inflation provide a great opportunity to address what Mr Colebatch described in a major newspaper article today as the economics of hurt. The zero level of inflation absolutely lays to rest the suggestion that if more action were taken on industry sector policies and to address the needs of youth it would blow the economy out of the water. It is clear from the inflation figures that action can be taken now to implement specific industry sector policies and specific youth policies.

Today the Victorian government, in cooperation with the aerospace industry, will highlight what is one of the future industries for Victoria. At this moment the hangars at Avalon Airport contain two newly arrived jumbo jets from Japan that are undergoing maintenance. Avalon has 600 jobs that were not available three years ago.

Mr Kennan — How many?

Ms KIRNER — Six hundred jobs at Avalon that were not available three years ago. The government is supporting the aerospace industry.

Honourable members interjecting.

Ms KIRNER — Honourable members opposite say by interjection "privatise it". The only privatisation policies are those of the opposition.

Mr Leigh interjected.

Ms KIRNER — You don't like it, do you? Over the weekend I carefully looked through the

opposition's policies — they are one-page policy sheets — to see if I could find anything on the manufacturing industry. This is the policy document; it is really good!

Honourable members interjecting.

Ms KIRNER — Could I find one thing on the manufacturing industry?

Honourable Members — No!

Ms KIRNER — No, not one thing! There are a couple of pages on privatisation, on the Accident Compensation Commission and the Gas and Fuel Corporation. It is dated July 1991. They are yours!

Mr Kennett interjected.

Ms KIRNER — I looked for an update of that policy.

Honourable members interjecting.

The SPEAKER — Order! Because of disorderly and loud interjections from a small number of honourable members it is impossible for most honourable members to hear the Premier's reply. I ask honourable members to remain silent so that the Premier's reply can be heard.

An Honourable Member — What's the expiry date?

Ms KIRNER — The Attorney-General said that he could hear me. The Leader of the Opposition is getting a mite upset. And so was I, Mr Speaker, when I could not find any opposition policy on manufacturing industry, so I thought I might find a policy on the flag. The opposition has certainly found a policy on the flag. It is a white flag. They have put up a white flag on manufacturing industry to Professor Hewson. They say, "We give up!" Just that, "We give up!" They have put up a white flag. They have no policy on manufacturing industry. It is a white flag with a white background!

Mr J. F. McGRATH (Warmambool) — On a point of order, the Premier is now debating the issue. She is turning Parliament into a farce.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Warmambool is entitled to raise a point of order without assistance.

Mr J. F. McGRATH — The Premier is turning Parliament into a farce. I ask you, Mr Speaker, to direct her to stop debating the question and either round off or sit down if Parliament is to have any relevance and be accountable to the public of Victoria.

The SPEAKER — Order! I do uphold the point of order. I ask the Premier to relate her remarks to the question and not to debate it.

Ms KIRNER (Premier) — I know that the Leader of the Opposition gets upset when we mention manufacturing industry. I understand he gets even more upset when we mention policy. However he will have an opportunity of attending Airshows Downunder, which is an Australian international air show and aerospace expo that will be a showcase for the world on the improvements in the aerospace industry. It will be held at Avalon near Geelong. The government has granted \$1.5 million for the expo. I am sure that the Leader of the Opposition will accept the invitation. I will also address an invitation to the Leader of the National Party because it appears he does not quite trust the Leader of the Opposition because the fax that I am going to send tomorrow to the Leader of the Opposition — —

Mr Kennett — We are all waiting!

Ms KIRNER — I believed he would pass it on to the Leader of the National Party as a leader in the coalition, but that is not the case because I received an amazing letter from the Leader of the National Party:

Dear Premier,

In relation to your assurance during question time in Parliament on April 16 that you would send a fax to the Leader of the Opposition and the media on the first of each month to advise there will be no election, I request that you include my office on your list for this notification.

I ask you!

An Honourable Member — What is the address?

Ms KIRNER — The fax number is 650 and the rest. I will be pleased to do that but I thought you were a coalition.

The SPEAKER — Order! I am having some difficulty relating the Premier's remarks to the

question. I ask her to return to the question and to round off her reply.

Ms KIRNER — I shall be very pleased to send invitations to the Leader of the Opposition and the Leader of the National Party so that they can attend this important aerospace expo, which will demonstrate the improvements in the aerospace industry and the creation of a major new industry in Victoria.

I hope they both attend because thousands of people from all over the world will attend this expo, as they attend the expo in Farnborough.

VICTORIAN GAMING COMMISSION

Mr KENNETT (Leader of the Opposition) — While the Premier is sending faxes all day tomorrow, she might remember the unemployment she has created in this State as a result of her policies!

Honourable members interjecting.

The SPEAKER — Order! I ask the Leader of the Opposition to come to his question.

Mr Micallef interjected.

The SPEAKER — Order! I warn the honourable member for Springvale. He is well aware of the provisions of Standing Orders. I ask members on both sides to enable the Leader of the Opposition to ask his question without interruption.

Mr KENNETT — I refer the Premier to the independence of the Victorian Gaming Commission and I ask: is she aware that the Minister for Gaming, Mr Roper, has prohibited my colleague in another place, Mr Birrell, from meeting the independent Chairman of the Victorian Gaming Commission, Mr Darcy Dugan, unless his Ministerial adviser is present? Will the Premier withdraw this outrageous example of political interference?

Ms KIRNER (Premier) — No, I am not aware of that. I suggest he directs his question to the appropriate Minister.

ANNUAL LEAVE ENTITLEMENTS

Mr MICALLEF (Springvale) — Will the Minister for Labor inform the House of steps the government is taking to improve annual leave entitlements for workers not covered by industrial awards?

Mr POPE (Minister for Labour) — Section 58 of the Industrial Relations Act in Victoria gives the Industrial Relations Commission the ability to make an order for non-award employees throughout the State.

The last order was made in 1967 and stipulated that non-award employees receive three weeks annual leave. At present in Victoria approximately 10 to 15 per cent of employees are covered by neither State nor Federal awards operating in Victoria. Therefore, some 80 000 employees are presently non-award covered or are not covered at all, and their legislative right is for only three weeks annual leave.

This week the government intends to make an application to the commission seeking an order to ensure that the entitlement is increased to the community standard of four weeks. At present the 80 000 employees not covered by Federal or State awards do not necessarily receive only three weeks annual leave; indeed, due to community standards most of them are given four weeks.

However, employers face some confusion, especially when no award covers their employees, and constant phone calls are received on the wageline service about the amount of annual leave that should be given to them. Some of them receive only three weeks but the vast majority receive at least four weeks.

I intend to ensure that the application for the order to increase the minimum to four weeks is heard this week. I will make that application to the President of the Industrial Relations Commission so that the 80 000 employees have a legislative right that cannot be taken away from them to a minimum of four weeks annual leave. Once again the government will provide greater flexibility in industrial relations and ensure that all workers in Victoria are given their just rights — in this instance the right to at least four weeks annual leave.

LOCAL GOVERNMENT COMMISSION CHAIRMAN

Mr I. W. SMITH (Polwarth) — I refer the Treasurer to his appointment of Mr Russell Badham, his closest friend, to the position of Director, Major Initiatives Secretariat, as a part-time secondee while continuing his fully paid role as Chairman of the Local Government Commission and ask why this senior appointment was made without the standard probity-of-the-field examination of potential Public

Service applications. Will the Minister table all the relevant documents that led to the appointment?

Mr A. J. SHEEHAN (Treasurer) — You are a great person to be casting reflections on the appointment of staff after your performance as a Minister! To repeat what I made clear the other day, Mr Badham was seconded on a part-time basis — three days a week — for a period of three months, and that secondment has been renewed for a further three months.

Mr W. D. McGRATH (Lowan) — I refer the Premier to her continuing support for the Local Government Commission and ask how that body will function effectively without the full-time services of its highly paid and long-serving chairman who is now working in Treasury with his best friend the Treasurer?

Ms KIRNER (Premier) — The decision to allow Mr Badham's secondment was made in agreement with the Minister responsible for local government, who is recognised across Victoria, and even by the National Party, as having a commitment to local government.

Honourable members interjecting.

Ms KIRNER — I cannot believe this opposition today! Victoria is facing the major issue of unemployment — —

Mr Kennett interjected.

Ms KIRNER — You people are amazing! In fact, you are a disgrace! Your behaviour in this House — —

The SPEAKER — Order! I ask the Premier to address the Chair, and I ask honourable members on both sides of the House but particularly members of the opposition to remain silent while the Premier completes her reply.

Ms KIRNER — For the past six months the major issue facing Victoria has been jobs, an issue that involves the development of the food processing industry. Today opposition members have had at least three opportunities to ask questions about these issues but they do not want to. One after another they want to ask about issues that are important but not central. I, for one, will continue to address the big issues. It is time the opposition asked some questions about them.

ABORIGINAL FINDINGS AT LAKE CONDAH

Mr NORRIS (Dandenong) — I ask the Minister for Aboriginal Affairs what action the government proposes to take in the light of recent findings at Lake Condah.

Mr ROPER (Minister for Aboriginal Affairs) — I thank the honourable member for his question.

Mr Perton interjected.

The SPEAKER — Order! I ask the honourable member for Doncaster to remain silent.

Mr ROPER — The kind of comment made by the honourable member for Doncaster is interesting because, obviously, he has no understanding of the importance of the work that is being carried out at Lake Condah and the archaeological findings that are gradually coming to light. Lake Condah may become one of the most significant sites of Aboriginal history in Australia.

Dr Napthine interjected.

Mr ROPER — The honourable member for Portland constantly attacks the developments at Lake Condah. This recently arrived person constantly attacks not only what is occurring at Lake Condah but also Aboriginal groups in his electorate. In absolute contrast, his attitude is completely different from that taken by National Party members who do everything they can to assist their Aboriginal communities and are not constantly knocking them.

The honourable member for Portland should understand that in his electorate are a series of archaeological discoveries of fish traps, eel traps and stone houses that suggest a major development in the technology of the Aboriginal community well before Europeans reached Australia.

I have asked the Victorian Archaeological Survey to treat the work at Lake Condah as its major priority so that we can understand as definitely as one can in archaeology the full significance of the work that has been done so far. It is also important that there be community and council comment on the management plan for Lake Condah, because as this major site is developed it must be adequately protected and any tourism in the area must not harm such significant Aboriginal history.

The work that has been done so far in conjunction with the Kerrup-Jmara and the Department of Conservation and Environment demonstrates that Lake Condah may have the most significant Aboriginal cultural site not only in Victoria but in Australia. I hope the work of the Victorian Archaeological Society is rewarded with confirmation of the significance of the fixed settlement in that area.

VICTORIAN GAMING COMMISSION

Mr KENNETT (Leader of the Opposition) — I direct a follow-up question to the Minister for Gaming and I refer to his political interference in the independent office of the Victorian Gaming Commission, particularly the office of chairman. Will the Minister withdraw the instruction given this morning by his private secretary that a Miss Sue Maclellan must attend a meeting today between Mr Dugan, the so-called independent chairman, and Mr Birrell in another place, or is the Victorian Gaming Commission, its independence and its chairman now to be sold in such a way that the commission becomes another political arm of this government?

Mr ROPER (Minister for Gaming) — I am appalled at the suggestion made by the Leader of the Opposition that the Victorian Gaming Commission is independent in only a so-called way. He should apologise to the chairman and the commission for making that suggestion.

The commission was set up by Parliament to properly control the introduction of gaming in this State and, as I said to the House earlier this session, it is doing a good job. The commission has already licensed both Tattersalls and the Totalizator Agency Board and is now carefully examining applications —

Mr KENNETT (Leader of the Opposition) — On a point of order, Mr Speaker, the question was quite clear. This morning the Minister's office gave an instruction that Sue Maclellan must attend the meeting, otherwise it would not be held. I asked the Minister whether he will withdraw from that political interference with the independence of the commission.

Mr KENNAN (Attorney-General) — On the point of order, Mr Speaker, we understand why the Leader of the Opposition is agitated today, but in raising his point of order he was unable to recall accurately the question he asked. His question did

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ASSEMBLY

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not stop where he suggested in the point of order he has just taken. The Leader of the Opposition went on to ask a general question about the independence of the Victorian Gaming Commission and finished up by asking whether it was just another arm of the government.

That is what the Leader of the Opposition asked; but when he raises a point of order he is unable to recall his question. I can understand why. We have watched the ashen-faced concern of the people sitting behind him at today's performance.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Mornington is out of order, as he is well aware. I ask the Attorney-General to confine his remarks to the point of order.

Mr KENNAN — The Leader of the Opposition questioned the independence of the Victorian Gaming Commission and asked whether it was behaving as an arm of the government. The Minister for Gaming is very much on the question when he describes the commission's functions and the way it carries out those functions established under the Act.

The SPEAKER — Order! There is no point of order.

Mr ROPER (Minister for Gaming) — The Leader of the Opposition is making it worse by suggesting that the Victorian Gaming Commission is not carrying out the responsibilities placed on it by Parliament. The commission is carrying out the responsibilities given to it by this Parliament and is doing it very well indeed. Anyone who suggests that Darcy Dugan and the gaming commission are not carrying out their proper, independent role is talking absolute nonsense.

It appears that Mr Birrell asked the chairman of the commission for a briefing. There was some surprise about that because Mr Birrell is not directly associated with the operation of the opposition's gaming arrangements. One would have expected the honourable member for Gisborne or one of the people interested in gaming to be involved. The chairman raised the matter during one of our regular meetings at which he advises me of the commission's progress. After discussing the matter we agreed that the normal arrangements for members contacting Ministers' offices about arranging briefings should apply.

Honourable members interjecting.

The SPEAKER — Order! If members of the opposition wish to hear a reply to the question I suggest they remain silent so that the Minister can complete his reply.

Mr ROPER — As members opposite know, I have always — —

Mr E. R. Smith interjected.

The SPEAKER — Order! I warn the honourable member for Glen Waverley. He heard the request of the Chair that Standing Orders be observed. He has defied the Chair, and if he continues to do so I will take the appropriate action against him.

Mr ROPER — Members opposite will be aware that when I have had requests for briefings on a whole range of matters I ensure that those briefings occur. Indeed, the honourable member for Brighton will be well aware — —

Honourable members interjecting.

Mr ROPER — And as the House will be aware, we then organise — —

Mr Gude interjected.

The SPEAKER — Order! I warn the Deputy Leader of the Opposition. He is well aware of the ruling of the Chair and my direction to members that they remain silent. If he continues to defy the Chair I will take action against him.

Mr ROPER — It is interesting that that kind of remark would be made by the one member who in a court case had to admit he was playing politics in a formal kind of way.

An Honourable Member — In the gutter.

Mr ROPER — In the gutter. As I understand it, following that discussion Mr Birrell was contacted and was asked what arrangements he would like to make for the briefing and was informed that a member of my staff would be present. I am certainly not aware that that was set down as a condition. We have no reason to believe there would be anything that Mr Birrell would be told that would cause him any concern. Any member of the opposition who wants a briefing on what is happening in gaming is most welcome to have one.

Honourable members interjecting.

The SPEAKER — Order! Will the Minister pause again. I warn the honourable member for Portland that if he continues to defy the authority of the Chair I will take the appropriate action against him.

Mr ROPER — What is taking place with the introduction of gaming machines is something that many members in this place have already expressed an interest in, and that is an on-going interest. I am sure that the opposition Leader in the other place will benefit enormously from the advice he receives from Mr Dugan. He will come away from that meeting knowing that the allegations of the Leader of the Opposition that the commission is not independent are an absolute falsehood.

PETITION

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

Victoria Park agreement

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 supports the Victorian government legislating for the Victoria Park agreement. This action will protect Collingwood ratepayers from a substantial financial loss if the matter were left to the courts.

We deplore the action of the current council in obstructing the agreement and ignoring legal advice that the agreement is legally binding and should proceed.

We further note the agreement delivers significant financial benefits to the people of Collingwood and secures the long-term future of the Collingwood Football Club at Victoria Park.

Your petitioners therefore pray that the Parliament take all necessary steps to ensure that Collingwood council honours its commitments to the Collingwood Football Club.

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

By Mr Batchelor (119 signatures)

Laid on table.

PRIVILEGES COMMITTEE

Dr VAUGHAN (Clayton) presented report of Privileges Committee on matter referred to committee on 24 October 1991, together with appendices.

Laid on table.

Ordered that report and appendices be printed.

Ordered to be considered next day on motion of Mr ROPER (Minister for Employment, Post-Secondary Education and Training).

Motion agreed to.

PAPERS

Laid on table by Clerk:

Council of Adult Education — Report for year ended 31 December 1991.

Parliamentary Committees Act 1968 — Report of the Treasurer with respect to the Report by the Estimates Sub-Committee on the 1990-91 Estimates and its Interim Report on the 1991-92 Estimates.

ACCIDENT COMPENSATION (FURTHER AMENDMENT) BILL

Introduction and first reading

Mr HARROWFIELD (Minister for Finance) introduced a Bill to amend the Accident Compensation Act 1985, the Transport Accident Act 1986, the Workers Compensation Act 1958 and certain other Acts and for other purposes.

Read first time.

ROYAL MELBOURNE INSTITUTE OF TECHNOLOGY BILL

Introduction and first reading

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) introduced a Bill to establish a university to be known as Royal Melbourne Institute of Technology, to amend the Post-Secondary Education Act 1978, the Vocational Education and Training Act 1990, the Administrative Law Act 1987 and for other purposes.

Read first time.

SUPERANNUATION (OCCUPATIONAL SUPERANNUATION STANDARDS) BILL

Introduction and first reading

Mr A. J. SHEEHAN (Treasurer) — I move:

That I have leave to bring in a Bill to amend the State Superannuation Act 1988, the Coal Mines (Pensions) Act 1958, the Emergency Services Superannuation Act 1986, the Hospitals Superannuation Act 1988, the Local Authorities Superannuation Act 1988, the Police Regulation Act 1958, the Port of Geelong Authority Act 1958, the Port of Melbourne Authority Act 1958, the State Casual Employees Superannuation Act 1989, the State Employees Retirement Benefits Act 1979, and the Transport Superannuation Act 1988 to make further provision in relation to superannuation.

Mr STOCKDALE (Brighton) — The opposition has received numerous inquiries about rumours of impending amendments to superannuation legislation. I ask the Treasurer whether he will outline to the House the substance of the proposed legislation.

Mr A. J. SHEEHAN (Treasurer) (*By leave*) — The aim of the legislation is to make those Acts comply with the Commonwealth Occupational Superannuation Standards Act so the participating schemes will comply with that Act and therefore benefit from the concessional tax rates. If they are not in the scheme they have a 47 per cent rate; if they are in the scheme and comply they benefit from the 15 per cent concessional rate. That is the main thrust.

Motion agreed to.

Read first time.

RACING (FURTHER MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Mr TREZISE (Minister for Sport and Recreation) introduced a Bill to amend the Racing Act 1958 and the Sunday Entertainment Act 1967 and for other purposes.

Read first time.

BUSINESS OF THE HOUSE

Mr RICHARDSON (Forest Hill) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 1 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr STOCKDALE (Brighton) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 2 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr COOPER (Mornington) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 3 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr RICHARDSON (Forest Hill) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 4 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr MACLELLAN (Berwick) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 5 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr RICHARDSON (Forest Hill) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 6 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr PERRIN (Bulleen) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 7 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mrs WADE (Kew) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 8 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr PERRIN (Bulleen) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 9 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Dr NAPTHINE (Portland) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 10 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr STOCKDALE (Brighton) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 11 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Dr NAPTHINE (Portland) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 12 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

Mr GUDE (Hawthorn) — Mr Speaker, I do not wish to proceed today with Notice of Motion, General Business, No. 13 on the Notice Paper. However, I ask that the motion remain on the Notice Paper.

MANUFACTURING INDUSTRY

Mr MICALLEF (Springvale) — I move:

That this House supports the initiatives of the government, the private sector and the trade union movement to support the development of manufacturing industry in Victoria, and in particular, the joint initiative of creating the Manufacturing Industry Advisory Council.

Before I begin my contribution in support of the motion, I must say that I find it incredible that members of the opposition who claim to hold in such high regard the rights of the opposition to take part in debate on issues of importance have seen fit not to take up those rights in respect of a number of Notices of Motion, General Business, on the Notice Paper.

Mr Jasper — We are giving you the opportunity!

Mr MICALLEF — Members of the opposition show themselves to be hypocritical by not being prepared to debate issues of public importance and significance. They do not have the fortitude to debate the Notices of Motion, General Business.

Mr Jasper interjected.

The ACTING SPEAKER (Mr Delzoppo) — Order! The honourable member for Murray Valley!

Mr MICALLEF — It is amazing that the honourable member for Murray Valley interjects when his constituents have been denied the opportunity of having debated issues of importance to them.

Mr J. F. McGrath interjected.

The ACTING SPEAKER — Order! The honourable member for Warrnambool!

Mr MICALLEF — Firstly, in respect of manufacturing industry, I shall recount what the Premier said this morning. The Liberal Party, the conservative party, the coalition — whatever one might call it — does not have a view on manufacturing in this State. It does not have a policy; it is not interested. Obviously it is not concerned about the many workers employed in and the assets that flow from a viable manufacturing industry to the community. The opposition does not have one skerrick of concern for manufacturing industry and its effects on the community.

Mr Perrin — Rubbish!

Mr MICALLEF — If members of the opposition had any concern, they would give some thought to putting a policy together. The lack of concern shows in the opposition's attitude to tariffs.

Mr Perton interjected.

Mr MICALLEF — The opposition is totally silent on tariffs in this State, and that is a matter of concern to Victorians.

Mr Perton interjected.

The ACTING SPEAKER — Order! The honourable member for Doncaster is being disorderly; I ask him to desist.

Mr Kennan interjected.

The ACTING SPEAKER — Order! The Minister at the table, the Attorney-General, is not helping!

Mr MICALLEF — It is incredible that last year during the vehicle industry campaign, when the Victorian government was fighting for the survival of the automotive industry in Victoria in particular and more broadly in Australia, and when it was making representations to the Federal government in Canberra on the recommendations of the Industry Commission, the opposition was totally silent. Now

it is totally silent on the concerns of the Victorian government and the Victorian community generally about the textile, clothing and footwear industries.

As I said yesterday during contribution to the debate on the Supply Bill, the opposition is concerned about the effects of tariffs on the sugar industry in Queensland and the Leader of the National Party thinks it is more important to support his colleagues in Queensland than to have concern for the 80 000 workers employed in Victoria's textile, clothing and footwear industry.

The opposition supports privatisation in manufacturing. As most manufacturing industry is in private hands I find that one-line policy difficult to follow. Where do we go from there? The other great cliché used by the opposition is its support for private enterprise. As most manufacturing industry is in the hands of private enterprise, the opposition obviously supports the status quo, but where does that lead? It is incredible that the opposition is doing nothing to encourage and support manufacturing industry.

The government is on the right track when the Premier speaks about the potential of the aerospace industry to be a viable and expanding sunrise industry in Victoria. The Premier has extended an invitation to the Leader of the Opposition and the Leader of the National Party to attend the aerospace expo that is about to take place. It will showcase the technological expertise of the industry through Victorian workers and Victorian trade union and government support and highlight the benefits for Victoria.

The Leader of the Opposition and the Leader of the National Party should take up the invitation and so be in a position to agree that Victoria can have a viable manufacturing industry and can develop expertise and work skills to an international standard that will allow it to compete with the best in the world. They should look at what has been done and support the government in its attempt to redevelop manufacturing industry in Victoria.

The government has shown great initiative in setting up the Victorian Manufacturing Advisory Council. The difference in philosophy between the government and the opposition is illustrated by the government's preparedness to tap the expertise available from entrepreneurs, employers and trade unions in the community, which contrasts with the coalition's attitude of constant opposition to and attacks on trade unions. If the coalition ever came to

power that attitude would almost certainly result in that avenue of expertise drying up.

The government supports the involvement of trade unions in the Manufacturing Industry Advisory Council and other such bodies as the State Training Board as Victoria moves towards achieving a system of skills-based training and a revamping of occupational training that will raise standards in Victoria to the level of those that exist in countries such as West Germany, which has a very advanced manufacturing industry and which has set the pattern for the rest of the world. The government's policy is aimed at tapping into that expertise. It is certainly not aimed at attacking the trade union movement.

Federal Labor government policies over the past 8 to 10 years have given predictability to the setting of wages and conditions. Trade union and industry restructuring has done away with work practices that, although adequate in bygone eras, are now inappropriate if unions and industry are to compete with the technical and manufacturing expertise of Asian countries. Countries such as Japan have increased their technical expertise and honed their manufacturing skills to high standards. I listened to diggers on Anzac Day talking about the poor quality of Japanese products prior to the second world war — but that is certainly not the case today! After the second world war the Japanese learnt all they could from other developed countries, to the extent that these days the United States of America looks to Japan as a manufacturing industry leader. Trade union reforms, the restructuring of industry and an emphasis on skills-based rather than craft-based training are all necessary if we are to lift the standard of manufacturing industry in Victoria.

I shall give this advice to the conservatives: they ought to get off the back of the trade union movement, stop threatening to set up inquiries into the actions of certain unions and tell the president of their party to stop interfering in the legitimate activities of trade unions. As the House has heard, the conservatives have employed agents provocateurs to disrupt legitimate industrial activities, thereby forcing the police and other arms of the law to intervene. Members of the Liberal Party should tell their administrative arm to keep out of industrial disputes, to keep out of areas where it has nothing to offer. The conservatives should leave industrial reforms to those who have the foresight and the willingness to take the necessary steps.

WorkCare removed responsibility for workers compensation from private enterprise, which had proved itself unable to competently manage it. Very few people in the wider community understand that one of the most positive aspects of WorkCare has been the lowering of the average levy from around 8 or 9 per cent to between 2 and 3 per cent. The lower levies have been a boon to industry, enabling it to lower its costs considerably. Between 1985 and 1990 the WorkCare system of cross-subsidisation enabled the metal industry to expand, which was one of the reasons for the low level of unemployment during those years.

We all accept that the recession has hit Victoria hard; and I have to acknowledge that it has hit harder than most of us thought it would. Nevertheless one of the positive consequences of the recession will be that the industries that survive will have much stronger bases, will be more competitive and will be able to take advantage of the upturn that follows. The firms that survive will be very efficient; and we can look forward to Victoria's remaining the hub of Australian manufacturing.

Victoria has been hit hardest by the recession for the very reason that it has developed a strong and successful manufacturing sector. Because of the level of resources and employment devoted to its manufacturing base, Victoria is currently suffering higher unemployment levels than, for example, New South Wales, which does not have the same concentration of manufacturing industries.

I have been a member of various caucus committees since I was elected to Parliament. I am currently a member of the manufacturing and industry development caucus committee, which is chaired by the Honourable David White, the Minister for Manufacturing and Industry Development. The committee is examining initiatives to increase the resources directed to the manufacturing industry. The thrust of the government's manufacturing policy is to establish an industrial environment that is more conducive to investment, which will result in the creation of more jobs. That focus is obvious in the Federal government's One Nation package, which is complemented by the Premier's Priority Victoria statement. Those approaches stand in stark contrast to the Fightback package, with its goods and services tax and its policy of abolishing tariffs.

Leaving the debate about a new flag to one side, at the next election the people will have a clear choice between the policies of a Labor government, which encourage and support the manufacturing industry,

and the tax and tariff policies of the opposition, which will impede development. A goods and services tax on every aspect of the manufacturing process will add considerably to production costs and will make us less competitive and unable to compete with imports.

Local manufacturers have expressed concern about the way in which local suppliers are forced to deal with those who want to purchase the goods they produce. Recently I spoke to the proprietor of Ace Wire Works (Vic.) Pty Ltd in Springvale. He has been in business for approximately 30 years and has developed his company from a small business to a multimillion dollar business. He has told me that his company produces goods of high standard and that when large companies approach him for quotations he produces a small sample — a production run of 500 to 1000 units. Those large companies also seek quotations for the goods they require from overseas markets such as Asia and Europe, and inevitably much of the material that this manufacturer uses is obtained from overseas suppliers.

The conservatives could demonstrate they are proud Australians by encouraging industry to use more Australian-made components rather than carrying on with their flag-waving — it would be a way of proving that they are not only proud Australians, but have the interests of the community as a whole at heart.

The Priority Victoria statement is designed to create jobs and develop the infrastructure of this country, and Victoria will be able to take advantage of the benefits that flow from the One Nation package. Two key areas that will benefit are electricity generation and transport. The development of Loy Yang B will provide the spin-off benefits of new technology and expertise, which will assist local industry. Further, when industry increases production in the future it will have ample supplies of electricity available at a competitive price.

The National Industry Extension Service (NIES) is an industry assistance service that was developed in July 1990. NIES has been assisting a wide range of Victorian manufacturers and service providers. During 1990-91 it provided approximately \$3 million to more than 300 Victorian companies so that they could participate in enterprise improvement programs. In 1991-92 approximately \$3.7 million in grants, involving more than 400 individual programs, has been approved. These programs will enable companies to restructure and

become internationally competitive, which is very important.

NIES helps companies to complete business plans, review current activities and introduce quality management techniques — of which there is a real deficiency in Australia and particularly Victoria. I have dealt with management in my former career as a union official and I have noted the lack of quality management in many major companies. They may have survived when they did not need to be internationally competitive, but they are struggling to survive now.

Quality management is very important because managers need skills to tap into the expertise of their work force. Companies that do that are more effective and efficient in obtaining results and benefit from the added by-product of fewer industrial disputes. The opposition has difficulty in understanding that philosophy. Product development and design implementation programs and employee involvement programs are being used to involve and tap into the expertise of workers. Those programs make the workplace more viable and more attractive to work in and have the bonus of enabling the workers to feel that they own the product and have played a part in its development.

The key to future development is planning for export markets. Australia, with a population of 16 million, is not a big enough market for large industries that believe they have a future, so they must gear themselves for the export market.

The AMECON project at Williamstown, the bid for which was greatly assisted by the government, and particularly the Minister for Manufacturing and Industry Development, will provide significant benefits for the western suburbs of Melbourne, which have been in a depressed state for many years. It will do much to lift the morale of the western suburbs and will assist in maintaining the special skills that were developed by workers at the old Williamstown dockyards. The honourable member for Malvern, who was a part-time carpenter before he entered this place, knows only too well that one can lose one's skills very quickly.

Victoria was successful in obtaining the AMECON project because the trade unions were able to demonstrate that they were prepared to reorganise the work force at the Williamstown naval dockyards — those workers are the core workers in the AMECON project. I visited the dockyards when I was a union official and I know how difficult it was

to restructure and reorganise the work force because of the traditional difficulties that existed between it and management.

I compliment the trade unions and the government for getting the AMECON project. The contract includes the refit of *HMAS Warrnambool*, a Fremantle class patrol boat. When completed it will be based at *HMAS Cerberus*. It is important to note that this wonderful project, which is worth approximately \$1 billion, was won against strong competition. As a result of the project Victoria will retain the shipbuilding skills that a country like Australia, an island isolated from other continents, requires. Australia is looking more towards being part of Asia, but it is certainly necessary and important to keep a world-class marine engineering facility alive.

The frigate contract obtained in 1989 was significant. It was valued at \$5 billion and will eventually create 3000 jobs. I believe many of those jobs have already been taken up. The contracts have rejuvenated the shipbuilding industry in this State and their expenditure of \$1 million a day has also given a major boost to the west of Melbourne, and the effects of that will continue for the next 15 years. The benefits to be gained by Victoria are not able to be fully ascertained but it would have been a tragedy if we had missed out on them.

John White of AMECON actively pursued the goal of developing Melbourne's marine engineering centre of excellence further, servicing not only Australia but also the Pacific region. The refitting of *HMAS Warrnambool* will require 20 000 worker hours — worker hours of high quality expertise. Mr Deputy Speaker, coming from an engineering background — your father was a boilermaker — as I do, you would know that the development, maintenance and enhancement of such skills is a good thing. If your father were still alive and you were a boilermaker he would be proud to hear that you were working on that refitting program. It is a wonderful event for Victoria.

I refer next to the Toyota and Nissan investment in Australia. It is sad that the announcement of the closure of the Nissan factory and the reorganisation of the automotive industry coincided with the recession. The automotive industry needs to be restructured. I believe it has accepted the fact that tariff protection has to be phased out. The automotive industry, the Victorian government and the Industry Commission (IC) had different views on the phasing-out period. The IC's

recommendation was that there be a level playing field by the year 2000.

We need to have an industry policy that offers protection for certain industries. We all agree in theory that a level playing field is a wonderful concept. If the world were level it would be good to play on that field, but unfortunately it is not — there are lots of hills and valleys. The extensive support given by various governments to particular industries gives them greater advantage over industries in other countries that attempt to play on a level playing field. We need to consider supporting some industries.

I believe we can have a viable automotive industry. It is understood that we have had too many players on the field in Australia. There is a lesson to be learnt from the fact that this country has had four major players when countries such as the United States of America, which has many times the population of Australia, has only three major players. Australia is moving towards a world car concept with cars like the Toyota Camry and the Holden Apollo being virtually the same car with different insignia. That is a step in the right direction. In the early 1980s I inspected the Nissan factory and the GMH factory. I could see the massive differences in technology used in those plants.

Recently I was privileged to visit an automotive plant in New Delhi. It was part of a new venture undertaken by Suzuki and the Indian government. It reminded me of the Nissan plant in the late 1970s and early 1980s. The difference is that the New Delhi factory employs workers for \$5 a day compared with \$400 or \$500 a week in Australia. It was interesting to see the plant's out-dated technology, which had been sold to India by the Japanese government purely because labour in India is so cheap.

When one inspects the Japanese automotive industry one notices high levels of technology and automation. Assembly workers in Japan have much higher educational qualifications than assembly workers in Clayton and certainly much higher than assembly workers in New Delhi. Most of the workers in Japan have the equivalent of a VCE or year 12 equivalent. Their wages are also much higher than equivalent workers in Victoria or Australia receive and certainly are many times higher than the wages of workers in India.

One can hide behind the argument that wage levels are lower in Asia than they are in Victoria. But when Japan is able to produce cars at a lower cost than we can while paying much higher wages, we have to examine the reasons for that. We must become internationally competitive. We have to continue with the restructuring and upgrading of our skills base and take advantage of the high unemployment level during the current economic recession to train young people and workers who are eligible and able to be retrained to a certain level, so that when there is an economic upturn we do not have to wait three or four years to retrain the next wave of workers.

If we do wait wage levels will certainly blow out on the basis of the old supply and demand rule. That occurred during the last recession in the early 1980s. By the time all the tradespeople in the various crafts were trained, the era of strong demand had passed and the recession was about to hit. In the pre-recession years we were not able to produce to our full capacity because the skilled work force was not available and up to scratch, and there is a lesson to be learnt from that experience.

The new \$7 million Toyota manufacturing plant to be opened in Sunshine is certainly a step in the right direction. It will employ the latest technology to supply components to the automotive industry for Toyota and particularly for its latest model. It will be a further boost for Victoria's manufacturing industry. The government's Minister for Manufacturing and Industry Development, Mr White, talked about assistance to the company in developing its new plant, specifically in negotiating an appropriately costed gas supply as well as consideration for EPA works and approvals and ensuring early assessment of occupational health and safety issues by the Metropolitan Fire Brigade and the Department of Labour.

I suppose we are talking about the ability to streamline administrative procedures so that companies willing to set up new plants are given all the support possible so that we do not let red tape cut across major investors who are having a rethink about where they should invest.

Another project of which we should also be proud involves a massive job boost involving up to \$100 million in export earnings through an agreement to provide ship repairs and servicing in Port Melbourne to the Soviet fishing fleet. It is important to pull down the old barriers of mistrust and recognise that a fleet of a substantial size is there to be serviced. We should certainly exploit our

ability to use the skills we have in the shipbuilding area to earn export dollars for Victoria. The existing dry-dock and on-shore facilities will be used to service 30 000 tonnes of Soviet fishing ships, which is certainly a step in the right direction. Over the next three or four years it is expected that up to 600 new jobs will be created in this area, which is a significant number.

Again I point out that the workers in this industry are highly skilled and will be doing an excellent job. We need to be preparing either by training new workers or retraining existing workers to take advantage of this new project. I commend the Premier and the Minister for Manufacturing and Industry Development for the support they have given to winning that contract for Victoria. Both sides of the House should be pleased with the way the government has supported a viable manufacturing industry in Victoria.

During question time today the Premier talked about the aerospace expo to be held at Avalon. We will be putting our very sophisticated aerospace excellence on show, which is important. This new industry will be linking elements such as education, research, production and maintenance to provide a truly integrated facility.

It is important to develop the work skills to a high standard. All of those attributes must be coordinated and must work in concert. The Minister for Manufacturing and Industry Development said the government and Aerospace Technologies of Australia Pty Ltd — ASTA — have started preparing a major strategy to guide and accelerate development of that industry. In 1990 a 99-year lease was signed between Avalon and the Commonwealth government, which obviously gives the industry long-term planning capabilities. The lease gives the incentive for investment from the major aerospace centres in South-East Asia, where obviously Australia's future economic expansion lies.

I note the honourable member for Doncaster sitting on the back bench. He has secret links with the Asian community and does not expand on them publicly, but within his own party —

Mr PERTON (Doncaster) — On a point of order, Mr Acting Speaker, there are several implied imputations in the statement just made by the honourable member for Springvale, and I ask him to withdraw.

The ACTING SPEAKER — Order! The honourable member will withdraw.

Mr MICALLEF (Springvale) — Which words?

The ACTING SPEAKER — Order! You have been asked to withdraw.

Mr MICALLEF — On the point of order, Mr Acting Speaker, I remind you of your previous ruling on a point of order I raised when I was asked what words you wanted me to withdraw. I ask you to be consistent.

Mr PERTON (Doncaster) — Further on the point of order, Mr Acting Speaker, the words I can recall were "secret links with the Asian community", and the honourable member for Springvale went on to suggest that I would not like those links to be made public or known to my electorate. The imputations are not only false but offensive.

The ACTING SPEAKER — Order! I ask the honourable member for Springvale to withdraw.

Mr MICALLEF (Springvale) — I remind you, Mr Acting Speaker, of your recent ruling when you advised me —

The ACTING SPEAKER — Order! You will withdraw.

Mr MICALLEF — I remind you of your previous ruling when you said the comments could be redressed in debate. On the basis of your ruling, if you give me a chance to explain like a decent human being, I will withdraw.

The ACTING SPEAKER — Order! The honourable member for Springvale has no choice. He is instructed by the Chair to withdraw.

Mr MICALLEF — I withdraw, and again I ask you to be consistent with previous rulings in this House. I suggest it would be lovely to know —

The ACTING SPEAKER — Order! I remind the honourable member for Springvale that reflections against the Chair are disorderly. I caution him not to go along that path and suggest that he get back to his speech.

Mr MICALLEF — Thank you, Mr Acting Speaker. I am talking about consistency in the general sense; it was not meant as a reflection upon you in person. If you took it that way, I withdraw now

your benefit. However, I should like to see some consistency in the way Parliament deals with individual members. I shall leave it at that.

Another important industry is the Mobil refinery in Altona. In October 1991 Mobil Oil Australia Ltd announced it would undertake a major modernisation of its Altona refinery. Again, I feel it is important that oil refineries and other industries that have the potential to develop what are called "nasties" or toxic by-products or pollution to the environment should upgrade their facilities. That is important from an environmental point of view and from the point of view of the industry being able to compete in a very competitive market.

We should support the development of the new automotive industry because new motor vehicles that use unleaded petrol and have more sophisticated exhaust mechanisms and more efficient fuelling processes pollute the environment to a smaller extent, and I suggest that this concept — an upgrading of technology — applies to industry itself.

I suggest that the *Herald-Sun* might like to be consistent in respect of those matters. It supported the residents who were affected by a potential fall-out from industry at Coope Island but it attacked workers at chemical plants like Hoescht Australia Ltd who sought to make public the fact that workers at that plant were exposed unnecessarily to potentially carcinogenic materials — materials that could very well do them major harm and even cost them their lives. I suggest that the newspapers in this country ought to be more responsible.

I know I am straying from my motion but I make the point that the community expects its industries to be clean and environmentally friendly and responsible. The media in this country ought to have the same concept of its responsibilities. Maybe if they looked at themselves and considered the stuff they pollute the environment with we would all be better off.

Melbourne is the most liveable city in the world and I am certainly very proud to be a resident of this city.

Mr Pescott interjected.

Mr MICALLEF — You ought to talk! You live in South Yarra!

The ACTING SPEAKER — Order! The honourable member for Springvale will ignore interjections and withdraw the comment.

Mr Batchelor — He lives in Toorak!

Mr MICALLEF — I withdraw. The honourable member for Bennettswood lives in Toorak. I find that very interesting. If the honourable member happened, like the rest of us, to live in the electorate he represents and understood the concerns of his constituents he would appreciate what I am trying to say. The community expects industries to be environmentally friendly and responsible corporate citizens. It is part of making Melbourne a much better place to live in, in spite of the *Herald-Sun*.

The new Altona plant is critical to Victoria's ability to meet fuel needs from both within and without the State. The modernisation program will certainly achieve the highest possible standards. I have been referring to a press release from the Department of the Premier and Cabinet, and I think that if the Premier's office says this industry will be trying to seek the highest possible standards, Mobil will respond by developing the highest possible standards expected by government, industry and the community. I referred to the press statement, which was released in October 1991, before I had actually read it so honourable members can see there is no inconsistency between my position and the government's media statement.

The modernisation of the Mobil plant will cost \$1 billion and take five to six years to complete. It will certainly be a substantial modernisation and will produce some 50 per cent of Victoria's total petroleum requirement. The upgrade of the existing Altona site is important in maintaining the State's ability to obtain fuel supplies. I make the point that these sorts of projects will revitalise the manufacturing industry in Victoria.

I am proud of my involvement with the manufacturing industry. Currently I am a board member of the Engineering Skills Training Board and I have something to do with training in the engineering area. If the government and the opposition would get together to support manufacturing industry, this State would have a strong base to work from and a good future.

Instead of carping, hiding behind the flag and whingeing, the opposition should go away for a weekend and think about the manufacturing industry and what it can do to help. It could come

back with a policy that would be more than a one-liner. Mr Acting Speaker, maybe you could take opposition members away for the weekend and host some sort of seminar.

The ACTING SPEAKER — Order! If the honourable member for Springvale would foot the bill, I should be happy to do that.

Mr MICALLEF — I was thinking that you could use the backyard of your farm. I am sure a bit of hospitality from you would not go astray. Seriously, we have not sighted the opposition spokesperson on the manufacturing industry since he was appointed the spokesperson. I do not know what a diplomat has to do with manufacturing, but maybe he could negotiate some international contracts. At least that would be useful because it would bring some work into Victoria.

It would be nice to see some positive contribution from the opposition on manufacturing that took into account the major roles that trade unions and workers play and supported the government in its attempt to get a viable manufacturing industry going in Victoria.

Mr PESCOTT (Bennettswood) — The honourable member for Springvale has raised an extremely important issue. He has a strong history in the trade union movement and a strong history in that part of the trade union movement that forced on employers conditions for workers that were so expensive that they caused those employers to shed jobs.

The honourable member for Springvale criticises the opposition for its position —

Mr Crabb interjected.

Mr PESCOTT — I shall give my analysis of the manufacturing industry later. At the moment I am giving my analysis of the honourable member for Springvale, a former representative of a union that did as much as any union in this country to create conditions that employers could not afford, and eventually jobs were lost.

He said absolutely nothing about stimulating manufacturing in this State. He gave us a long list of projects that he said had been successful but he said nothing about why this State is in the position it is in, and he did not come clean on the issue of the Victorian Manufacturing Advisory Council, which is central to his motion. He said it was a government initiative. He should go back and look at the history

of that council because it was Mr Bob Herbert of the Metal Trades Industry Association (MTIA) who proposed this idea to the government, and the government accepted it. I repeat: it was not a government initiative.

Today I shall speak about the state of manufacturing and employment in Victoria and its potential. I shall look at why that potential has not been reached and the problems being caused by the government and then consider the two choices for the solution of the problems, the choices that have been put forward by the Federal and State Labor parties and the choices put forward by the Federal and State coalition parties, which are in stark contrast to what we have heard today and over recent months from the government.

Employment in this State is at a pitiful level. I use as the basis of my argument statistics from a document submitted by the Victorian government to Canberra before the Prime Minister made his statement in February. In that submission the government used its own statistics. The document was headed "The February 1992 Economic Statement. A Submission from the Victorian Government".

It shows that between April 1990 and February 1992 more than 130 000 jobs were lost. The increase in unemployment in Australia during that period was 3 per cent; in Victoria it was 6 per cent. Victoria has accounted for about half the net national job losses in that period. Youth unemployment is an appalling social tragedy. The raw data is very telling. There are more young people between the ages of 15 years and 19 years unemployed in Victoria than in any other State in Australia. Some 46 per cent or almost one in two of those people are without jobs.

When the current Premier took office in August 1990 the unemployment rate among young people was 19.3 per cent, with 21 000 unemployed. Today that figure has doubled. Of course, these are only the official statistics put out by the Australian Bureau of Statistics and in many parts of Melbourne and in regional centres the figure is upwards of 50 per cent of young people unemployed. It is an absolute disgrace.

The government should understand that when jobs are lost, especially in the manufacturing industry, it takes a long time to get those jobs back. It takes one day after a decision by a company to close its doors to actually make the closure and put people off work but it takes weeks, months and even years to

organise the capital, the people and the machinery to get a business up and running again.

Having looked at the statistics the State government gave to the Federal government I now look at statistics provided by the Australian Bureau of Statistics that deal with the year between August 1990 and August 1991, which is the latest period for which statistics are available. In that 12-month period 100 000 jobs were lost in Victoria. That represents more than 8000 jobs a month. That means that there are 8000 individuals whose families — mothers, fathers, husbands, wives and children — have all had to suffer because of the policies of this government that have created the unemployment situation.

The drop in employment in the fruit and vegetable products industry has been 49 per cent, and that is an area that has been targeted by the government for special attention. The government suggests the manufacturing area needs to be boosted, and the opposition agrees with that. However the latest statistics for the year to August 1991 in the fruit and vegetable products industry show a 49 per cent drop in employment. The margarine, oils and related products industry suffered an even greater drop of 62.2 per cent. In the chemical and petroleum products industry there was a drop of 22.8 per cent; in the motor vehicle and parts industry, 24.7 per cent; and in the leather products industry, 44.8 per cent. Other manufacturing industries not specifically listed suffered a drop of 43.8 per cent.

The Victorian manufacturing industry has almost been destroyed. Neither in this motion nor in the Priority Victoria statement has the honourable member for Springvale or the Premier put forward any positive suggestions on how to turn around that situation.

Over the same 12-month period the mining industry lost 31.9 per cent of its work force and the construction industry lost 21 per cent, or 31 515 people. Agriculture is not even included in this list. The statistics do not mention the hundreds of thousands of families in the rural sector who are suffering. During the Labor Party's period in office its policies have failed on almost every count.

I return to the submission the government sent to Canberra in February this year to assist the new Prime Minister with the economic statement he was about to make. The Victorian submission, which used statistics provided by the National Institute of Economic and Industry Research (NIEIR), showed

that the national recession had hit Victoria harder than any other State. We know that, but it is interesting to analyse why it has occurred. The submission suggests there had been a reduction of more than 7 per cent in the gross State product in Victoria over the previous 12 months. That is a significant loss of the State's production. The government's objective was to increase the gross State product by 3 per cent a year, so there was a 10 per cent difference in the goal and what was achieved.

There is also an analysis of that figure to work out what happened:

more than half the 7 per cent reduction in the trend growth rate of gross State product in Victoria ... was caused by the high interest rates held in place between 1988 and 1990 to substantially suppress import growth.

When the Prime Minister was Treasurer of this country he was responsible for keeping interest rates high. According to NIEIR that fact contributed to the reduction in Victoria's gross State product. It is like living in Disneyland. The man who caused the problem is receiving a submission telling him what is wrong from the very people who were responsible for the other half of the problem! The submission continues:

the gross effect of the tariff phase down post-1987 accounted for 0.5 per cent of the 7 per cent decline in Victoria's gross State product.

There was a phase-down of tariff protection without the micro-economic reforms necessary to give some cost competitiveness back to affected companies:

A similar effect of 0.5 per cent occurred as a result of the impact on consumption expenditure of the collapse of financial institutions in Victoria and the need to increase taxes to offset these effects.

In other words, this document lays the blame for the slowdown in our economy directly on the collapse of financial institutions in Victoria. What happened? After some time the government gave a commitment to people that it would back the Pyramid group of companies. The debacle that followed could have been avoided because the February statement by the Treasurer and the Attorney-General was followed in May by a government commitment to back all other building societies. In February the government had the wherewithal to put into place a mechanism to back the undertaking given by those Ministers. The Pyramid debacle was completely avoidable.

Victoria also lost its State Bank and the Tricontinental merchant bank. The State government told the Federal government the collapse of those institutions was part of the reason why there was a slowdown in the growth rate of the Victorian economy. The submission continues:

another 0.7 per cent — or 10 per cent of the reduction in Victoria's economic growth — can be explained by the National impact of financial deregulation on overall growth in credit. This occurred through the speculation boom then collapse in tertiary sector construction which was much more severe in Victoria.

When the honourable member for Bundoora was Premier of this State he continually talked about the cranes on the Melbourne skyline. He did not recognise that all that was happening was that money was being poured into a non-productive sector of the economy. When the bust came we were left with piles of concrete that sapped money from the productive sector. Those piles of concrete are empty buildings that serve as monuments to the policies of the Labor government.

The document points out that Federal government policies, particularly its interest rate policy, accounted for half of Victoria's economic slowdown and that the State government's policies created the other half. These problems could have been avoided. The submission further states:

These legacies of the 1980s are the constraints for a high-growth strategy in the 1990s, where Australia must sustain economic growth rates of at least 3 per cent to bring unemployment down by the end of the century to the less unacceptable level obtained in late 1989 of around 6 per cent.

We have to wait until the end of the century for the unemployment rate to come down!

There must be a substantial contribution from net exports for Victoria to contribute to this national goal of sustainable GDP growth of more than 3 per cent. Without significant policy changes, this cannot be achieved, according to current estimates by both the Victorian government and NIEIR.

Where are these policies? They do not appear in this document. They did not appear in the Prime Minister's One Nation statement or in the Premier's Priority Victoria statement. The feature of those two statements was the short-term fix. They catered for infrastructure development projects, not for examining the structure of business. They did not

consider how to bring down the costs of business so that businesses can get off their knees and employ more people.

The statements provide for governments to inject more money into the economy for infrastructure projects but not for any increase in the volume of products. Where are the companies that will be attracted to Victoria to invest as a result of this improved infrastructure? No constructive policies have been put forward by the Premier or the Prime Minister. The Victorian government at that time suggested that the Federal government should examine:

improvements in accelerated provisions focused on assets with a long life in the tradeable sector.

In the Priority Victoria statement the Premier admitted that in reality the government had ignored those provisions. The government had to boost capital expenditure as a short-term trigger for economic recovery. The submission continues:

It believes a substantial fiscal stimulus in infrastructure development from three major sources should be used.

The policy thrust of mixing the instruments of investment incentives and infrastructure spending has substantial benefits.

It goes on to talk about the short-term impact on job creation. Such an approach is wrong; it is the quick fix; it is telling the community that the government will spend money. Some of the proposals listed for specific employment initiatives relate to the rural sector, youth training and employment programs, conservation and employment programs, and training and employment programs for the long-term unemployed. That is mickey-mouse stuff; it is dealing with programs in the same way as the former Soviet Union did and as the Chinese Republic does: pumping money into infrastructure. Something must be done, but nothing is being done to help industry get off its knees to enable it to employ more people.

I turn to the potential for manufacturing in Victoria. If one reads all the documents that have been submitted by the government, Victoria has had the potential. We have had an analysis-paralysis in this State with reviews, reports, committees and working parties looking at what should be done. If a good idea has some merit, one can bet one's boots that the government will not pick it up.

Victoria has a lot of potential because it has one of the most highly skilled work forces in the country. With high unemployment many unskilled people are ready to work if the jobs are available. If one compares northern Europe, where it is cold, or the hot areas of the world, like central Africa, Victoria has the right climate for most businesses.

Victoria has education facilities that have been second to none: but, unfortunately, these are slowly being ruined by the Dawkins plan. Victoria has raw materials. More than 100 years ago Victoria was regarded as one of the leading places in the world for mining. The government has revamped the Mines Act and now no mining company will come to Victoria to look for minerals.

Victoria has the most energy resources in Australia. The Federal government is taxing our gas pipeline in a way that is detrimental to energy costs. The Latrobe Valley has an abundant supply of energy resources but because of the feather-bedding that goes on and the control of the valley by the union movement the cost of electricity to Victorians is higher than it should be.

Victoria has an efficient agricultural sector, together with world-class high technology. Many Victorians do not know that most of the large aeroplanes that fly around the world have component parts that are made in Victoria. Victoria is also strong in biotechnology and computers. It has a health industry whose administration has run down but its techniques are as good as any in the world.

Victoria is in a central geographical position in Australia compared with the other States. One must examine why this potential has not been reached. Numerous documents were produced by the Cain government, one being the green and gold document, *Victoria, The Next Step. Economic initiatives and opportunities for the 1980s*. The ideas in that document are rubbish; many of them were too difficult for the government to implement. The government is shackled by its factions, who were responsible for the preselection of the members opposite. I shall read some of the statements in the 1984 strategy document:

... the basic strategic approach is to seek to improve the competitiveness of the Victorian trade exposed sector.

The concept of competitiveness embraces far more than just the relative costs of production in Victoria and in other States or nations.

The document talks about technological excellence, availability of supply and a range of commodities. They are not necessarily related to the costs of production. That was alluded to by the honourable member for Springvale when he spoke about price factors. One of the main difficulties in the price structure in Victoria is the cost of labour, which has been brought about by work practices that have been put in place by people like the honourable member for Springvale. The document continues:

The government is taking a range of initiatives to improve the economic environment in a way which will make Victorian firms more competitive. This includes areas such as wages policy and industrial relations, business costs, regulation, efficiency of the public sector and of capital markets, the availability of assistance to growth firms or firms undertaking structural change.

That is absolute rubbish. The document says it will happen but it has never happened.

More importantly, the Victorian government takes the view that positive action is necessary to change the structure of the Victorian economy and to make it more competitive. This will not be achieved only, if at all, by reductions in tariff protection.

The document admits that reducing tariff protection is only part of the story. It admits that reforms must be put in place together with tariff protection. Where are those reforms? It has been eight years since this document was produced and we have not seen any reforms. If one examines the specific differences between Victoria and the other States one finds that the average cost of workers compensation in this State is \$783 an employee compared with the Australian average of \$605. The average payroll tax for employment per worker is \$1020 compared with the Australian average of \$904; a difference of \$100.

The total non-wage cost paid to workers in Victoria is \$3403 compared with the Australian average of \$3068, a difference of approximately \$400 an employee. It is little wonder that businesses find Victoria one of the last places in which to invest.

A number of existing businesses in Victoria have been examining the prospect of modernising their plants. The government has attempted to put itself into a position so it can say, "They are doing it because Victoria is a good place in which to invest". The honourable member for Springvale referred to the example of the Toyota Motor Corporation Australia Ltd investment — but the company had no

choice. The equipment in its factory was ageing and it needed to revamp its operations. Otherwise, Toyota would have been required to vacate that plant. It has brought forward a modernisation plan designed to employ fewer workers. The government has said, "This development is a great thing for employment; it is good to have Toyota here". But it does not say that once the factory has been constructed fewer people will work for Toyota.

Then we have the issue of the Mobil Oil Australia Ltd refinery — again referred to by the honourable member for Springvale. Mobil recognised that it had to upgrade its facilities so it could continue operations in Victoria. The government immediately appointed a panel of three, including a professor from a local university, that was required to examine all the issues associated with upgrading the refinery.

Who is doing all this development? Is it the government or are the corporations involved in such new developments? Businesses have to make their own decision to upgrade. It was a waste of public money for the government, in the Mobil example, to have three people running around, posting 22 000 letters to areas surrounding the refinery, and holding various public consultations, which few people attended, all leading to a decision to convince the government about whether the development should proceed!

As the honourable member for Springvale said, the important issue is that world-class standards must be met, especially in consideration of the environment. Mobil must meet those standards once the plant has been updated. Following any consultation process Mobil will still be required to undertake an environmental effects statement procedure if challenged to do so. The review organised by the government is an expensive way of completing the process. The government considered it had the right to tell Mobil whether it should upgrade — an entirely inappropriate approach by the government.

I again refer to the publication *Victoria. The Next Step* produced in 1984, which at page 6 states:

A wide range of policies to improve the efficiency of the public sector particularly in areas which are central to economic development and to ensure that public sector financial institutions help to overcome imperfections in capital markets.

Can you believe it? A socialist government believed it could examine the issues to overcome

imperfections in capital markets — but what did it do? It simply lost the State Bank and Tricontinental Corporation Ltd; it created a debacle in the building society industry at the time of the Pyramid Building Society collapse; it has organised debt equity swaps, lease-backs and asset sales. That is how it intended to overcome imperfections in capital markets!

The submission put by the Victorian government to the Federal government at the Sydney meeting referred to the actual effect of the slowdown on the growth rate in Victoria; but the government mucked it up in its dealings with financial institutions in Victoria.

Why has everything gone wrong? We must examine the quality of the government, because many people in the government do not understand what they should have been doing in managing the economy. The operation of a government is equivalent to the largest business operation.

Initially Victoria had a suburban lawyer, the honourable member for Bundoora, and an Australian Council of Trade Unions advocate pushing and pulling the key levers of economic development in Victoria. Then they passed the baton to the present Treasurer and the Premier, who had vast experience in economic management when both were school teachers! Both have been out of their depth.

The Treasurer and the Premier have had a system involving Ministerial advisers employed to second-guess the professional public servants who should have been able to establish a strong body of knowledge to help the government through the problems that have occurred. Instead, the government has listened to the advice of its own people — all linked to the Trades Hall Council.

The community must have seen the photograph in the *Age* shortly before the honourable member for Bundoora lost his Premiership; it showed the then Premier with his Ministers and officials of the THC making decisions about the Budget.

Mr Micallef interjected.

Mr PESCOTT — The other side says, "It is part of the process of consultation", but it is a one-way consultation because every honourable member opposite depends on the THC for his or her preselection. The officials at the THC are exclusively consulted. That system has thrown up the dynamos

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who are supposed to run the biggest business in Victoria.

When the Premier attends Premiers conferences she does not understand the Victorian economy. She listens to the other State Premiers saying, "We need to have a roll-over of development projects", because the economies of Queensland, South Australia, Western Australia, and Tasmania depend on rolling over development projects. They continually need new projects to assist their economies.

Victoria is different. We used to have a manufacturing industry that had to be nurtured and encouraged. Instead of putting that viewpoint at the Premiers Conference, the Victorian Premier would return here and say, "We need a new development project, more infrastructure, more short-term solutions", but she never reached the crux of the issues affecting Victorian manufacturing industry.

She never tackled the issue of labour market reform. What about the work practices still occurring in the public sector? What about the restaurant that travels around Melbourne inside a tram? Honourable members should have a look to see the newspaper being held up in the back window of the tram by a conductor; every night that conductor sits there, with no connection to the restaurant business, simply because the union has said a tram cannot travel without a conductor!

Mr A. J. Sheehan interjected.

Mr PESCOTT — The Treasurer says that has nothing to do with manufacturing industry, but I point out that industry is asked to pay the cost of having this government in this State.

Mr A. J. Sheehan interjected.

Mr PESCOTT — The Treasurer does not understand how the high costs of work practices in the public sector affect manufacturing industry.

One should examine the work practices at Yallourn and throughout the public sector, as operated by the Victorian government. They have been costly for business; consequently, new enterprises will not come to Victoria to pay the high costs incurred by the government. There has been no reduction in taxes.

The ACTING SPEAKER (Mr Lieberman) — Order! The time has arrived to interrupt General

Business. The honourable member for Bennettswood may continue his remarks when the matter is next before the Chair.

Debate interrupted.

Sitting suspended 1.1 p.m. until 2.3 p.m.

APPROPRIATION (JULY TO OCTOBER) BILL

Second reading

Debate resumed from 9 April; motion of Mr A. J. SHEEHAN (Treasurer).

Mr STOCKDALE (Brighton) — The Appropriation (July to October) Bill is a most unusual Bill. It is necessary because it is designed to fund the government's so-called new initiatives during the Supply period. The government has introduced the Bill on the ground that Supply is provided on the basis of existing policies; therefore, if the government seeks to introduce initiatives that are not consistent with existing policy, additional appropriation is required.

The Bill will provide approximately \$60 million for so-called new initiatives proposed under the so-called new priorities spelled out in the Premier's Priority Victoria statement, in which it is alleged that the initiatives will provide stimulus to growth and therefore to employment.

The coalition will not oppose the Bill. I make it clear that despite the repeated claims of the Deputy Premier, in particular, the opposition is not opposed to investment by government and the development of infrastructure, and we do see a role for the government in capital spending and maintaining capital investment in the Victorian economy. However, the opposition does not want to be regarded as necessarily endorsing each individual spending proposal in the Priority Victoria statement or in the Bill.

The Bill needs to be examined at two levels: firstly, as a set of proposals designed or claimed to generate new employment in Victoria; and secondly, as part of the response of the government and the potential response of the alternative government in defining the policy mix needed to create long-term secure and sustainable employment in the State.

The Bill and indeed its lack of any context in the wider sense, shows that Labor has simply not learnt

the lesson of the 1980s. The Bill represents a continuation of the values, philosophy and policies that in the 1980s failed Victoria and most of the rest of Australia.

The central contention of the Labor Party as represented in the Bill is that government spending will generate economic growth and create employment in Victoria. When one examines the history of public investment over the past decade — as I propose to do — it is clear that the Labor Party has not been doing what it has claimed to be doing and that its actual conduct is inconsistent with the policy claims it makes for the Bill, the Budget and other initiatives based on principles that are complementary to those that underpin the Bill.

The run-down of public investment over the past decade is the result of the government's deliberate policy of according an astonishingly low priority to public investment. It has been contributed to by the large losses the government has incurred over the past decade and, indeed, it has eroded the capacity of the State to undertake new investment or even to maintain properly the assets that already exist.

The Appropriation (July to October) Bill is essentially a political document, not an economic one. The background to it is the collapse of employment in Victoria — and that is tragically real. As I will show in a moment, it is tragically real not only in the official statistics but in the hidden unemployment that lies below those statistics, and it is even more tragically real in terms of the human misery that Labor Party policy has inflicted on the unemployed and other members of the community.

Since Ms Kirner became the Premier, Victoria has become a jobs wasteland. The number of jobs has declined. Over the past 19 months of misery and pain, unemployment has skyrocketed in Victoria and the number of jobs has actually declined in absolute terms. If we take only Australian Bureau of Statistics figures based on the original series data, they show that in August 1990 there were 2.0731 million Victorians employed in Victoria. In March 1992, 19 months later — after 19 months of Kirner Labor government — there were only 1.9530 million Victorians employed in Victoria. Based on the official figures that is a reduction in employment of 120 100 — in other words, there are some 120 000 fewer jobs available in Victoria following 19 months of administration by the Kirner Labor government!

It is astonishing that, according to the seasonally adjusted data — which on some bases may be

regarded as an even more accurate measurement when one is not comparing periods which end in the same months — after 19 months of Kirner Labor government the number of people in the work force fell from 2.0828 million in August 1990 to 1.9512 million in March 1992; that is a reduction of 131 600 jobs.

It is not surprising, therefore, that the official statistics also show a staggering increase in unemployment. The unemployment rate has increased from 6.6 per cent in 1990, when the Premier came to office, to 11.6 per cent in March 1992, with a strong upward trend — and the government itself is projecting that the unemployment rate will go still higher. Victoria is faced with the staggering prospect of unemployment, even on the official indicators, doubling in the government's period in office. Following 19 months of the Kirner government, official figures show that an additional 129 600 Victorians are looking for jobs but are unable to find work.

Even those figures do not reveal the full extent of the human tragedy of unemployment. The position is worse in some segments of the work force, particularly among young people — the hope of the future — who are least well equipped to deal with the misery of unemployment. The rate of unemployment of young people increased from 19.3 per cent in August 1990 to 44.9 per cent in March 1992.

Whether one looks at the official statistics or the ANZ job advertisement series one sees that job vacancies have halved in that time. There are now 124 299 more Victorians receiving unemployment benefits.

So far as the Premier is concerned that is not a situation that must be addressed with novel or radical changes in policies; there have been no such changes — we have had more of the same. The situation represents no more than a political embarrassment to the Premier, something to be addressed with the usual Labor Party responses that have been institutionalised since she took office: hollow rhetoric; photo opportunities on a daily basis; words, not work; daily stunts for the media; and more government spending resulting in still more debt, higher taxes and bigger deficits — in the final analysis, a continuation of policies that have created fewer and fewer jobs.

The Priority Victoria statement and the Bill represent a cruel fraud and a hoax on the unemployed of Victoria. Despite claims she makes to the contrary, the Premier is not demonstrating any compassion but is seeking to dance on the discomfort, pain and misery of people who have lost their jobs as a result of the failure of Labor governments. The Premier seeks to turn the human misery of unemployment to political advantage.

All honourable members know about the human misery of unemployment. We see it in our electorate offices. Most of us know of people in our families or immediate circle of contacts and friends who have lost their jobs. Many honourable members on this side of the House know of people who have lost not only the regular income of a job but their businesses and who have seen the work of a lifetime go down the drain. As a result, employees of those businesses have lost their jobs and are deprived of the security of a regular income.

It is a sad fact that the cost of unemployment does not stop there. The impact of unemployment cannot be measured simply in terms of money. I have had the experience of having a relative who was unemployed for 12 months. I saw the misery that that caused his family. I saw his wife age perhaps 5 years in 12 months. I saw a relative who had previously been confident and secure in himself affected probably for the rest of his life because of fear of a repetition of that experience.

That family had to dispose of assets. The children became nervous and their schooling was disrupted. The family's relationships with other people were disrupted and the confidence of ordinary living was destroyed. I saw the fear that will be with them for the rest of their lives. Yet they are the lucky ones. My relative was unemployed for only 12 months. There are people in our community who have been unemployed for years and others who may never work again. There are people of only 45 or 50 years of age for whom economic recovery is a distant irrelevance and who face the prospect of spending the rest of their lives struggling to merely eke out an existence on their own savings or, if they are not too proud to accept it, the support of the rest of the community.

It is a disgrace that a government that claims that it stands for the poor and disadvantaged and that it has always ranked the security and human dignity of employment as its top priority has implemented policies that have resulted in one in two young people in Victoria and — even on official

statistics — almost 12 per cent of the total work force being unemployed.

All honourable members know that the story does not end there. If one took into account people who have become so discouraged that they have stopped looking for work the unemployment rate would be more than 14 per cent. If one took account of people who do not qualify as being unemployed — even though they do not have jobs and cannot obtain jobs — one would realise that probably one in five Victorians who now want to work cannot obtain jobs.

This is all the legacy of Labor. Unfortunately the legacy will not be with us for only a few months; it will take a long time for Victoria to recover. Even the government's own projections 18 months ago from a base of record unemployment acknowledge the continuation of an unemployment level of more than 10 per cent throughout the whole three-year period of the projections. All honourable members agree that the misery and human cost of unemployment will be a continuing feature of our society for a long time.

Honourable members on this side of the House are not able honestly to hold out to people the prospect that the coalition, when it comes to power, will be able to redress the effects of Labor's policies overnight. The damage that has been done to the economy and to the integrity of public finance is so severe that even the opposition must admit that it will take years to recover from the damage that the incompetent Labor government has inflicted on the community.

Let us examine the Labor Party's thesis as expressed in its own terms and assume that the Labor Party is right when it says that additional capital spending by the government will pump prime the economy, generate growth and provide jobs. Where are the jobs? The jobs promised by Priority Victoria and this Bill are supposed to result from \$60 million of extra spending. Where will the \$60 million come from? There is not \$60 million sitting in a bank account somewhere marked as emergency funds to be made available to the Treasurer and the Premier to initiate projects to provide new jobs; that \$60 million must be taken from the private sector through taxes and borrowings and brought into the public sector through asset sales.

The government is moving resources — not idle resources, like money sitting in bank accounts and not earning interest, but resources that are

potentially available to the private sector to provide employment. The government is borrowing, which will increase the debt and interest bill of the State, and bringing those resources into the public sector, where they will be used less efficiently.

Many of the projects are classic Labor Party make-work projects that at best offer short-term jobs at the expense of undermining the capacity of our economy to deliver long-term, sustainable and secure employment. The next few months aside, the Bill and the policies it represents will do nothing more than reduce the prospects of building a truly competitive economy. The Bill represents a further shift of resources to the least productive sector of Victoria's economy.

The \$60 million of Labor Party pork-barrelling and pump-priming will increase the burden of government on Victorian taxpayers to the extent that it may well have a negative impact on the overall economy. Jobs will not be created immediately. Most of the projects under the One Nation and Priority Victoria prescriptions have long lead times. The Bill is nothing more than a reminder of this discredited government's failures and represents only the barest beginnings of employment creation. It is fraudulent for the Premier to hold out the hope that tens of thousands of Victorians will find jobs under these programs. That is simply not true, and both the Premier and the Treasurer know it is not true. The projects have long lead times; any employment benefits will not be evident until well into the next calendar year. We are not talking about long-term, secure and sustainable employment; we are not talking about increased employment based on enhanced competitiveness, about real jobs that will continue well into the future. At best the projects offer short-term employment on construction projects. They do not offer enduring employment and in many cases will have a minimal effect on increasing resources and investment in our economy.

The Bill claims that government investment will create new jobs for Victorians, but an examination of the Labor government's investment record shows the low priority Labor has accorded to investment in Victoria. The government's own figures show that investment has been Labor's lowest priority. During the past 10 years we have seen a run-down in economic capacity as well as a destruction of the capacity for government to provide services and care to the disadvantaged; and that is the outcome of a record period of low priority for public investment.

Over the decade of Labor government Budget expenditure has increased by 38.5 per cent in real terms. One would expect that increase to have resulted in a period of sustainable and significant investment in Victoria's future. One would also expect the government not to have squandered the extra expenditure on short-term recurrent expenditure. In short we should have expected to see real investment and enduring benefits resulting from a 38 per cent increase in government spending.

The government's own figures show that recurrent expenditure has been the primary recipient of that growth in Budget spending, thereby increasing the burden of government on the community. The figures show a 45.9 per cent increase in real terms in recurrent expenditure — but what has happened to capital expenditure? Given that sort of increase one would expect to have seen a massive growth in the government's contribution to the building up of infrastructure.

The 1980s were a period of rapid growth not only for the developed world but also for the Australian and Victorian economies. That was the time to invest in the future, to prepare for the lean times by putting a disproportionate share of the resources generated into projects to prepare for the lean years. That was the time to make our economies more competitive and to build up our capacity to effectively compete on world markets. Instead, capital expenditure increased by only 1.6 per cent in real terms, as against a 45.9 per cent increase in real terms in recurrent outlays. Those figures reflect the low priority the government has accorded capital investment. Taken as a proportion of total State production, Labor has more than halved the amount going to investment.

In 1981-82, the last year of a Liberal Party Budget, recurrent public sector outlays were 9.8 per cent of State non-farm gross domestic product. Public capital outlays were 3.8 per cent, and total outlays 13.6 per cent. In 1992 total outlays were 15.1 per cent of non-farm gross domestic product. In effect the Labor government has taken an additional 2 per cent of everything Victoria produces and brought that into the Budget sector. That has gone predominantly to recurrent outlays — the ordinary operating costs of government — and investment has fallen as a proportion of what the State produces each year.

Recurrent outlays are now 13.2 per cent of non-farm GDP, while capital outlays are 1.9 per cent. The latter is a rounded figure, so the actual amount is less than that. The proportion of total State

production that the government has allocated to public sector investment has been halved over the 10 years the Labor Party has been in office — and even that understates the run-down in public investment.

Firstly, much of the money that has been borrowed and recorded in the capital account as State capital outlays has simply been lost. As a result of the Victorian Economic Development Corporation losses, the Victorian Investment Corporation losses, the State Bank Victoria losses and the money devoted to repaying building society investors as a result of the mismanagement that led to the collapse of the Pyramid Building Society, some of those funds are now reflected in recurrent outlays. Vast amounts of money from the Victorian Budget sector that were spent on government ventures have simply been lost. The people of Victoria are having continually to pay interest on money that did not acquire any assets or make even a \$1 contribution to upgrading infrastructure or preparing the State to become an effective competitor in a new, more competitive world. The money has simply been lost; we are left with nothing to show for it except the interest bills.

Secondly, the government has used capital funds to pay interest on debt. A few years ago the Auditor-General reported that no less than \$254 million of that year's capital funds had been devoted to recurrent expenses, most of it simply used to pay interest on debt. Thirdly, capital funds have been used for other operating costs. Virtually all of the government's computer leasing programs have been debited against capital accounts. Those resources are not being used effectively; they are being paid out of capital funds, even though they are recurrent government costs.

On the surface the figures show that investment under Labor has plummeted; but if we look below the surface, we find that the position is even worse than the figures suggest. In 1991-92 State Budget capital outlays were only 1.73 per cent of the government's own estimate of the value of non-farm gross domestic product. Labor Party rhetoric suggests that during times of deep recession governments ought to pump prime economies. If the government adhered to its own strategies this would be the time for counter-cyclical investment, a time to drive the economy out of the doldrums through government investment. Not only is the theory wrong, but the government is not doing what it says it should be doing. Government investment as a proportion of the State's non-farm gross domestic

product is lower than it was the previous year, and is lower than the average for all Labor Party Budgets.

The investment program under the so-called jobs statement will account for a minute proportion of non-farm GDP. The \$60 million provided for in the Bill as part of the Priority Victoria package is an almost immeasurable proportion of what the State will produce in the current Budget year. The \$60 million amounts to 0.058 per cent of total production. Is it conceivable that substantial growth will result from the government's spending less than six one-hundredths of 1 per cent extra on its capital programs?

Even if we were to assume that the \$60 million is a net addition to the amount the government is investing in Victoria's future — and I will show that that is not true — is it conceivable that significant growth will result from an increase in investment outlays of less than six one-hundredths of 1 per cent?

The reality is that the Appropriation Bill and the Priority Victoria statement are an insult to the intelligence of every Victorian and ignore the plight of the unemployed. They are no more than political stunts to curry favour with the electorate and to give the illusion that Victorians will obtain jobs from these measures.

Mr Speaker, even the figures I have quoted are not an accurate measure of the real position, because the Premier's June 1991 economic statement forecast that in 1992-93 capital outlays will fall by 17.8 per cent, or \$338 million. The \$60 million of so-called special initiatives must be considered against the background of a \$338 million reduction in capital outlays — that is, a reduction in the government's investment in our future.

Far from producing more jobs, if the government's theory is correct, the Budget will actually produce a substantial reduction in job opportunities, because it is not pump priming but contracting the investment in Victoria's future.

The position is even worse than that. The economic statement shows that the net impact of the government's measures on the economy will be substantially negative. Not only will capital investment fall, but the burden of government on the economy will be substantially increased. The June economic statement forecast that the burden of taxes, fees and fines and other government imposts on households and business will increase by \$576 million in the coming year.

APPROPRIATION (JULY TO OCTOBER) BILL

1094

ASSEMBLY

Thursday, 30 April 1992

Last year's Budget is remarkably consistent. It increased taxes, fees and fines by \$561 million. The government claims it is stimulating employment by increasing investment by \$60 million, but what it gives with one hand — creating the illusion of increasing investment — it takes nearly 10 times over with the other by increasing taxes and other burdens on the Victorian community. The reality is that there is no bottomless pit of uncommitted resources: the money spent by the government is taken from the people and the private sector.

The Appropriation Bill does not live up to the government's claim. It will not provide investment for Victoria's future, but will further run down the level of public investment. This year's upcoming pre-election Budget will cost thousands of Victorians their jobs.

The Treasurer has the gall to sit at the table opposite after having said in February that his target is to create 80 000 new jobs by the middle of next year! We know why the Treasurer has made a commitment to create those jobs by next year: by then he will not be around as the Treasurer to explain to Parliament and the community how he failed to meet his target. He will be long gone, consigned to the dustbin of history. The government cannot sustain its claim that it can create these jobs because, in fact, its policies are moving it away from meeting that target. Employment has declined since the Treasurer made that commitment.

In fact, the Treasurer is moving rapidly away from his target: the Victorian community is almost 42 000 jobs worse off than when he made his claim. Hidden unemployment has increased during that two-month period by 24 500. Even without considering hidden unemployment, the Treasurer's promised job creation program is now 112 100 jobs short of his target.

That figure falls lightly off the tongue. Instead of increasing the number of jobs by 80 000, the government has reduced it by 42 000. It is a nice, round figure that is easy to say and to pass over. People listening to the debate may not stop to think what that really means. In the space of the two months since the Treasurer held out the hope of new jobs, 42 000 Victorians have lost their jobs! Half of the number of jobs that he promised to create over the year have been lost as the economy has moved into reverse gear — that means that in 42 000 families one income earner has lost a job!

Many thousands of Victorians do not even figure in the unemployment figures. If the thousands of hidden unemployed were added to the official figures the real number of people who have lost their jobs would be 60 000 — so, far from 80 000 jobs being created, 60 000 jobs have been lost through people becoming unemployed and leaving the work force!

The reality is that the State is rapidly moving away from the target the Treasurer set, yet the government's only response is to have the Premier appear on television every night engaging in some photo opportunity or some stunt. It must put a warm glow into the hearts of Victorians who are unemployed as they tuck into their feed of baked beans or as they see their children's shoes wearing out with no real prospect of buying more, to see the Premier wearing a new dress, exhibiting a new hairdo and learning to talk on television without swearing. The Premier's advisers have moulded her image to make her attractive to the people. The realisation that the Premier's new image does not put bread on the table or pay the accounts may explain why people are rejecting her in droves and her approval rating is plummeting along with that of the Labor Party.

It is a sad indictment of the Labor Party that the Premier thinks it is enough to talk openly on television and in the newspapers about how she is changing her image, as if her image will feed the children or put shoes on the feet of children of families whose breadwinners have lost their jobs. The image is not enough. It is a sad abuse of the position of Premier.

The shrill announcements by the Premier during question time serve only to denigrate the position of Premier and lower confidence in the institution of Parliament. It must be very sour indeed in the mouths of the people of Victoria to see the Premier on television every night saying how good the situation is and how great a job the government is doing — that the economy is on the upturn, and that she has won victories over the Federal government in Canberra — when the reality is that 60 000 Victorians have either lost their jobs or have stopped looking for work in the two months for which figures have become available.

The Appropriation Bill and the Priority Victoria statement are political stunts; they are shallow frauds being perpetrated on the people of Victoria and an abuse of the people who have lost their jobs.

What is the alternative? I shall spend the remaining period available to me to make my contribution explaining the real changes Victoria needs and outlining the coalition's fundamentally different recipe, which is focused not on short-term stunts to create the illusion or the false hope of new jobs but on the long-term adjustment of the Victorian economy to make it capable of competing with the world's best in the industries we have now and the new industries that will develop.

It is important to recognise the real hope for Victoria's long-term sustainable recovery. Long-term secure employment for all Victorians rests as much on getting full advantage from the industries already established in Victoria as it does on new growth opportunities from what are called sunrise industries.

The opposition's policy mix is shared by the Labor Party only in rhetoric.

Australia is a resource rich country. It is a huge country in geographic terms with a small domestic population and, therefore, a small domestic market. Even after a decade of Labor government, it still has a relatively high living standard by world comparisons. It has been falling down the world scale of living standards during the 10-year period of Labor government but it still enjoys a fairly high living standard compared with the rest of the world.

It is impossible to build an internationally competitive economy by selling to 17 million people. If industries are to be competitive and capture the economies of scale available they have to be capable of producing for markets of hundreds of millions of people. That can come about only through export efficiency and competitiveness. The means necessary to produce international competitiveness are not in the hands of the State government, although we believe the State government has a vital part to play in laying the building blocks for true competitiveness in the 1990s and into the 21st century. Competitiveness will not come from high spending and high taxing governments. It will not come from governments that shift resources into areas such as the public sector, where they are used less efficiently, or from governments that place imposts directly on businesses, which means they become less competitive. We need to focus on international competitiveness.

The Victorian coalition supports the policies of the Federal coalition. We believe vibrant debate is an important part of that support. We support

initiatives to eliminate payroll tax because removing the competitive disadvantage of high and rapidly increasing payroll tax would provide substantial stimulus for jobs. We do not accept the arguments advanced yesterday by the honourable member for Melbourne, who supported payroll tax. He said it was a desirable tax.

There are four major elements in the opposition's policy mix. I shall outline the policies released in a number of areas and seek to put them in context. They represent a dramatic contrast with the failed policies used by the Labor government to bring Victoria to ruin over the past decade. They are closely interrelated but for conceptual purposes it is necessary to examine them under a series of headings. I point out to the House that they form part of an integrated whole; they interconnect. One element of the policy mix will have a series of different purposes and will service complementary functions in other elements of the mix.

The four elements of the policy consist of the leadership role of the State government — and I shall deal particularly with that of the Premier; our public management strategy; our program to remove impediments to truly international industries; and a working partnership with industry to further enhance our international competitiveness.

I shall deal firstly with leadership. The Labor Party has abdicated leadership. The Premier is not articulating Victoria's problems or solutions to those problems. The Premier is taking refuge in hollow rhetoric and daily photo opportunities. She offers gimmicks such as Priority Victoria. The coalition has already begun to fulfil the role of leadership. If we are to undertake reform we need the community's support because substantial changes need to be made. The community has to understand the seriousness of the problem. Currently, we do not hear the government telling the people about the seriousness of Victoria's public finances. The Treasurer, despite the fact that the government has claimed to be undertaking a debt reduction strategy, has spent a lot of time saying, "Don't worry about the debt. She'll be right. If we compare the situation with that in the 1960s, it is nothing".

The Labor government is ignoring the most basic role of leadership — seeking to analyse, understand and explain to the community the need for fundamental changes. The government has abdicated responsibility by not standing up to vested interests. We have seen a legislative program that has been deliberately designed to put more

power into the hands of the union officials, into the hands of the government's mates in the union movement. Administrative action, particularly in the public sector, has tended to increase the power of the union movement.

We have seen the government back away from the challenges of the day. When the unions resisted the contracting out of a wide range of government services, the government capitulated and backed down on important reforms. The latest example of that is the Latrobe Valley overburden removal contract. Honourable members do not have to accept the opposition's word that it is desirable to contract out the removal of the overburden in the Latrobe Valley mining operations because the government has advocated that itself. The government has sent out invitations for expressions of interest. It has called for tenders and has actually let a contract but when it was faced with union opposition it capitulated. Why? Because the government is the political wing of the industrial movement that is fighting against that work being contracted out.

The government has abdicated leadership both in explaining the issues and in taking responsibility for implementing the changes. The Victorian government is not an effective advocate in Canberra despite the fact that the Treasurer proudly claims he had a hand in bringing the current Prime Minister, Mr Keating, to office. The Commonwealth government is spurning Victoria. Victoria is not receiving support from Canberra, indeed Canberra has shown a lack of confidence in the Victorian government. Of all the Australian State governments, the Victorian government received a vote of no confidence during the last round of Budget, Loan Council, and Premiers Conference meetings because the extent of the tied grants was highest for Victoria; the degree of discretion accorded the State government in the expenditure of its own money was lower than that for any other State.

We are not effectively represented in our dealings with Canberra and we are not effectively represented in our dealings with the private sector. Both capital and labour are fleeing our State. However, the Leader of the Opposition has already marked out a strong leadership position. We are receiving requests daily from dozens of business people and potential investors in this State to meet with him and members of the shadow Cabinet. We are recognised widely as offering a real hope in rebuilding this State and, with the incoming Federal

Hewson government, to lead the country out of recession.

The Leader of the Opposition is an effective advocate in spelling out the community's problems. The coalition's policy mix offers a dramatic change in the way we will do business and the way that the incoming government will operate in the State. The Leader of the Opposition will be an effective advocate in Canberra for Victorian industry and jobs. He will be an effective advocate overseas, like former Liberal Premiers, Sir Henry Bolte, Sir Rupert Hamer and Lindsay Thompson, spelling out the advantages of investment in Victoria. The strength of this State has been built on the capacity of Liberal Premiers to attract new investment to the State and to capitalise on the State's natural advantages, such as its low-cost energy. The Labor government has allowed Victoria to lose those advantages. It has not capitalised on them.

The first role of the incoming coalition government and Premier will be to act as advocate for change and to act as advocate for a stronger and more vibrant economy to provide more secure employment. The second major challenge is to radically redefine the role of the State government.

The Labor government has pretended during the past decade that it has been predominantly concerned with macro-economic policy management. We have seen glossy green and silver-covered books published at the expense of taxpayers spelling out how the government would determine the performance direction and development of the Victorian economy. It is now widely known that Victoria did not develop as those booklets predicted. The growth estimates have been shown to be wrong. Victoria has gone in the opposite direction and the management policies of the past decade have been shown not to work. The alternative is clear. During the past decade the government has not only fumbled the ball but has also been playing the wrong game. The government has pretended it has been in the business of macroeconomic policy instead of managing the delivery of public sector services to the community.

The first change is to redefine the role of government; to recognise that State governments do not have control over the major instruments of macroeconomic policy; to recognise that State government is fundamentally about delivering a range of community services that, in the main, are delivered to the disadvantaged and the poorer members of our community disproportionately.

Therefore, the coalition has developed and published a strategy for fundamentally redefining the approach to government. The first part of the strategy involves shrinking the size of the Budget sector from 22 government departments to 11.

Mr A. J. Sheehan interjected.

Mr STOCKDALE — You will get your chance. The Treasurer is displaying his lack of understanding of the modern management techniques that are already being employed around the world, and indeed by the Federal Labor government. It has adopted a strategy for Budget sector management that is similar to the structure for government policy that the opposition will adopt. Substantial benefits will flow to the Victorian economy by changing the way the central Budget agencies operate.

One of the hallmarks of the failure of the last decade has been the huge growth in bureaucracy and central management in the inner Budget sector. The government has not only squandered and redirected resources away from service delivery and into sterile bureaucracy but it has actually inhibited the functioning of the service delivery units. I am sure that you, Mr Speaker, receive the same responses from the schools and hospitals in your electorate as opposition members do in theirs. Those responses are received from right across the inner Budget sector agencies.

Central bureaucracy has become an obstacle in the way of getting things done at all, let alone getting them done efficiently. The whole purpose of our strategy is to reduce the number of departments and corporate service agencies as well as the sterile overheads that are locked up and are making work for people who deliver the services. We need to streamline the administration, obtain greater efficiencies, capture economies of scale and rationalise the whole political and management process so that more than one Minister is attached to a department. That will increase the political accountability of the bureaucracy and focus on issue resolution rather than pure administration.

We do not resile from our policy of having 24 Ministers in 11 departments because it will deliver, as the Federal Labor Party has delivered in Canberra, more effective management. Instead of Ministers consulting with the bureaucrats in their departments, participating every Monday in debates around the Cabinet table from ambit positions, being pushed apart by each bureaucracy, fighting to

preserve their particular bailiwicks and fighting to resolve conflicting interests over the Cabinet table, the policy development process will require those competing interests to be properly harmonised in the development of policy and not in the Cabinet decision-making process.

We stand foursquare for the structure of government policy we have proposed, which offers not only substantial cost savings to the Victorian taxpayer but also a much more effective system of government and administration. It will break down the bottleneck created by central agencies in the decision-making process.

It will complement the fundamental change of management philosophy involved in the opposition's policies. There are two elements to it: firstly, the coalition government will not engage in wholesale business adventurism. There will be no more VEDCs and no more Victorian Investment Corporations with their huge losses. We simply do not see part of the role of government as taking money by force of law from successful businesses and handing it out to gamblers and speculators so that they can lose the taxpayers' money at the same time as they run successful businesses into the ground.

Secondly, in the very process of service delivery our strategy is to recognise and concentrate on the core service delivery responsibilities of State government. We will devolve authority and resources but also impose accountability on service delivery agencies. For example, our policy mix in education, outlined repeatedly by the honourable member for Prahran, involves making schools accountable to the local communities and giving each school council greater authority over the use of resources. The education system will concentrate on service delivery, excellence, higher standards and on delivering what the local community wants.

Resources and authority will be devolved to the school council to run the school, as is already the case in the non-government sector. We will give the school council the power to hire and fire the principal, and the principal and the school council the power to hire and fire teachers. They will operate within a core curriculum that will demand excellence but we will impose accountability on them in a host of ways, and I shall now instance two of those ways.

Firstly, we will ensure that funding follows the student. If a school ceases to attract students, if its

enrolments start to decline because it is not delivering what the community wants, that will be reflected in lower funding. As the decline in funding approaches critical mass, the school council will have to respond by delivering what the community wants so as to recapture the confidence of its local community and get students back into the school in order to attract funding and to ensure the continued viability of the school.

Secondly, we will impose accountability, particularly at year 12, through a higher proportion of external assessment, so that there is a standardisation of measurement across schools and the community will be able to see which schools are delivering educational excellence and which are not. That will give people the incentive and power to participate in their local schools and the capacity to determine the style of education that is to be delivered.

In the health area the coalition proposes to commercialise hospitals and other health service agencies and to separate the service purchasers from the service providers. At the moment the government has no philosophical rationale and no management strategy running through its health services structure.

The coalition has a clearly distinct approach that depends on instilling competitive discipline so that regional boards will be established to act as the purchasers of health services. The agencies that provide those services on a competitive basis will be given a commercial charter and will be required to operate on commercial principles. The public and private sectors will be brought into competition in each region so that competitive discipline will drive the incentives for maximising the use of resources and greater efficiency.

They are two important examples of the way in which the opposition will use corporatisation and commercialisation to drive improvements in efficiency and greater accountability to the community, even in the central public sector core service delivery areas.

In addition the coalition's policies will confer greater power on consumers in exercising choice, thus not only imposing discipline but also giving people more control over their lives. We will use the private sector in the same way to deliver much of the service base and to provide many of the services the government itself consumes in providing those community services.

The honourable member for Gippsland West, the shadow Minister for Transport, has made it clear that we will contract out government bus operations. We will require government operators to compete in the market to secure routes and to secure contracts. We will impose competitive discipline so that only the most efficient in delivering services and only those most able to provide what the community wants will actually provide the services.

Those two elements of imposing competitive discipline on public sector agencies and bringing in greater private sector involvement have a proven economic record in improving the efficiency of service delivery and making it more responsive to the needs and aspirations of the community.

A service-oriented, competitive management approach is at the core of the coalition's management strategy, and fundamentally distinguishes the coalition from the ALP.

We propose to introduce a wide range of public sector personnel reforms to ensure that promotion in the public sector is genuinely based on merit and to remove the influence of unions where the government engages in a series of devices that subject public sector employees to coercion by unions. We will not provide unions with the names and home addresses of employees or require as a term of employment that public sector employees join unions. We will not allow money to be taken out of a salary even before the employee receives it and hand it over to a union. None of this will occur under a coalition government.

A coalition government will put genuine choice back into union membership and at the same time give employees more control over their own lives and subject public sector unions to a need to demonstrate a real and enduring benefit to their potential members.

A wide range of public sector employment reforms will be designed to break the cronyism and political preferment that has taken place under the Labor government. We want a professional and independent service that is not there to be simply the political toady of the incumbent government. We want to see public sector employees remunerated and have employment standards in line with those of the private sector rather than see them disadvantaged and unable to compete. We do not seek to replicate in the public sector the expertise of the private sector. We want to develop a true public

sector that concentrates on employing the more efficient performance strategies of the private sector.

The coalition has a genuine debt reduction strategy to deal with the financial crisis it will inherit from Labor. It was published in 1987, and while I do not propose to go through each point in detail I will outline the conceptual headings under which the debt reduction strategy will be applied.

Firstly, as a result of the cost of Labor government we face a period of deliberate and substantial restraint on capital outlays. We have to ensure that the demands of the public sector for capital are moderated. We have to ensure that capital is actually devoted to investment rather than operating costs and that we get maximum value for the capital from the public sector. We will maximise the value of capital by changing from the still massively inefficient day labour force approach to using contractors. It is a scandal that agencies like Melbourne Water, the railways and VIC ROADS still have substantial day labour forces when countless research projects show that contractors will use the capital more effectively and reduce the demand the public sector has for capital. We will contract out the remaining functions involving the use of capital in construction, maintenance and the many other things that contractors do more effectively.

Thirdly, we will establish a genuine and effective central borrowing agency to act as the overall umbrella coordinating agency for the implementation of the coalition's debt reduction strategy. Fourthly, we will engage in deliberately conservative management policies in relation to debt. We do not believe it is appropriate for government to have a disproportionate amount of its investment funds in the stock market, in equities, or in any other single form of investment as occurred under the Labor government. We do not believe, as does the present government, that agencies with predominantly or wholly Australian dollar earnings should be able to develop substantial foreign exchange exposures. The combination of those two failures created a loss of more than \$1.6 billion for the Victorian taxpayer. Because the government withdrew from those two policies and institutionalised the losses, Victorian taxpayers will bear the interest on the borrowings for decades to come.

Fifthly, the opposition will employ private capital in the delivery of public infrastructure, particularly where a project can be genuinely said to be self-funding. We will be prepared to step out of

capital works program projects of that kind but only on the basis that they are genuinely self-funding. All we have from this government are bland and inaccurate assurances concerning projects like the National Tennis Centre and the World Congress Centre.

Sixthly, we will use privatisation to actually generate funds for the repayment of debt and to shift debt out of the public sector. Our privatisation program will shift resources deliberately to the private sector so that they are used more effectively and the burden of public debt on the taxpayer is reduced.

Finally, over time the public management strategy will produce substantial gains in the efficiency of government businesses and agencies. A proportion of the increase in efficiency will be captured by increased reliance on internally generated funds. We do not subscribe to the Sheehan thesis — Dr Peter Sheehan — of 100 per cent debt funding. We believe an appropriate level of internally generated funding of capital works is a prudent management technique.

Over time the seven elements of the coalition's debt reduction strategy will reduce the massive problem the Labor government has inflicted on Victoria.

The next element of the public management strategy is contracting out. Government consumes a wide range of services by either consuming them itself or providing them to the community. We believe the record amply demonstrates that contracting out many of those functions to the private sector will substantially reduce the cost and minimise the capital works requirement and the burden on the community in those two ways.

We propose to contract the cleaning out of government schools; the car fleet; government printing; and a wide range of matters like computer services, payroll administration, the hotel-keeping functions of private hospitals and a number of other services that government itself consumes. We propose to contract out to volunteer agencies and businesses the provision of welfare and housing services to break down the hugely inefficient day labour forces and government work forces that inefficiently carry out those services and reduce the benefits the community can actually obtain for the investment government makes.

We propose to contract out in areas like transport, even where it may be necessary to contract out not on the basis of the actual remuneration but of the

contractor who can provide the defined level of service at the lowest level of subsidy. We will rely on the greater efficiency of the private sector to reduce the cost of government and increase the quality and quantity of service to the community that government itself provides.

We do not have a hollow corporatisation commitment as does the present government, even though earlier this week Mr Theophanous in another place withdrew from the government's only published statement of its policy in relation to corporatisation. There remains the government's blue book, a discussion paper on corporatisation. I suppose it is encouraging that the Minister indicated the government would not actually implement the proposals in the blue book because, were he to do so, I believe there would be general agreement among those who have considered the subject that the blue book recipe would increase the level of government interference in the day-to-day operation of government business.

We believe corporatisation is an end in itself in many cases. It can also be a significant stepping stone on the way to returning activity to the private sector and engendering competition and competitive discipline. We believe corporatisation should involve the closest possible replication of the circumstances under which a potential private sector competitor would operate. The object of corporatisation is to impose competitive disciplines. In many cases it is to open government agencies to actual competition by ensuring they compete only on fair terms; so our own corporatisation policy, again spelled out in considerable detail in 1987, enshrines the adoption of practices from incorporation to a commercial mandate, it places commercial criteria on debt servicing and dividends involved, and it opens activities to competition.

It would not be confined to government business agencies. The British Next Step program has shown that the principles of corporatisation can be successfully applied even to what are called the bare administrative services of government. By setting appropriate targets and imposing competitive disciplines, giving a commercial charter and devolving authority to managers, even administrative units can benefit from the corporatisation philosophy.

Our strategy relating to privatisation is not as unsubtle as the government proposes. We do not believe privatisation is simply changing ownership of businesses. The bottom line for the coalition is:

public benefit. We will privatise activities only where there is public benefit and that can take the form of: more efficient performance, better return on investment and lower prices than would otherwise occur; enhanced service delivery and improved services both in qualitative and quantitative terms, and all of those things that flow from more efficient use of resources.

The experience of other countries demonstrates that privatisation can actually provide commercial rates of return with better service and at a lower cost to the community over time. It is part of our strategy of moving resources and economic activities to the segments of our economy where they most effectively take place. Contrary to what the government has suggested, our privatisation policy is fundamentally about engendering competition. In the main we see real benefits flowing not from changing ownership but from competition.

Privatisation imposes competitive discipline in a number of ways. The threat of takeover and the threat of limitations on access to capital markets impose the discipline of accountability on capital markets, which are eroded or virtually destroyed in the case of businesses 100 per cent owned by government.

Customer choice is ultimately the most important criterion. We believe we will give customers choices in activities within industries that are not naturally monopolistic, and do so for two reasons: firstly, we will put maximum discipline on managers to actually deliver continuing improvements in efficiency and make the businesses operate to their maximum potential. Secondly, we will put power into the hands of consumers by empowering them to vote for one provider and against others by choosing where they take their business. We will actually give consumers the chance to claw benefits for themselves from the improved performance.

We need only contrast that with what has happened over the past decade. In instances where there have been improvements in the efficiency of government businesses in the context of government monopolies the benefits have not flowed to consumers. The benefits have been ripped off to a small extent by the work force, especially where it is strongly unionised and tolerated by a compliant Labor government; and in particular they have been ripped off by government. We have seen statutory authority imposts collected by government increase by more than 600 per cent in 10 years, from \$100 million in round figures to more than \$700 million. So the

benefits have not flowed to consumers; they have flowed into the State Treasury and have been squandered by the State government.

Those are the elements of the coalition's public management strategy. As I have already outlined, they are explicit in each of our individual policies for transport, health and education. Those individual policies are incorporated in our public management strategy. They are modelled to produce the competitive disciplines that a public management strategy should impose.

Over time they will produce two things. Firstly, they will enable the coalition to manage Victoria out of the financial crisis the Labor government has created in our State — and nobody should underestimate the difficulty of that task. We do not hold out for the people of Victoria an overnight change of fortune on the election of a coalition government. We must all face the fact that there is no easy or quick-fix solution to the damage Labor has done to our State and that a substantial and lengthy rebuilding process will be required; but when we have accomplished that task the benefits will be returned to the community. After the claw-back period the benefit of the up-front costs of some policies will be institutionalised, locked in by expenditure restraint and returned to the people by reducing the burden of government on the community.

In addition we have the possibility even in the first term of substantial changes in the burden of government on the community through the abolition of payroll tax. The coalition's Fightback package offers the substantial benefit of the removal of that direct tax on jobs and the enhancement of the competitiveness of our industry by substantially reducing its costs.

Winding back land tax and the reduction of commercial stamp duties which so disadvantage Victoria and which have cost us our status as one of the regions leading commercial centres are high priorities for the coalition. The benefit will be passed back to the community through reduced taxes and charges in real terms over time.

The third broad aspect of the coalition's policy mix is the removal of impediments to our private sector becoming truly internationally competitive. These take two broad forms: firstly, they are the direct costs that government imposes on industry in this State, which in most cases are substantially above those of producers in other States; and secondly, they are the impediments that actually reduce the

efficiency of our industry and prevent us from being reliable suppliers and undermine our capacity to effectively compete.

I shall cite a number of them. Firstly, I mention taxation, and I have already dealt with our commitment to reduce the overall level of taxation in real terms, to eliminate payroll tax, to wind back the burden of land tax and stamp duties and to reduce the general burden that government imposes on the community through direct imposts. Secondly, I mention workers compensation. No conceivable reason justifies Victorian industry having to bear a cost of workers compensation that is virtually double that of New South Wales. The coalition has mapped out a comprehensive workers compensation reform policy which initially will bring us down to the level of New South Wales and which over time offers the prospect of an even further reduction in costs as competition further drives down the cost of the system.

Victorian industry should not be burdened with a system that is excessively costly even relative to New South Wales. The reform policy involves a contraction of the area of compulsion. It involves an elimination of the double counting that imposes a double burden on an organisation or an individual under a contract system of employment. In most cases Victorian businesses use contractors, the most efficient way of organising employment. They have 24-hour accident, illness and income maintenance insurance, but because they are deemed to be employees under this government's legislation their principals also have to pay WorkCare. Indeed the contractor's access to his own insurance is prejudiced by the fact that many of the contracts have clauses that say that if a compulsory class of insurance benefit is available the policy does not operate; so the contractor is not only paying twice, he is actually being denied access to superior protection provided by his own income maintenance insurance.

The ludicrous situation is that as the rest of the world is moving towards more flexible forms of employment and as modern technology is enhancing the opportunities for people to work on a contract basis, this government is imposing a cost that not only is double that of New South Wales but also means that people pay twice for the same level of protection. The coalition will do away with all that.

Mr MATHEWS (Oakleigh) — On a point of order, Mr Acting Speaker, for the information of

other honourable members will the honourable member table a copy of the document to which he is referring?

The ACTING SPEAKER (Mr Shell) — Order! The honourable member for Oakleigh has asked for a copy of the material the honourable member is using.

Mr STOCKDALE (Brighton) — Mr Acting Speaker, I am not quoting from a document. The information has been available for a number of years and I am surprised that the honourable member for Oakleigh, as diligent as he is in taking an interest in these matters, has not obtained a copy already. What has he been doing for the past few years? I do not have a copy with me because I am sufficiently familiar with the information to summarise it without having the benefit of a copy, but in due course I am happy to provide a copy to him.

The ACTING SPEAKER — Order! There is no point of order.

Mr STOCKDALE — I shall provide him not only with a copy of the document but also with a copy of the actuarial assessment that demonstrates how it will produce substantial cost savings for Victorian industry and provide a substantial stimulus to employment in this State.

The coalition's policies offer a direct stimulus to job opportunities in Victoria because they attack two of the major obstacles. In concert with the Federal coalition government we will have the opportunity of removing payroll tax and substantially reducing workers compensation payments while providing enhanced security to injured workers.

Over the past decade Victoria has lost its status as the low-cost energy State of Australia. Today Victorian industry has to pay much more for energy and is falling behind at an increasingly rapid rate. Over the past decade consumer and industry prices for electricity in Victoria have increased in line with record inflation. The government has proudly boasted that increases in energy costs have been pegged to the inflation rate, but in the near future Victoria will have some of the highest energy charges in this country.

During the 1980s energy charges in many overseas countries became lower in absolute terms. In the past much of our economic strength was based on having an abundant supply of low-cost energy. In the 1960s and 1970s Henry Bolte attracted

substantial new investment to Victoria by capitalising on the fact that Victoria was a low-cost energy provider. Much of our potential growth in the future is based on value-added products and low-cost energy.

Not only has Victoria lost the status of being a low-cost energy provider but also it is rapidly falling behind other States and countries, our competitors. While our energy charges have risen in line with inflation, in New South Wales they have risen by 2 percentage points below inflation and in Queensland by 4 percentage points. Victoria is losing its status as a place for investment as companies are fleeing the State. It is little wonder that they are heading towards New South Wales. The key to resolving the problem is competition and that is confirmed not in the opposition's policies alone but in the Industry Commission's analysis of how to make industry more competitive.

It is true that there are elements of natural monopolies in the energy industry but they relate predominantly to bulk transmission provided through transmission wires for electricity or the main pipeline grid for gas. Certain aspects of energy production should be transferred from entities recognised as being natural monopolies to commercial public operations with only light-handed government regulation. We should promote competition among companies for services that are not natural monopoly activities.

As demonstrated by the part sale of Loy Yang B, the generation of electricity is not a natural monopoly. We should break up the generating capacity of the State Electricity Commission, sell it to competing companies and benefit from improved efficiency through private ownership. The community should be given the opportunity of purchasing shares in the ownership of those important industries.

At the other end of the process we should establish distribution and retailing companies and let them compete for the substantial economies that are available in improving their performance in distribution, retailing, the collection of accounts and all the ancillary functions. Competition will drive the improvements in efficiency in our energy industry. We should be able to look forward to the benefits of prices rising at 4 percentage points below the inflation rate, as Queensland has, averaged over the past few years. Improvements in efficiency should attract both consumers and industry.

Fundamental reforms are required in industrial relations if we are to accomplish many of the goals the coalition sets for this State and nation. The coalition proposes a substantial reform of the industrial relations system in line with changes made in much of the developed world during the past decade when we have suffered from the rigidity and frugidity of the accord process. The coalition, together with the Federal coalition, will produce substantial industrial relations reform. We want to see enhanced incentives for enterprise bargaining agreements or individual contracts as the basis of employment not just to increase efficiency but to give people more control over their working lives.

We want to put power back into the hands of those who have invested labour and capital in businesses to encourage people to work together. Then they are more likely to get the recipe right to make the businesses efficient and effective. How can decisions made on the lowest common denominator under the accord or in the arbitration system recognise what is needed to make every individual business in Victoria internationally competitive and maximise the use of its human and other resources? Enterprise bargaining on a contract basis of employment offers substantial gains in individual freedom as well as more effective working arrangements.

We will protect the right to work by outlawing compulsory unionism and giving people the right to choose whether they want to belong to unions. In the context of disputes on rights between contract periods we will make ballots compulsory before industrial action is taken. We will ensure that people have speedy access to the civil law in dealing with breaches of contract and other deliberately inflicted damage. We will protect the right of workers to work, enshrining it in legislation. We will provide for a speedier resolution of disputes by legislating to ensure that all Victorian awards and amendments have grievance settling procedures and stand down clauses.

We will provide flexibility in the working hours of Victorian awards and enforce that by legislation so people can operate their businesses in accordance with the demands placed on them. We will protect the people of Victoria from strikes in essential services by strengthening the law. We will enhance legislation to outlaw secondary boycott action with strong sanctions against those who break the law. We will provide speedy remedial access to common law by establishing an industrial relations causes list. We will proclaim the rights of independent businesses to operate free from coercion from

outside groups. We will protect the rights of independent contractors.

They are just some examples of the industrial relations reform the Labor government cannot deliver. Over the past decade both Federal and State governments have demonstrated that they are incapable of departing from the 19th century industrial standards and procedures that have so hindered this country's development in recent decades. The Labor Party is ultimately beholden to those who provide the manpower and financial support. The House will recall photographs of John Halfpenny and his mates sitting at the Cabinet table. John Halfpenny has announced that the government will not be allowed to implement its own policies. Trade union officials elected to Parliament are more beholden to their union bosses than to the people of Victoria! This government cannot produce the changes in industrial relations that are required to rebuild this country.

I have already outlined the coalition's policy on education and training. I reiterate: the coalition is committed to rebuilding the standards and ensuring that they are driven by accountability to the community rather than simply handing them over to the left-wing activists in the bureaucracy and teacher unions. Too often our ports are responsible for the bottleneck that prevents effective international competitiveness. Much of the world is now operating on the basis of "just in time" where it is critical that the supplier not only meets demands for quality and international standards on price and invests in plant, research and development to ensure that his products are consistent, updated and improved to meet the competitive pressures from the rest of the world, but also is a timely and regular supplier.

It is not enough to make the investment, as have the motor and other industries, to become competitive on quality and price and to take advantage of a stable political situation in a relatively sophisticated economy; one has to be a timely and regular supplier.

We are told about major exporters who are in danger of losing or who have lost export contracts because they cannot get their goods across the wharves to maintain regular supplies. We want to see competition introduced into port activities that are at present government monopolies and government-regulated private monopolies. We want to see competition between ports and within ports to more efficiently move goods. We want, through

genuine competition, to break the monopolies on both the workers and the employers sides that so dog our interstate and trans-Tasman shipping.

We want competition to produce a situation in which our ports are revolutionised like those in Britain and New Zealand, so that they become internationally effective entities that can guarantee regularity of shipping and delivery.

The coalition's policies involve the transformation of government regulation — not just a change in the quantity of regulation, as has been the case to date, but a change in the quality of regulation. In relation to regulation review, the coalition — even in opposition — has taken the lead. I pay particular tribute to the President in the other place for the work he did in institutionalising the regulation review process in Victoria, a process for which the government has repeatedly taken credit, although it was the coalition parties that actually promoted it and put it into effect. It has been put into effect in some cases over the objections of the government. The government has frustrated the intentions of that policy by dramatically increasing government by regulation and dramatically increasing the volume of regulation. One has to look only at the books on the shelves in the 1970s to see that what used to be set out in one annual volume of regulations in the 1980s has become a set of two, three or sometimes four volumes. Today it takes literally thousands of pages to print and report the regulations the government is imposing on industry.

The coalition does not want to reduce the quantity of regulations so much as to change the quality of them. Much of the Labor government's regulations are infinitely detailed. The government not only details the standard, but imposes a rigid, single mode of achieving it — or the process for achieving the standard is actually prescribed in infinite detail in legislation. Even if industry could develop a more effective means of achieving the standard the regulations preclude it from doing so.

We believe the appropriate role of government is to recognise international standards; to recognise the economic impact of regulation; and to define the standard and then let industry compete to determine the best way to actually implement the standard. Industry must have the incentive to devote attention to how it achieves the standards desired under regulations covering environmental, safety and many other matters.

We want to increase the priority accorded to roads and infrastructure development. The coalition's policies attach a high priority to reducing the losses on public transport, as a consequence of which funding can be redirected to upgrading our transport infrastructure so that we, as a geographically disbursed nation, are not held back by the additional cost imposed on industry in transporting goods to our export ports.

These are just a few examples of what the coalition proposes to do. These steps are fundamental to rebuilding the economic health of this country, which the Labor Party cannot begin to do. The community has to learn that the Labor Party has failed to prepare Australia for the 21st century and that the Labor Party cannot make those reforms.

Too often the accord has given the organised union movement a power of veto over changes that are essential to the economic health of this country and essential to rebuilding living standards for every Australian. The coalition's policies are directed at making those changes and, over time, rebuilding our capacity to be world competitive in export markets.

Finally, the coalition's policy mix involves a partnership with industry. Government should not be in the business of providing high-risk venture capital. We do not see it as a legitimate role of government to take money from established businesses and hand it to those that have proven totally ill-equipped to effectively invest. We want to work in partnership with industry and, in particular, with industry organisations so that the benefits of the cooperation between the public and private sectors are captured across industry as a whole.

The Premier will lead export missions to build export markets, to build identification of Australian products in overseas markets and to attract investment to Victoria in partnership with industry. We want to see a cooperative basis where government operates to facilitate. We see a role for organisations, like the Overseas Projects Corporation, tapping into markets that require government imprimatur, tapping into international development banks and other areas where government-to-government relationships are an important part of our export effort. We must also see the enhancement of the use of private sector resources by Australian export industries.

There is a developing market for export facilitators in the private sector. The coalition wants to play a facilitating role in coordinating our export industries

together with those that provide the services that enhance our performance in overseas markets. We do not believe the government should be performing that work; it should be taking advantage of the expertise that already exists in the private sector. It should not build up expensive and unproductive overseas offices that are designed to accommodate the export drive; rather, it should facilitate the private sector to take up opportunities and provide a better informed market.

We are reviewing the government's current industry support programs. We will be prepared to change them to meet the needs of Victorian industry. We are prepared to enter into partnerships that involve forgoing revenue in the early years of investment to reduce the start-up costs of new businesses and to expand investment in Victoria.

We want to put limits on government and taxpayer commitments, both in extent and in duration to ensure that we are not committing the taxpayer to ongoing subsidies of businesses that would not be viable without taxpayers' support.

All of those principles are fundamentally at variance with those of the Labor Party. They are the antithesis of the policies that have created huge losses for Victoria and Victorian taxpayers which we will bear for decades. They are the antithesis of policies that have not worked, that have not equipped Victorian industry to be effectively international and competitive.

That four-pronged elementary policy mix distinctly marks the coalition's policies from those of the Labor Party. The Labor Party often chants both in this place and in the media that the coalition has no policies, yet today I have summarised a substantial body.

Mr Thomson — Nothing in it.

Mr A. J. Sheehan interjected.

Mr STOCKDALE — On the one hand, we have a Treasurer and his acolytes on the back bench chanting that this speech has been too long, yet on the other hand they complain that —

Mr A. J. Sheehan — And content-free.

Mr STOCKDALE — Content-free: another slick phrase. The reality is that the details of the coalition's policies are available. Not only are they published in documents but also today I have

summarised them in considerable detail quite deliberately to make it clear that the coalition is ready for government and ready to make the changes that are needed in the State. The coalition is the only potential government in this State capable of delivering the fundamental policy changes that are necessary to rebuild our economy, reclaim dignity and give people security and long-term secure employment.

This Bill is ample demonstration of the contrast between the coalition and the Labor Party. On the one hand the Labor Party offers a continuation of the lack of principles underpinning its failures during the past decade. On that same hand the government believes benefits in long-term secure jobs will flow from government spending, and that by spending less than six one-hundredths of 1 per cent of State gross domestic product it will create more jobs for Victorians.

However, if we look beneath the surface we will see that is in contrast to a projected almost 18 per cent reduction in public investment during the next year. This Budget document does not stand up on its own rhetoric. It even more fundamentally represents the stark contrast between the policies of the Labor Party and of the coalition, and demonstrates the stark choice facing Victorians.

At the next election Victorians will have a choice. On the one hand, they can stick with more of the same from the past decade and with the policies that have failed; they can stick with the philosophy that has brought this country to its knees and with the philosophy now rejected throughout the world. They can stick with the Labor Party and again vote back into office the people who have destroyed our State and who have condemned us to a decade of rebuilding. On the other hand, they have the choice of facing up to the 21st century and using the next decade under a coalition government to make the fundamental changes in the way government operates, particularly the relationship between government and the private sector, and to deliberately shift resources back into the private sector where long-term, secure employment can be provided.

Mr A. J. Sheehan interjected.

Mr STOCKDALE — It seems I must continue to repeat the figure so that even this Treasurer may absorb it: we have a great deal to gain by shifting resources from the private sector to the public sector because during the past 15 years the Australian

public sector has returned on average 1.6 per cent on capital; in the same period, the private sector has returned on average 14.9 per cent on its capital.

That is not to deny that there are efficient public enterprises or that there are inefficient private enterprises, but when the difference between the public sector as a whole and the private sector as a whole is so massive, when the return on investment in the private sector is nine times higher than in the public sector, one can understand the challenge that faces Australia.

If we continue with the policies of this Treasurer and those of the socialist left, which have now been rejected around the world, we will consign our people to growing unemployment, to less efficient industries, to increasingly more inward-looking industries, to fewer jobs, and to more families living on public welfare, the availability of which must contract as the ability of our country to support those families declines with our declining resource base. It will not be easy as we turn inwards and the cycle feeds on itself, as we dive deeper and deeper into recession and our living standards slide.

The coalition policies will not rebuild Australia overnight because the price of Labor's failure is that we are in for a long period of rebuilding. That only makes it all the more urgent that we start the process quickly. I am sure the people of Australia will not let the country down. Just as in moments of crisis in our history Australians have been prepared to rally to the challenge, so too will they see the need for a radical change in policy and the need for Australia to become an internationally competitive country; so too will they support the people who are capable of delivering those changes.

The reality is that jobs will not flow from the government's hollow statement, Priority Victoria, nor from increased government spending; they will flow only from the wide-ranging and interrelated policies designed to rebuild a truly competitive economy. When it has the authority of the people to commence that task the coalition will start reclaiming pride, self-respect, international markets and higher living standards for the people of Australia.

Mr PERRIN (Bulleen) — I support and congratulate the excellent contribution made by the honourable member for Brighton. We often hear the chants and whinges of the government saying, "The opposition has no policies", yet, today the House has heard the coalition's shadow Treasurer speak on a

most important Bill that is supposedly related to jobs. He has made it clear that the coalition has detailed and comprehensive policies in most areas.

The Bill relates to part of the Premier's package on jobs. This measure comes at the end of a series of stunts from the Premier because since at least last Christmas she has constantly been in front of the television cameras, and has travelled from one end of the State to the other. The latest example in that respect was her statement to Parliament about creating jobs because she could see how disastrous the unemployment situation in Victoria has become.

The public has not bought the public relations hype that the Premier has introduced. The latest opinion polls show a huge gap between the political parties, with the coalition 20 per cent ahead of the Labor Party. Now the Premier's popularity is starting to fall, poll by poll, as all Victorians realise that she has been simply carrying on with stunts.

The Premier's jobs statement contained hollow rhetoric. A few days ago the Australian Bureau of Statistics (ABS) March figures for unemployment revealed that Victoria has the highest unemployment level of any State. Officially, 11.6 per cent of Victoria's work force is unemployed. At the end of February, 255 900 Victorians were out of work. Everyone should now realise why the jobs statement was made and why the government has introduced this Bill, because the problem is dawning even on Labor Party members.

Very few government members have acknowledged that Victoria has the worst unemployment, let alone that Victoria is in the middle of its worst recession since the great depression of the 1930s. They are not game to mention it here.

Acknowledging that the overall unemployment situation is bad, I am even more concerned about the effects of unemployment on our youth. Every second young Victorian is without a job; the official figures disclose that 46 per cent of young Victorians are unemployed — an absolute disgrace!

Young people are constantly visiting my electorate office or meeting me at functions or approaching me in the street, complaining that they are desperate and need jobs. Many have obtained sufficient Victorian certificate of education marks to allow them entry to tertiary institutions but their applications for admittance have been rejected. Despite their best efforts they have been unable to obtain post-secondary placements in our educational

institutions. That is tantamount to throwing away our young generation. The official figures do not show anywhere near the truth. Unemployment is much worse than is shown by the official ABS figures because they do not reflect the hidden unemployment.

The opposition maintains that the effective rate of unemployment in Victoria is something in the order of 14 per cent. Therefore, the official unemployment figure, which is currently 255 900, should be closer to 326 000; in other words, there are an extra 70 000 Victorians out of work. My electorate contains many of those 70 000 hidden unemployed; people who have had their contracts paid out or who have been given redundancy packages and are eking out an existence on whatever money they have been paid because that is all that they have to live on. They do not appear in the ABS statistics, but they would bring the unemployment figure closer to 14 per cent than 11.6 per cent. The figures are an absolute disgrace in this day and age.

One must ask: what is the cause of this level of unemployment? Honourable members know that currently Australia is experiencing the recession that our Prime Minister told us we had to have. Victoria is in the worst position of any of the States, and responsibility for that can be traced back directly to the Cain and Kirner governments.

I remind honourable members of the high level of incompetence that the government has shown in managing the economy of the State. I have added up the losses incurred by State instrumentalities over the past 10 years; they add up to \$12 100 million — that is the level of losses incurred by the Cain and Kirner governments.

I refer to the two largest disasters. The first is the losses incurred by State Bank Victoria. Through gross incompetence and financial mismanagement, State Bank Victoria has been lost forever. According to the official report to Parliament of the Auditor-General, who is the watchdog of the people, the cost to taxpayers of the losses of State Bank Victoria alone will be in excess of \$3000 million. That figure reflects the gross incompetence that has resulted in the loss of our bank.

Added to the loss forever of State Bank Victoria is another little disaster: the Pyramid Building Society. According to official figures from the Auditor-General — not figures made up by anybody — its losses will cost Victorian taxpayers in the order of \$651 million. That is what it will cost to

bail out the government because of its gross incompetence.

Honourable members need consider only the impact of those two losses to understand why Victoria is in the worst financial position of any State. Every time a Victorian goes to a petrol pump he or she must pay in excess of 2 cents a litre more to cover just some of the losses incurred through the government's incompetence.

Later I shall refer to the increases in charges that must be borne by Victorian families. The Appropriation (July to October) Bill is supposed to generate new jobs. It will provide \$60 million for the government to spend on — —

Mr Maclellan — New initiatives!

Mr PERRIN — Yes, \$60 million on new initiatives. I invite honourable members to imagine how many jobs could have been created if the \$12 000 million that was lost through the incompetence of the government had been available. We would have had a much larger sum than \$60 million with which to create jobs. The result would have been no unemployment. In fact, we would probably be trying to import people to take up the jobs that would have been available. The main reason that Victoria is facing economic problems and is facing the worst situation of any State in Australia is that the government has lost \$12 000 million.

The losses have been compounded by the debts the government has run up. When John Cain was elected Premier of Victoria the State's debt was in the order of \$2400 for every person in Victoria; that was the official debt spread over the population of Victoria at that time. Currently the State debt is in the order of \$8590 a person. In just 10 years, the official debt has more than trebled.

The significance of the increase is that currently 30 per cent of all the taxes Victorians pay is used, not to provide services such as schools and jobs, but to pay the interest on the debts incurred by the government. Instead of creating jobs and employing the people who are looking for work, at present 30 per cent of all the taxes paid by Victorians is going towards paying interest on debt.

I refer to an interesting comment made by the Premier in her Priority Victoria statement to the House:

APPROPRIATION (JULY TO OCTOBER) BILL

1108

ASSEMBLY

Thursday, 30 April 1992

Lowering the cost of government to business has been an important focus of this government's work over the past two years. This has resulted in significant improvements in land tax, payroll tax and WorkCare.

That is the biggest joke that has ever been perpetrated on this House. The truth is that since the last election in 1988 the government has increased payroll tax from 6 per cent to 7 per cent. That has been a Labor government burden — I would not describe it as an initiative — on the business community. Only one side of politics has promised to abolish payroll tax: the coalition has a policy of abolishing payroll tax absolutely when it wins government. The present government has no answer to that.

If members of the government are looking for a major stimulus to employment in Victoria and if they want to create jobs, the answer is to take the tax off jobs. Payroll tax is a tax on jobs, and currently it is 7 per cent.

Mr A. J. Sheehan interjected.

Mr PERRIN — That is a coalition policy. It has been released as part of a comprehensive package.

Honourable members hear comments from the government about supposedly creating jobs. If the government wants to create jobs, it should take the tax off jobs. That is how to create jobs.

The \$1100 million that is collected in payroll tax could be used to create a significant number of jobs in Victoria. If that burden were taken off the backs of employers, more jobs could be created.

In the so-called jobs statement, Priority Victoria, the government claims it will create jobs by spending money. The coalition will create jobs by reducing the burden on employers, as the honourable member for Brighton made clear during his contribution to the debate.

I refer to other matters that are affecting people and that explain why people are not spending and why there is a recession in Victoria. Families and businesses in Victoria have been sluggish by the government.

I have mentioned the gross incompetence of the government and the losses it has incurred. If one looks at the last Budget, one notes that the government has sluggish every family that owns a motor vehicle with a \$70 registration fee. Families

with two or perhaps three cars have to pay a \$70 registration fee for each vehicle. The government slugs families and then wonders why people are not spending money and why Victoria is currently suffering the worst recession it has suffered since the great depression.

The reason that Victoria is suffering a recession is that the government is taking money from the community and putting it into its own coffers rather than leaving it in the community and stimulating the economy. Not only are motorists paying a \$70 registration fee for each vehicle but they are being sluggish at the petrol pump for the losses of the Pyramid Building Society to the tune of more than 2 cents a litre.

The government claims the coalition has no policy. The coalition has released a policy saying that it will remove the Pyramid petrol tax.

The ACTING SPEAKER — Order! The honourable member for Bulleen will refrain from making disturbing noises during his address.

Mr PERRIN — Mr Acting Speaker, I apologise. I am so enthusiastic about the Liberal and National parties removing the Pyramid petrol tax that I have become excited.

Over the past few years honourable members have witnessed families being sluggish by the government. I refer to public transport fares, which represent just one area where families have been sluggish. Over the past year alone public transport fares have increased by 34 per cent. It is another example of people who want to use public transport being sluggish by the government.

One of my children is a student who uses public transport and I know the cost that that increase is imposing on families, particularly when added to the gas, water and electricity charges that have recently been increased.

Every dollar the government takes out of the pockets of families for registration fees, petrol taxes, increased public transport fares and increased gas, water and electricity charge is an extra dollar those families do not have to spend on their own needs. That would help stimulate the economy.

At the last election Victorians were given the then Premier's pledge that the government would hold down charges so that people would not pay \$1 more for certain services. On her first day in office the

current Premier broke that promise. When she did that the Premier lost her mandate and showed she was not fit to govern — she should have resigned and called an election.

Mr Maclellan — The queen of indebtedness!

Mr PERRIN — When her record is compared with that of the honourable member for Bundoorra when he was Premier, it makes him look good!

One of the supposed initiatives in the Bill is that the government intends to spend \$2 million on construction of the Ringwood bypass. On the latest figures it is estimated that that will cost \$70 million. At \$2 million a year it will take 35 years to complete the bypass, not taking into account increases in costs over that period. That is a great initiative, even though neither I nor any other honourable member may be alive to see it completed! That is how stupid and unworkable the job creation statement is.

The Ringwood bypass is an extension of the Eastern Freeway from Doncaster to Ringwood.

Mr Maclellan — It is ideologically correct!

Mr PERRIN — Yes, it has been Liberal Party policy since 1985 to build the Ringwood bypass, and it will be Liberal Party policy in the future. We are committed to that project.

An article by Mr Keith Blyth, the Chief Executive of the Royal Automobile Club of Victoria (RACV) at page 5 of the May 1992 issue of *Royalauto* is headed "Is it the end of the road for the Eastern Freeway?" and states:

In the April issue of *Royalauto* I applauded the transport initiatives announced by the Prime Minister Paul Keating in the One Nation package. These initiatives provided an opportunity to enhance Melbourne's status as the "transport hub" of Australia.

I concluded by saying that I hoped the Victorian government would act quickly to capitalise on the initiatives and improve Melbourne's transport infrastructure.

Only two days after the Prime Minister's statement, we were disappointed to hear of the State government's decision not to proceed with the planned extension of the Eastern Freeway.

While I welcome the improvements announced for the Ringwood rail line and the Doncaster bus service, I believe the freeway should be extended to Ringwood.

The resulting benefits to the community would be considerable. In particular, the extension is necessary to improve freight movement through the eastern corridor. This would help industry to become more efficient and competitive, a necessary development to assist micro-economic reform in Australia.

The RACV has supported the government's commitment to the Western ring-road from Altona to Greensborough as this will provide a vital freight link through the western suburbs for longer distance travel.

I believe the government should be committing similar resources to an eastern ring-road using the Eastern Freeway, its extension to Ringwood, and the proposed Scoresby route. The importance of this route to the development of the eastern region has been recognised in all the recent planning strategies for metropolitan Melbourne. It is essential that the government continues to recognise the value of the route in the strategic development of the eastern region and to reinforce the concept of Melbourne as a transport hub.

If the government does not have the resources to construct this link immediately, it is important that the future option is not prejudiced by the sale of the relevant road reservations.

I urge the State government to reconsider its proposed transport plan for this corridor and the eastern ring-road.

I support those comments, which are totally in line with the policy of the Liberal Party to extend the Eastern Freeway.

The extension of the Eastern Freeway has the potential to generate 12 000 new jobs. The National Association of Australian State Road Authorities road study of 1984 suggested that each \$1 million spent on road construction had the potential to generate 88 jobs. An article in the *Australian Financial Review* of 13 January 1992 states that a more recent Australian study shows that for every additional \$1 million spent on road construction 40 new jobs are created.

Why is the government not going ahead with the extension of the Eastern Freeway? Funds for the proposed freeway extension have been allocated by way of a tied grant of \$130 million from the Federal government. Information obtained under freedom of

information provisions from the Treasury by the honourable member for Warrandyte indicates that the money is available and has not been spent. That money could be spent tomorrow to immediately create jobs in Victoria. If one takes as correct the lower of the estimates of the number of jobs that would be created by road construction — 40 jobs for each \$1 million spent — the commencement of that project could create 12 000 jobs.

In her Priority Victoria statement the Premier said she intended to create jobs by building new 24-hour police stations. The Eltham police station is one of the police stations concerned. I am glad to see the honourable member for Oakleigh in the Chamber because I have a letter dated 16 September 1987 from the Shire of Eltham, addressed to him in his then capacity as Minister for Police and Emergency Services, which states in part:

... nonetheless greatly disappointed that you have apparently jettisoned plans announced locally in June 1986 that the Eltham police station would be upgraded in the "near future".

In her job creation statement a few weeks ago the Premier said the government would upgrade Eltham and other police stations. According to official information from the Shire of Eltham, the promise about the Eltham station has been on the books since 1986. How many more promises will be given to build the new police station? As the letter shows, the first promise was made in 1986; and the same promise was again made before the 1988 State election and the Greensborough by-election. Yet the Premier claims that she will create jobs by building 15 new 24-hour police stations, of which the Eltham police station is one. What's the latest on the police station? Under the heading "Police station ready mid-'94" an article in the *Diamond Valley News* of 18 February this year states:

An evaluation of possible sites will begin in June and construction is expected to start before May 1993, according to the member for Greensborough, Sherryl Garbutt.

Although the promise was first made in 1986 a site has not yet been chosen — and construction is not expected to commence until some time after the next election. The jobs statement does nothing more than make the same old promises over and over again. The people of Eltham are sick and tired of the government's broken promise to build a 24-hour police station in the area. The Premier's reiterated

promise will not go down well in the electorate of Greensborough.

It is all very well for the current member, Mrs Garbutt, to repeat the promise. Despite deserting her electorate — she will stand for the seat of Bundoora at the next election — she has promised the people of Eltham that the much broken 1986 promise will be honoured some time after she is no longer the member for Greensborough. That certainly leads me to believe the Premier has no intention of keeping the promise she made on 18 February. The people of Eltham are sick and tired of being the victims of a string of broken government promises.

Figures show that the people of Eltham have been hard hit by unemployment. The Eltham area is served by both the Greensborough and Heidelberg offices of the Department of Social Security. Unemployment in Greensborough has increased from 2495 in March 1991 to 4191 in March 1992 — a 68 per cent increase. The Heidelberg office reports that the number of recipients of unemployment benefits has increased from 1561 in March last year to 2338 in March this year — a 49.8 per cent increase in the number of unemployed in only one year.

The people of the north-eastern suburbs are sick and tired of the government's broken promises. They want a government that honours its commitments and implements programs that will create long-term jobs, reduce the unemployment queues and increase services. They have had enough of a government that wastes money and builds up huge debts. I can understand their unwillingness to put up with a government that has broken so many promises. The best thing that could happen would be for the Premier to immediately call an election. Victorians would wholeheartedly welcome the chance to cast their votes, because they are anxious for a change of government.

Debate adjourned on motion of Mr MATHEWS (Oakleigh).

Debate adjourned until next day.

**SUPPLY (1992-93, No. 1) BILL and
WORKS AND SERVICES (ANCILLARY
PROVISIONS, 1992-93, No. 1) BILL**

Second reading

**Debate resumed from previous day; motions of
Mr A. J. SHEEHAN (Treasurer).**

Mr THOMSON (Pascoe Vale) — When the Cain government came to office in 1982 Victoria was in the midst of a deep recession. The Cain government led the economy out of recession, just as this government will lead Victoria out of the present recession. The Cain government was successful because it fearlessly and unashamedly primed the pump through a massive public works program. That was valuable not only because of the economic activity and job creation that was generated but also because of the capital assets that were created. Major hospitals were built in the southern and western suburbs — at Clayton and Footscray — and light towers were constructed at the Melbourne Cricket Ground, notwithstanding the actions of the Builders Labourers Federation. The government also built schools, police stations and prisons.

Members opposite often talk about the need for prisoners to serve longer sentences for the crimes they have committed, but the only way to achieve that is to build new prisons. The Cain government built the Barwon and Loddon prisons, as well as the remand centre, which were the necessary prerequisites for the sentencing reforms introduced in recent times.

The Labor government has transformed the city of Melbourne through projects such as Southbank on the southern bank of the Yarra River. The construction of the Western ring-road will rid the central business district of a great deal of heavy through traffic. The ring-road will be of particular benefit to the people of the Pascoe Vale electorate because it will substantially cut down heavy transport traffic along Pascoe Vale Road. The construction of the ring-road will also bring economic benefits to all Victorians, because it will reduce the travelling time for the movement of freight from the western suburbs to the Hume Freeway.

The public transport system had been neglected by the former Liberal government. We all remember the red rattlers with their leaking roofs and the blue Harris trains, the manually operated doors of which meant that the trains could not be used on the underground loop. The government purchased new trams and trains, which have improved the efficiency of the public transport system. The government has also introduced multi-model fare structures that enable commuters to use the same tickets whether travelling by train, tram or bus.

I was disappointed to hear what the honourable member for Gippsland West had to say about the

public transport system. He said that the public transport debt was too high for a system that was used by only 15 per cent of the community. He made it clear that public transport spending and public transport services would be cut by a coalition government. By saying that only 15 per cent of the community uses public transport, the honourable member for Gippsland West implied that those who use the system — young people, old people and the less privileged — do not matter and that a coalition government could therefore afford to cut services. That is misguided.

Support for public transport in a city like Melbourne is important, not just for the commuters who take advantage of it, but also for the motorists, who can do without the roads being clogged up by other motorists, and the community, which can do without the extra pollution and the running down of fossil fuel reserves that would occur if there was not an adequate public transport system.

The public transport debt is not as important as continuing to provide quality public transport for the whole of Melbourne. The capital works programs to which I have referred have been funded by borrowings. Recently, economic rationalists have been saying that all debt is bad and that debt is Victoria's principal problem. I believe Victoria's greatest problem is the lack of economic activity and jobs. Compared with the size of that problem, the debt problem is secondary.

I subscribe to the philosophy of long-term debt financing for capital works. While I and most Victorians borrow money only when we have to, for example, to purchase our homes, if projects like the Western ring-road were funded out of the current Budget, nothing of lasting consequence would ever be built. Even if the projects were built by using funds raised through increasing taxes or charges it would be essentially unfair on the taxpayers because those assets, which would be of value to the community for two or three generations, would be funded out of a single year's Budget, disadvantaging the people who footed the bill for the project.

There has been an excessive concentration on the debt problem. When Sir Henry Bolte was the Premier of Victoria, State debt as a percentage of the gross domestic product varied from 35 per cent to 41 per cent — in fact, much higher than the level of debt that has attracted the attention of the opposition and others.

The Labor government embarked on an economic strategy that gave Victoria the lowest level of unemployment in the country for 86 consecutive months. Victoria has gone backwards since then, but that is because it is the centre of the country's manufacturing industry, which suffers excessively during periods of recession.

Victoria is always one of the first States to feel the effects of recession. It has also suffered and may continue to suffer from a reduction in the level of support for the manufacturing industry. I do not believe this is the appropriate time to reduce tariffs. Tariffs may not be appropriate in an ideal world, but they should not be reduced during periods of recession, when there are no jobs or new industries to which people can go.

Mr Coleman — Who do you support — Cleary or the Labor Party?

Mr THOMSON — I support the Victorian government, which is supporting the manufacturing industry and the textile, clothing and footwear industries.

It may be appropriate for Australia to reduce its level of protection when other countries behave similarly, but I could cite many examples of countries in Europe or Asia that provide both direct and indirect forms of protection for their industries. Indeed, the countries that are most successful economically appear to be those that provide strong support for their manufacturing industries. Unless other countries behave in the same way, Australia is ill-advised and foolish to go it alone in reducing the level of protection for its industries.

The Labor government's economic record is only one aspect of its performance. The other aspects of its performance have been the implementation of the government's social justice strategy. The government performed a difficult but satisfying task when it emptied St Nicholas Hospital, Willsmere Hospital and other 19th century institutions of their patients, thus allowing the physically and mentally handicapped people from those institutions to be integrated into society.

The Hadfield Secondary College in my electorate has a number of disabled students who are enjoying an integrated education. Previously they were educated separately from the mainstream school community. Considerable advantages accrue to those handicapped people and the community from

having them integrated with other students in the education system.

Equal opportunity has moved from being an abstract concept to a fact of life, and now features in the lives of Victorians through the enactment of the Equal Opportunity Act.

Victoria had archaic liquor licensing laws, but new legislation has introduced more civilised drinking rules, making Victoria a more civilised place in which to live and maintaining its position as the restaurant capital of Australia.

Since the Labor government has been in power the number of public housing units has increased by 51 per cent.

Mr Tanner interjected.

Mr THOMSON — Public housing would suffer if the opposition implemented its policies, if it were ever in government, because the opposition often refers to a total reduction in expenditure of \$8 billion, which would lead to significant hardship for those in need of public housing.

In the area of environment protection, we have implemented the State conservation strategy, including the flora and fauna guarantee. We have increased the number of national parks; almost 12 per cent of the State is now designated national parks. As a young person I was involved in the conservation movement, and the aspiration of the movement during the period of the Liberal government was to achieve 5 per cent of the State being set aside as national parks.

Mr Maclellan — That was Liberal policy.

Mr THOMSON — That was the policy of the conservation movement years ago — having 5 per cent of the State set aside as national parks — but this government has surpassed that and now 12 per cent of the State is set aside as national parks.

The government has initiated substantial programs to control salinity, provide land care, enhance the Environment Protection Authority and combat the greenhouse effect and ozone layer depletion.

The Labor government has almost put an end to the industrial confrontation that preceded its period of government. When listening to honourable members opposite I become concerned about their attitude to

industrial relations because I believe it will result in confrontation.

Mr Tanner — And full employment.

Mr THOMSON — The honourable member for Caulfield should listen to his colleagues who have spoken in the debate: they indicated that it is impossible to achieve full employment in the current period.

Honourable members should compare the 10 years of Labor government with the previous 10 years of Liberal administration. The Labor government has achieved a 70 per cent reduction in working days lost through industrial disputation. The past 10 years have been a period of industrial harmony. The community does not want to return to a period of industrial confrontation, as so often happens overseas; it wants a cooperative spirit to exist between employers and employees, which is something the government has worked for and will continue to work for.

Honourable members have already heard about the occupational health and safety legislation, which has contributed to industrial harmony. It has been worth while in its own right.

More than a decade ago more than 1000 people died on our roads each year causing an enormous social cost to the community. The road toll has been more than halved by a combination of factors such as seat belt legislation, random breath testing, booze buses, speed cameras and various campaigns to identify accident black spots and so forth. All honourable members know the reduction of the road toll is a substantial achievement.

The Victorian Health Promotion Foundation is unique in the world because it uses money from the tobacco industry to assist in the prevention of illness. The tobacco industry contributes indirectly to and provides involuntarily for the encouragement of healthy lifestyles for Victorians. That has been a substantial government achievement as well.

Mr Weideman — With our support!

Mr THOMSON — I acknowledge the support of the opposition and I look forward to further support in health promotion.

Such things as the Portland aluminium smelter have been followed by the announcement last year of a \$300 million rolling mill to be established in

Bendigo. The Great Southern Stand has been constructed at the Melbourne Cricket Ground. The National Tennis Centre has been constructed. The \$4 billion AMECON shipbuilding project in Williamstown has been established. Gaming machines have been introduced into clubs and hotels.

The Toyota motor corporation has made a \$400 million investment in Victoria. The Swanston Street Walk has been established. You find when you are in government that if something goes wrong everyone lets you know about it in spades, but if you get something right nothing is heard about it! I have paid a couple of visits to Swanston Street Walk since it was established, and I have every confidence that the project will be a great success. In the years to come Melbourne will look back and say, "That was a great idea". No-one would think of pulling up the Bourke Street Mall. Swanston Street Walk was introduced against a background of concern and anxiety but it has proved to be a success.

Mr Tanner — You will take responsibility for it?

Mr THOMSON — If it had not worked we would wear the criticism; that is how it goes. In addition, the 60 Plus travel card and the Seniors Card have provided older people with a range of discounts in retail, hospitality, travel, commercial and entertainment sectors. I have had hundreds if not thousands of constituents taking an interest in the 60 Plus card. It has been of great value to older people.

The number of community health centres has doubled from 57 in 1982 to 110. They give 65 per cent of Victorians access to community health services. As one who was involved with the establishment of the Coburg Community Health Centre and has been on its committee of management for some years, I am aware of the good that is done by community health centres, which address a whole range of people's health needs. Health centres do a terrific job. I look forward to their continuing to do that work.

There has been a substantial real increase in spending on education. School retention rates have increased dramatically. Four out of five students now complete year 12, compared with one out of three a decade ago. Parents have become involved in the decision making at schools. The technical and further education training system has been transformed, as is evident at Broadmeadows College of TAFE. It has kicked on with an injection of funds

received through the One Nation package. The future of TAFE is looking strong. Victoria has — and continues to have, even with the cuts in relative terms to the education budget in recent years — the lowest student to teacher ratio and the lowest maximum class sizes in Australia. We lead the field in education.

There has been a major redevelopment of public transport. Railway stations have been upgraded and rolling stock has been modernised. It was disappointing to hear earlier contributions by honourable members who criticised Priority Victoria. They said that Priority Victoria does not have enough substance and is of no value — that it just makes work. In my area, Oak Park railway station, which was damaged by fire, is receiving \$250 000 for reconstruction and upgrading.

Mr Maclellan — That is pork-barrelling!

Mr THOMSON — The opposition says it is pork-barrelling. I do not believe my constituents would like to hear the opposition say it does not support the reconstruction of the Oak Park railway station.

Through Priority Victoria the government has indicated that \$10 million will be made available for the upgrading and improvement of the Upfield railway line. I know that line is of great interest to honourable members opposite. I recall paying a visit to the home of the honourable member for Berwick many years ago to talk about the Upfield railway line. The government will support that through the Priority Victoria package. It is also providing \$100 000 to Strathmore Secondary College to upgrade its heating facilities from oil to gas. Provision will also be made for the Coburg basketball stadium.

Mr Maclellan — These initiatives will be just in time to save you at the election!

Mr THOMSON — I wish to see these initiatives in place as soon as possible because they are in the best interests of my constituents. The Victorian Basketball Association will receive a guarantee of \$800 000 to enable its stadium to be rebuilt. That is something that the local community is eagerly looking forward to.

In the area of community services an extensive network of neighbourhood houses has been established, which includes the one on Robinson Reserve in Coburg and the Nicholson and Sussex neighbourhood houses.

Mr Maclellan — Pork-barrelling again!

Mr THOMSON — If the honourable member for Berwick is opposed to these initiatives — —

Mr Maclellan — I am not opposed to these initiatives.

Mr THOMSON — The implication is that the honourable member does not support these initiatives. If the honourable member does not support them — —

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Berwick is being disorderly.

Mr THOMSON — The Sussex neighbourhood house is the most recently established neighbourhood houses in the Pascoe Vale area. It is progressing well. It has an active committee of management and offers a wide range of programs for local residents.

Legislation that requires all firearm owners to be licensed and restricts firearm sales and advertisements has been implemented. We have also implemented the Freedom of Information Act. One of the things that surprises me is that the government has been accused of being secretive. If honourable members look at the FoI legislation they will find that it is the most advanced FoI legislation anywhere in Australia and possibly throughout the world. In any other jurisdiction that has freedom of information legislation, including the Commonwealth and New South Wales, that legislation is much more restrictive than Victoria's.

I wonder whether the opposition, which makes extensive use of freedom of information legislation, actually shares the government's commitment to it or whether, if a change of government occurred in the future, some fetters would be placed upon the existing freedom of information legislation, such as user-pays charges. It is a concern of mine that if that happened the great reforms in freedom of information may be diminished.

Another social justice reform that I have strongly supported relates to the legislation returning land at Lake Condah and Framlingham to its traditional Aboriginal owners.

In addition the State has seen advances in sport and tourism. The Victorian tourism industry is in a competitive position these days. In 1990-91

approximately 12.1 million domestic tourists visited our shores.

Substantial reforms have also been made in agriculture. In the past decade, despite the tough times in which we live, people have been given reason to be confident in the government's capacity to manage this State.

I have referred to the Coburg Community Health Centre in my area. The government has also established the Derby Street Child Care Centre and the Barry Beckett Child Care Centre, as well as providing a substantial amount of government support for the Dorothy Impney Home for the Aged and the Edith Bendall Retirement Village. The government has also provided funding for the Western ring-road, which is a massive capital project.

Greening Australia (Victoria) has provided funding for urban conservation projects — for example, through the Moonee Ponds Creek project, in which I have taken a personal interest and which has been very successful. The Northern Area Improvement Program has been the basis for many community-based projects that will be of long-term worth to our community.

The past 10 years have been a time of public asset enrichment, with Labor as the builders, re-establishing this State. It is imperative that this continue into the 1990s so that we do not enter a period of stagnation or, even worse, destroy the public asset structure we now have.

The government should also be congratulated for its work on the Strathmore Escarpment Freeway Reservation, and for its endeavours to abolish the F2 freeway reservation. The government has shown itself to be in tune with community needs, and it concerns me that the opposition has not supported it in the deletion of the F2 freeway reservation north from Bell Street to Mahoneys Road.

Mr Tanner — What is Phil Cleary's view on all of these things?

Mr THOMSON — I haven't asked him. We will have to wait and see, won't we?

Mr Weideman — Is he still employed as a schoolteacher?

Mr THOMSON — I understand he has resigned from that position. I understand a question of timing is involved there.

The Leader of the Opposition has suggested that \$8 billion needs to be removed from government spending. That is a conservative approach which I do not support and which would lead to Victoria becoming an economic wasteland. It should be contrasted with comments by some Liberal candidates in the northern and western suburbs who do not appear to be prepared to follow the line of their Leader. The candidate for Essendon has suggested that a bus service be provided at Moonee Ponds to connect with all trains, both day and night.

Other opposition spokespersons have said that construction of the Western bypass is an essential project, implying that they would build it if they had the opportunity. The Liberal candidate for Tullamarine talks about the \$16 million Bulla Hill bypass road. Candidates have talked about additional bus routes for Broadmeadows and Sunbury stations. It seems to me that the Liberals are suffering from some kind of fiscal wet dream in which it is possible to cut \$8 billion from public spending at the same time as implementing a whole range of fresh projects. Those policies cannot be implemented. Some of the suggestions have merit and some do not.

The ACTING SPEAKER — Order! The honourable member's time has expired.

Mr WEIDEMAN (Frankston South) — It saddens me to speak on the Bills this afternoon because of the way politics stands in Victoria today. A good analogy would be a football game with each quarter representing part of the government's term. In the last quarter we are rushing towards the election, but the government team has somehow bypassed that point. The score is on the board; the umpires have gone home. In fact, it seems that everybody has disappeared off the face of the earth, but we are waiting for the umpire to give a decision!

We do not hear much from the government about its results; all we read about in the newspapers are stories of the many hundreds of thousands of unemployed people in this State. While all these terrible things are going on around us, government members are busy outside this place making deals and looking for ways of retaining their seats. We see them in meeting places around Parliament House — small groups huddled together trying to ascertain who will be the Leader of the Opposition, who will be the Deputy Leader, and which members will retain their seats. One or two of them have already conceded defeat.

The government is busy out there trying to stitch up and protect some of its policies about which the honourable member for Pascoe Vale was speaking. Some of the government's investments have brought this State to its knees, and now it is trying to flog off the results of those investments, which leads only to greater debt. We have heard about reducing debt, but we have not heard one word about how it will be done.

The March figures on unemployment showed approximately 255 900 unemployed, or 11.6 per cent of the work force. I shall now present to the House some of the other figures that were highlighted for March. Of that total unemployment statistic, 157 900 men were unemployed and 80 900 men lost their jobs. That represents an unemployment rate among men of about 12.3 per cent. The number of women unemployed was 98 000 and the number of jobs lost by women was 50 700. That represents an unemployment rate among women of 10.6 per cent. The unemployment rate among youth is 44.9 per cent, which means 35 400 young people are unemployed.

One could possibly satisfy oneself by saying that that means 88.4 per cent of people are employed, but one has to add to those statistics the number of hidden unemployed, which is estimated at 24 100 men and 44 500 women, a total of 70 100. In a State population of some 4 million people, 182 000 men and 142 500 women are unemployed. A total of 324 500 people are unemployed — a percentage of 14.3 per cent. The situation is nothing short of criminal.

Because I come from and represent a domiciliary area I am very conscious of the local unemployment rate. If you look at the number of jobless by area you will find that Dandenong has 8232 people who are jobless and Frankston has 7198; Morwell has 6227 unemployed and Oakleigh has 6444. Many of the seats with the highest unemployment rates are held under the Labor banner. I am the only Liberal member whose electorate has an unemployment rate in the top percentage.

This government is incompetent and inefficient. The great party that came to power in 1982 with all its social justice ideas has failed. In the past 18 months the government has more than failed; it has done nothing to reverse the situation. How proud the party was when it came to power in 1982! At that time about 96 000 people were unemployed.

In 1982 around 12 000 of the 96 000 unemployed in Victoria lived on the Southern Peninsula. The unemployment rate is now 11.6 per cent, and some people have claimed that it may get as high as 20 per cent — and there is derision at that suggestion. Of a local population of 250 000 — one-eighth of Victoria's population — about 36 000 people on the Southern Peninsula are now unemployed. They have no hope and no jobs.

On the Friday before Anzac Day I attended a luncheon for first and second world war returned soldiers. There are about 1000 first world war veterans left in Australia, and 350 are resident in Victoria. At the luncheon, which was attended by 270 of them, one man who lives on a farm at Horsham told me about his grandson who lives in my electorate. The boy is about 15 or 16 and his parents are concerned because there is no employment and they cannot control his activities. This man, who is over 90 years old, took the time to bring himself to Melbourne to take his grandson back to Horsham and put him to work on the farm. He told me he was absolutely amazed at the change in the young man's attitude. Given some direction and discipline he was wonderful to work with and the people on the farm enjoyed his company. He had some activity and an opportunity to learn something.

Eventually he decided he would like to return to Frankston. To the grandfather's dismay the boy has gone back to the street gang, stealing cars and disturbing the local community. His grandfather is very concerned about this.

Nobody who lives in Frankston will go out onto the streets and take civil action by demanding of any young person that he behave himself. If you did you would find yourself with a bat wrapped round your ears. These young people have no direction and nowhere to put their energy. They have no challenge in their lives, and that is a terrible situation.

Education is the highest employer in my area. Recently Melbourne Water took over the local water authority which has beautiful offices in Frankston. In one of the local newspapers I suggested that some sort of activity should be arranged so the facilities could be used to educate the local young people.

The best thing that could happen is an election because a new government would bring a positive approach to Victoria. We have to get rid of this government and bring in one that cares about the future and our young people. How often did we hear the Leaders of the Australian Labor Party say

Victoria had the lowest or second lowest unemployment rate in this month or that year? Between 1976 and 1982 Victoria had the lowest unemployment rate for 54 months. During those six years Victoria had either the lowest or the second lowest unemployment rate in the country. That is no longer the situation.

At the moment I have staying with me a guest from Queensland who tells me that people smile and deride Victoria for what is happening here. They ask, "What is the capital of Victoria?" The answer is, "\$1.60". That is the price of two beers in Queensland!

I should like to raise some of the health issues that have been brought to my attention. In a recent article in the *Age* the Minister for Health attacked the Federal government over mammograms and claimed that there was unnecessary use of radiography services. Earlier the honourable member for Pascoe Vale mentioned the Victorian Health Promotion Foundation. I remind him that in 1987-88 that foundation was instrumental in launching a pilot program in mammographic screening. It was located at the Amalgamated Melbourne and Essendon Hospital, which, in conjunction with the Anti-Cancer Council of Victoria, proceeded with the program.

The objective of the pilot program was to look into health promotion activities, recruitment strategies, community health education, professional development and screening services, and to evaluate the program's components. It was aimed at women between 50 and 69 years living in the north-western regions of Melbourne. As we are aware, at the last Federal election both the Prime Minister and the opposition parties said that if they were elected they would contribute \$1 million to a national mammographic screening program for women over 40. That overrode some of the pilot studies and results. However, the program was established on the basis of the pilot program.

When I examined the Budget Papers I could not see a clear indication of where the money came from. Over a three-year period the Health Promotion Foundation provided \$500 000 for mammogram testing for around 4000 to 6000 women. Even though I wrote to Health Department Victoria and rang several times, I could not find out whether Victoria was providing all the money, but I know it is providing some. All I know is that the health department was asked to put up some extra money to keep the program going until the Federal money came through well after 1990.

The *Age* article reports that, although the Federal Minister, Mr Howe, said that women aged between 40 and 49 should be the target for screening, the Victorian Minister claimed that:

there was "no evidence at all that those women benefit from screening; all the evidence says it should be the 50 to 69-year-olds" ... Victoria's view was backed by the government's health advisory body, the National Health and Medical Research Council.

The Victorian Minister for Health conceded that Victoria had been slow to act. The program had been using Victorian health money, not Federal funds. The article also states:

In March 1990 the then Prime Minister, Mr Hawke, announced a \$64 million program to screen women for breast cancer, the highest cause of female death from cancer.

Because of screening there has been a reduction by about one-third in the deaths from breast cancer in the Australian female population in the 50 to 70-year-old group. These statistics have been gathered over eight years and it has been obvious from research here and overseas that screening has been effective in reducing breast cancer in women. To claim that the same effect would not be achieved in women between 40 and 50 years is nonsense.

The pilot mammography research program at the Amalgamated Melbourne and Essendon Hospital between 1988 and 1991 firstly screened women in the 50 to 70 age group and eventually included women in the 40 to 50 age group. It is expected that its results and the results of programs in other places will assist in achieving a further reduction in the incidence of breast cancer in that age group.

The Anti-Cancer Council of Victoria and other groups in our community advise that women who are 40 years and over with family histories of cancer should have mammograms every year. The Minister for Health said that the Federal government was trying to force Victoria to expose women unnecessarily to the risks of radiation simply to save money under Medicare. Maybe it would save money but the point is that the risk is not there.

Had the Minister been correctly informed at the time she would have realised that breast cancer testing by mammogram is now extremely safe. The equipment used emits zero radiation. With the old equipment women were exposed to five times more radiation than they are now. Most authorities agree that

women can take solace in the fact that they can be examined safely every year from 40 years of age for the rest of their lives.

There is nothing more frightening to a family than a wife or a daughter saying she has a lump in her breast. This causes enormous fear in families. The mammograms are highly technical and are operated by highly skilled people, so the old problem of women having to return to have second tests done has been eliminated.

I condemn the Minister for not telling the true story. In future she should seek advice from the Essendon hospital and the Anti-Cancer Council on this important health issue.

I shall also comment on the recent clinical audit of psychiatric services in Victoria. A unit has now been provided at the Frankston Hospital with an annexe at Rosebud. It used to be part of the Southern Memorial Hospital but is now under the management of the Frankston Hospital. The unit comprises a 25-bed psychiatric service wing and this will be of enormous advantage to the Mornington Peninsula. In the past patients and their families were distressed because if they had an illness such as schizophrenia they had to be sent to Mont Park or Bundoora. The facility is now available at Frankston. It is not on call 24 hours a day but close to it.

Recently, through the Schizophrenia Fellowship of Victoria, a presentation was made by the director of the hospital, who also made some comments about services within this State. He said that although 25 beds had been provided in Frankston there had been an overall reduction of 9 per cent in the number of beds across Victoria. Many people walking around in the community really need to be hospitalised or institutionalised.

My electorate office is close to the local psychiatric service that attends to people who need regular consultations. When those people visit the doctor they also visit me and tell me their problems. Prior to Easter there was a full moon and I found that over the Easter weekend I received many phone calls from my regular visitors who found it necessary to ring and have a chat.

Mr Maclellan interjected.

Mr WEIDEMAN — I am grateful to the honourable member for Berwick for suggesting that in future I should put on the answering machine.

I hope this government and the next government will support those people and provide the necessary services for them. When the Minister visited the area the honourable member for Mornington and I observed how she wormed her way around issues and was a bit patronising. She did not really tell the truth, but the doctor in charge, Dr Leonard, laid it clearly on the line. He said many people who are walking around need care.

I wish to raise other issues that I find disturbing. One or two excellent speeches in this debate have referred to the rehashing of government promises. In one week in my local press the honourable member for Frankston North promised to spend \$66 million. If she spends that much a week between now and the election she will have spent more than the debt for the whole nation! She announced spending of \$18.3 million by the Department of Conservation and Environment on an environmental study of Port Phillip Bay at a cost of \$12 million, plus a further \$6 million study. An election must be eminent!

Mr Baker — Imminent!

Mr WEIDEMAN — It will be eminent for us and eminent for you because it will be your last!

The SPEAKER — Order! The honourable member for Frankston South, without assistance.

Mr WEIDEMAN — When I returned to this place in 1985 I approached the then Minister for Transport, Mr Roper, and asked him whether I could examine the plans for the Frankston police station that were being promoted by the Labor member in the Frankston area. I was told I was not the member for the area because I was not a Labor member and therefore I was not entitled to have the plans.

Yesterday I received a letter from the honourable member for Frankston North inviting me to attend an event in my electorate. I was asked to turn a sod at the site of the proposed police station, which the Labor Party promised in 1982, 1985 and 1988. Now, a decade after the government was elected, I am invited to attend on 12 May.

A local newspaper article refers to a \$54 957 cheque that the honourable member for Frankston North presented to the Baptist Village in Baxter in my electorate. I am delighted that she has presented those funds on behalf of Community Services Victoria. The honourable member also presented cheques to five schools in the Frankston area: \$16 560 to Karingal Secondary College; \$7000 to

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Monterey Technical School; \$9920 to Monterey High School; \$8720 to Ballam Park Secondary College; and \$20 760 to Frankston High School. Where do honourable members think Frankston High School is? It is certainly not in my electorate.

Recently I received a wonderful letter from the Department of School Education asking me whether I was interested in presenting a cheque to a school. I telephoned the department but when I said I would love to do it I was told there was no cheque. Then I read in the newspaper that the honourable member for Frankston North had presented it. I added up the amounts of the cheques given to those schools and discovered that the figure was \$62 960 and not \$62 690 as reported in the newspaper. The government cannot even add up!

We have a game in the Frankston East area called "spot the empty house", but it is too easy because there are so many public houses there.

Mr Roper — You had "spot the empty hole"!

Mr WEIDEMAN — Yes, the one that you sold. Don't come at me with that.

The SPEAKER — Order! The honourable member should ignore interjections.

Mr WEIDEMAN — I know what happened. You came in on the edge and we nearly pushed you in! My colleagues the honourable members for Mornington and Dromana, the shadow Minister for Planning and Housing and I visited the area and thought there might be one or two public houses in that category. We found hundreds of empty houses. One might have assumed they would be derelict, but they are all in good order and should be used.

Earlier the honourable member for Malvern referred to the Kananook Creek. An article headed "Ugly creek brings jobs" in the local newspaper states:

The 20 local jobs were among 668 in 13 Statewide conservation projects worth \$18.3 million ...

I do not have sufficient time to go through the documentation, but I can assure the House that the honourable member for Malvern did. He highlighted the fact that 1.5 staff members will be added to Melbourne Water to supervise this job. Under the Canoeing on the Kananook program some 20 local people will march up and down the creek.

Mr Maclellan — Is that before they plough it?

Mr WEIDEMAN — I am not sure whether the eels will get them. The honourable member for Malvern suggested the sharks will be evident. If the government proposes to fight the election by promising the expenditure of \$66 million in one week and there are still 20 weeks to go until December, it is promising to spend an enormous amount of money. As my colleagues have pointed out, many of these are rehashed promises.

On 12 May I will have the opportunity of experiencing the excitement of the turning of the first sod on the Frankston police station site.

The SPEAKER — Order! The honourable member's time has expired.

Debate adjourned on motion of Mr TANNER (Caulfield).

Debate adjourned until next day.

SWINBURNE UNIVERSITY OF TECHNOLOGY BILL

Second reading

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — I move:

That this Bill be now read a second time.

The provision of university education in the outer eastern region of Melbourne is a very high priority for the Victorian government. This Bill will provide effective mechanisms for delivering high quality programs to serve the needs of the area.

A great deal of attention has been given to the needs of young people in the region, especially their educational opportunities. I would like to thank a number of my colleagues in the outer east, and in particular my Ministerial colleague Mr Neil Pope, for the support and advice they have given leading up to this development.

The region is growing, with an estimated population of more than 350 000 people in 1992. It is many kilometres from any major higher education facility and that has been a key factor in the relatively low rates of participation in higher education.

In 1991 the participation rate for students aged 17 to 24 was 12.7 per cent compared with 15.4 per cent for

the metropolitan area and 14.3 per cent for Victoria as a whole. Ringwood is the only municipality with a participation rate at or above the State average, and Healesville, with a rate of 7.5 per cent, is one of the lowest in the State.

The necessity to travel long distances to study has been a disincentive for many potential students because of the time and cost involved. This major initiative is designed to address the problem by establishing an important university campus within the region. Swinburne Institute of Technology has been designated by the government as the principal provider of higher education in the outer east. This decision was taken following discussions between State and Commonwealth Ministers, the advice of a Ministerial working party established to recommend on the most effective way of meeting the needs of the area, and advice from the Victorian Post-Secondary Education Commission.

Swinburne was considered the most appropriate institution to have special responsibility for the outer east because of the wide range of quality programs it offers, the close links it has established between TAFE and higher education, the good rail links between its Hawthorn campus and the region and its willingness to make the needs of the outer east a special priority. Swinburne has proposed or accepted a number of measures, including a progressive move of headquarters to the region, transfer of student load to the area and a particular form of program delivery suited to the needs of the region.

Swinburne University of Technology offers programs in both the TAFE and higher education sectors and will be instituting special measures to improve program articulation and credit transfer between them. Swinburne will work closely with the Outer Eastern College of TAFE in offering a wide range of post-secondary programs in the outer east.

Swinburne currently offers programs in applied science, arts, business and engineering through its higher education division, with a total number of effective full-time higher education students of 6357. The Bill provides for the merger of Prahran College of TAFE with Swinburne, which will result in a TAFE sector with approximately 5200 effective full-time students.

Significant research and postgraduate studies are already offered. In 1992, 400 students are enrolled in higher degree programs and a further 1200 in other postgraduate studies. A number of students are

studying at doctoral level. Swinburne is involved in a number of significant research programs which have attracted substantial financial support from governments and the business community.

Swinburne has a special commitment to applied learning and to the application of technology both in its own operations and in the wider community. This commitment will be continued and extended in the university.

A number of initiatives are already being taken to strengthen the development of Swinburne on its campuses in Prahran, Hawthorn and in the outer east. At Prahran the merger with Prahran College of TAFE will improve the capacity for coordinated cross-sectoral developments on that campus which will now come under the administration of a single institution.

For the staff and council of Prahran College of TAFE this merger should be seen as an opportunity to continue and strengthen the quality of programs and service to the community within the context of a larger institution that shares their commitment. To facilitate continuity of direction provision has been made in the composition of the council of Swinburne for involvement of former Prahran council members.

Among structural arrangements completed at the end of 1991, staff, students and programs associated with graphic and industrial design, previously within Victoria College, have already joined Swinburne, and a major centre for design will be established at the Prahran campus. An amount of \$3.2 million has been committed to refurbishing and redeveloping facilities on that site to provide for the development.

At the Hawthorn campus a major TAFE facility has just been completed at a cost of \$11 million. Other work on this campus to progressively upgrade the quality of facilities is continuing. In the outer east Swinburne has commenced classes with 260 students in applied science, arts, business and engineering and has allocated a key research centre in parallel computing on this campus.

Although a significant development, this is only a small beginning to a major new initiative. The current site in the outer east has limited capacity for expansion and additional facilities will be acquired to provide for the needs of the region. Arrangements have been made with the Commonwealth for the establishment of a Commonwealth-State working party to advise on the location of an additional site

which should be adjacent to a new campus of the Outer Eastern College of TAFE.

This working party will be chaired by Dr Ian Allen, Deputy Chairman of the Victorian Post-Secondary Education Commission, and will include: Mr M. Curwood, Director, Outer Eastern College of TAFE; Mr K. Bannikoff, Director, Development Division, Office of the State Training Board; Dr A. Vervoorn, Assistant Secretary, Resources Branch, Higher Education Division, Commonwealth Department of Employment, Education and Training; Mr F. Bannon, Associate Director, Swinburne Institute of Technology; and Mr R. Gluyas, Assistant Regional Manager, Department of Planning and Housing.

The working party will examine possible sites within the region, taking into account university campus requirements, transport systems, population centres and other regional planning considerations, and will consult with municipalities and interest groups in the region. The working party will provide advice as early as possible to the State and Commonwealth Ministers on the most appropriate location for a campus.

An allocation of \$2.3 million has been made by the Commonwealth for construction of higher education facilities on this site in 1992 and 1993. Because of the dispersed nature of the population in the outer east it is proposed to make special provision for decentralised program delivery throughout the region as a key element in Swinburne's initiatives in this area.

The new site is expected to provide the hub for a computerised program delivery network that will serve this area as well as other campuses in Hawthorn and Prahran.

The main campuses that students attend will offer the full range of student services and the teaching and cultural facilities that are normally found on a university campus. However, Swinburne plans in addition to establish local study centres and to take other measures to ensure that programs are as accessible as possible to students throughout the region. This sort of approach is appropriate to Swinburne's commitment to technology and service to the community and will complement the decentralised program delivery arrangements which already work successfully at the Outer Eastern College of TAFE.

Swinburne has operated for many years as a company limited by guarantee. The university of technology is being established by this Bill as a new legal entity but it is intended that the traditions and particular mission of the institution will continue. To facilitate this continuity the university will be the successor in law to the existing institute and provision will be made for appointment of the current council members to the council of the university. Council membership will also include people from the outer east as one of the measures to assist in taking on this new priority.

Swinburne Ltd will continue as a company with significant membership from the university council and a special role to support the work of the university.

Developing new campuses and processes to meet the needs of the outer east in ways that have been agreed by Swinburne, and transition to full-scale multi-campus operations as an important university of technology, are major undertakings. To support the new developments it is intended to form a small advisory committee comprising an offer from the Victorian Post-Secondary Education Commission and a nominee of the Commonwealth Higher Education Council. This committee will assist Swinburne in the development of a strategic plan to ensure successful completion of arrangements for delivery of university programs in the outer east. The committee will advise State and Commonwealth Ministers on developments and resource requirements through the Commonwealth-State joint planning process.

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why this Bill alters or varies that section:

1. Clause 67 of the Bill 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 clause 60.
2. Clause 60(5) of the Bill provides that no compensation is payable in respect of anything done under or arising out of this section.
3. The clause deletes from the titles to some of the land that is to vest in the university references to conditions relating to railways and other matters, being conditions that no longer have effect. The clause also makes the titles to certain other land which is to vest in the university subject to

reservations to the Minister in relation to the use of the land for the purposes of technical and further education.

4. The reason for preventing the Supreme Court from awarding compensation in this case is as follows:

to enable land to vest in the university it is necessary to ensure that the vesting is not impeded by claims for compensation, and to ensure that no claims for compensation can arise from the reservations and deletions in the titles to certain land made by this Bill.

MAJOR PROVISIONS OF THE BILL

Part 1 of the Bill sets out its purpose, provides for its commencement and includes definitions. Part 2 of the Bill establishes the university, sets out its objects and the structure and major operating procedures of the council. Part 3 of the Bill provides for the establishment of the higher education division. Part 4 of the Bill provides for the establishment of the TAFE division. Part 5 of the Bill provides powers to make statutes and regulations to govern the operations of the university.

Part 6 of the Bill provides for the management of property and financial matters and the provision of reports. Part 7 of the Bill provides for general matters including the office of visitor, elections and payment of fines and compensation. Part 8 of the Bill makes transitional provisions for the establishment of the first council and transfer of students to the university. Part 9 of the Bill provides for the university to be successor in law of Swinburne Institute, for the merger of the Prahran College of TAFE, for the granting of certain land to the university, for the transfer of staff, and for other matters required to complete the merger arrangements. Part 10 of the Bill makes consequential amendments to the Post-Secondary Education Act 1978 and the Vocational Education and Training Act 1990.

CONCLUSION

The Bill provides for establishment of the Swinburne University of Technology as a major multi-sector post-secondary institution with a special mission to serve the particular needs of the outer eastern suburbs of Melbourne.

I commend the Bill to the House.

Debate adjourned on motion of Dr WELLS (Dromana).

Debate adjourned until Thursday, 14 May.

LEGAL AID COMMISSION (AMENDMENT) BILL

Second reading

Mr KENNAN (Attorney-General) — I move:

That this Bill be now read a second time.

This Bill makes a number of important amendments to the Legal Aid Commission Act 1978. That Act establishes the Legal Aid Commission of Victoria and sets out the manner in which legal aid services are to be provided. In particular the Act obliges the commission to ensure that legal aid is provided in the most effective, efficient and economical manner and in a manner which dispels fear and distrust. These amendments will enhance the commission's capacity to meet these obligations.

Since the Legal Aid Commission opened its doors in 1981 the demand for its services has grown at a steady rate. That demand has increased sharply with the effects of the recession. Although financial hardship places on families and individuals stresses that bring more people into contact with the legal system, increased unemployment means that more and more people qualify for legal aid under the commission's means test. Although government funding for legal aid over the past decade has increased dramatically, the constraints imposed by the recession mean that the Legal Aid Commission, like any other government or non-government body, now has to spread the limited funds available to it as effectively and equitably as possible.

Recognising that it will never be able to meet every request for assistance it receives, in recent months the commission has taken a number of steps to make limited resources stretch further. It has reviewed eligibility criteria to more effectively target areas of greatest need. It has comprehensively reviewed aspects of its administration and identified areas where savings can be made. It has also identified a number of amendments to the Legal Aid Commission Act which will allow it to reduce expenditure and increase the amount of money that it can recover in relation to grants of assistance. Those amendments are the subject of this Bill.

PAYMENTS TO PRIVATE PRACTITIONERS

The most significant provision is the amendment to section 32 of the Act which will change the method

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of calculating payments to the private solicitors and barristers who undertake legal aid work. Two-thirds of the commission's budget is paid directly to members of the private legal profession for legal work performed on behalf of legally assisted clients. Yet although funding of the commission in the past four years has increased by 25 per cent, legal fees have increased by 33 per cent. The commission's ability to control the level of payments to the private profession is therefore crucial for containing its overall level of expenditure.

Section 32 currently provides a cumbersome method for setting the fees payable to legal practitioners. If the fee for the legal work performed is fixed by a statutory scale, the commission must pay 80 per cent of that scale fee. Fees payable in most civil and family law litigation are fixed in this way. Where there is no statutory scale, the commission may fix its own scale of fees, but in doing so it must consult with the legal profession and set fees comparable with fees ordinarily payable for the same type of work. It then pays 80 per cent of the fee so fixed. This is the basis on which most criminal cases are paid for. In any other matters, the commission fixes a notional amount, of which it then pays 80 per cent.

This arrangement prevents the commission from taking advantage of change in the market for legal services and from negotiating special rates with practitioners who may be willing to accept a reduced rate in return for other benefits, such as a guaranteed high volume of casework.

The amendment will allow the Legal Aid Commission to determine the rates that it pays private practitioners, although it will still have to consult with the Law Institute of Victoria and the Bar Council in the process of doing so. The commission will therefore be able to pay fees to the private profession that more consistently reflect the market rates for such work. If the commission fixes rates that are too low, it will have difficulty attracting sufficient numbers of competent private practitioners to do its work. The power is subject to a limitation that the rates must not exceed those fees ordinarily payable for similar services provided to a non-legally assisted person.

The commission will also be able to enter agreements with individual firms and practitioners who may be willing to undertake work for less than the legal aid scale fee. For example, it may be possible for the commission to negotiate a lower fee with a particular firm in return for a certain volume and type of work.

The new fee-setting arrangement adopts the approach taken in most other States. It will improve the return the commission obtains for the money it pays to the private profession and reflects the government's commitment to improving access to the law by the introduction of less restrictive market practices.

CONTRIBUTIONS

When legal aid is granted, the commission often makes it a condition of the grant that the assisted person make a contribution to the cost of providing assistance. There are situations where the commission has difficulty recovering the contribution. The Bill enhances the commission's capacity to do so in two respects.

Payment of the contribution can be secured by means of a charge over the assisted person's property. There have been occasions when the assisted person refused to comply with the condition of assistance and to execute the charge. The commission has also encountered clients who have the means but refuse to pay contributions required from them. The Bill gives the commission power unilaterally to register a charge over land owned by an assisted person to secure a contribution, and to sell the land after appropriate notice has been given.

The Bill also gives the commission power to charge interest where a contribution remains unpaid after two years. The amount of interest will not be able to exceed 10 per cent of the prevailing rate fixed under the Penalty Interest Rates Act 1983. Interest would be imposed according to guidelines determined by the commission and would be subject to the normal review procedures applicable to a grant of assistance. The advantage of allowing the commission to charge interest in this way is that it creates an incentive for an assisted person to pay the contribution within a reasonable time while allowing adequate flexibility for cases of genuine hardship.

COSTS

The Bill also gives the commission greater flexibility in relation to costs awarded to or against an assisted person. There have been cases where the person has been awarded damages or costs pursuant to a settlement or judgment but has made no effort to pursue the entitlement. This often occurs where a settlement does little more than cover legal costs. Although the plaintiff may have given instructions to accept the settlement offer, when the acceptance

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becomes binding the plaintiff has second thoughts. Where the Legal Aid Commission is entitled to receive those costs by way of contribution, it misses out unless it can step into the shoes of the assisted person and enforce the order. The Bill will enable it to do so.

The commission presently has a discretionary power to pay costs awarded against a legally assisted person where that person commenced the proceedings. It cannot do so where the person is given assistance to defend proceedings. This anomaly is removed by the Bill.

OTHER AMENDMENTS

The Bill also makes minor changes to the composition of the Legal Aid Commission. At the request of the Commonwealth government it makes provision for the appointment of a second Commonwealth nominee to the commission. This reflects the composition of interstate legal aid bodies and reflects the fact that the Commonwealth contributes 55 per cent of the legal aid budget. The Bill also specifies that one of the two nominees appointed by the State Attorney-General should have financial, commercial or investment expertise. This requirement is found in other legislation dealing with government appointees to statutory bodies and is designed to enhance the effectiveness of the commission's decision making with respect to matters of financial management and planning.

This Bill will improve the efficiency of the Legal Aid Commission and will benefit all Victorians seeking to use its services.

I commend the Bill to the House.

Debate adjourned on motion of Mrs WADE (Kew).

Debate adjourned until Thursday, 14 May.

SMALL CLAIMS TRIBUNALS (JURISDICTION) BILL

Second reading

Mr KENNAN (Attorney-General) — I move:

That this Bill be now read a second time.

The small claims tribunals were established in 1974 as part of a move throughout Australia to provide access to justice for ordinary people. The purpose of the tribunals is to provide consumers with a speedy

and affordable means of resolving small contractual disputes.

In contrast to the traditional courts, the emphasis in the tribunals is on the settlement of disputes. Legal representation is generally not allowed, the rules of evidence are not applied, and costs are not awarded. These features are specifically designed to keep things informal and affordable.

Since 1984, more than 3000 consumers a year have availed themselves of the opportunity to lodge claims in the tribunals. However under the existing Act, only people who purchase goods, services or insurance contracts for private or domestic purposes are eligible to lodge claims. A person who purchases perhaps the same goods for use in his business is denied access. For example, if an honourable member purchased a microwave oven for his or her home and it proved faulty, he or she could, if necessary, lodge a claim in the tribunals.

The local milk bar proprietor or community-based association could not. He may need to employ a solicitor and go to court. Given such a choice, most small businesses would simply cut their losses.

The government considers it totally inappropriate and inequitable that access to the tribunal be denied because of who the claimant is. The only issues ought to be the type of dispute and the amount involved — currently disputes involving amounts under \$5000 are heard by the tribunal. In today's harsh economic environment it is important that people in small business have access to speedy, affordable dispute resolution. The alternative could well be further loss of income and possible insolvency. Therefore the Bill significantly extends the jurisdiction of the small claims tribunals.

Clause 4 extends the definition of "consumer" to include a firm within the meaning of the Partnership Act 1958, an exempt proprietary company and incorporated and unincorporated associations. Although the Bill has not sought to define the size of the business that might lodge claims, partnerships and exempt proprietary companies are generally small businesses. Also, experience in the New South Wales Consumer Claims Tribunal, where this type of amendment has been operative for five years, has shown that large companies do not use the tribunal. Normally they have in-house legal departments or contract out their legal work.

Clause 4 will therefore allow people in small business, farmers, and community-based

associations like local sporting clubs to lodge claims in the tribunal where the dispute involves goods and/or services under \$5000, or as prescribed by regulation pursuant to clause 5.

Clause 5 overcomes the need to change the principal Act each time there is a significant change in the cost of living. It will also enable differing monetary limits to be prescribed for different classes of claimant.

Since their inception, the small claims tribunals have had, except in limited circumstances, exclusive jurisdiction once small claims have been lodged. The policy behind this is to ensure the prompt finalisation of matters involving limited amounts of money within the one jurisdiction. Clause 9, by limiting the jurisdiction of the Supreme Court, ensures that the tribunal will continue to have exclusive jurisdiction in relation to small claims lodged pursuant to the Bill.

Clause 6 is a consequential amendment and enables traders and associations to be represented before the tribunal by an agent.

Clause 7 amends the regulation-making powers to enable different fees to be prescribed under the Act. The current regulation-making power allows for only one lodgment fee to be set for the tribunal. The amendment will allow for the introduction of a scale of fees depending on the class of claimant.

I commend the Bill to the House.

Debate adjourned on motion of Mr MACLELLAN (Berwick).

Debate adjourned until Thursday, 14 May.

ROYAL MELBOURNE HOSPITAL (REDEVELOPMENT) BILL

Second reading

Mr HARROWFIELD (Minister for Finance) —
On behalf of the Minister for Community Services, I move:

That this Bill be now read a second time.

The Royal Melbourne Hospital was established in 1846 and is Victoria's oldest hospital. It began as a charity hospital for the poor and has always offered a full range of medical and surgical services. It has a long and distinguished history in teaching and medical research and has provided high quality

health care to generations of Victorians. Currently the hospital is conducting world-class research in oncology and is continuing its pioneering work in bone marrow transplants.

A major redevelopment of the hospital is necessary to enable it to continue providing the best possible medical care to the community into the next century. A master plan strategy commissioned by the hospital board and endorsed by Health Department Victoria confirmed not only that the hospital has outgrown and outlived its almost 50-year-old buildings but is now severely constrained by its physical environment and outdated equipment. This has serious implications for the provision of optimum care for patients, the occupational health and safety of staff and the efficient delivery of health care.

The government is fully committed to the implementation of the master plan strategy, which is aimed at enhancing the vital core services of the hospital. Originally the strategy called for the redevelopment of the hospital in consecutive stages over a period of years. However, in accordance with its policy of investment in infrastructure to stimulate economic growth and create new jobs, the government has resolved to expedite the development.

The acceleration of the development was foreshadowed by the Premier in her Priority Victoria jobs statement. This project will result in the creation of 900 direct on-site jobs and a further 2300 indirect jobs over a three-year period. It is a significant component of the government's overall strategy to advance the process of economic recovery in Victoria.

An allocation of \$14 million will be made available in the 1992-93 financial year to accelerate this redevelopment by undertaking both stages concurrently. The government will be funding approximately \$60 million of a redevelopment project costing \$100 million. The balance of the funding will be provided by the hospital from its own resources.

The first stage of the development will encompass the construction of private consulting rooms and microbiological laboratories. The second stage will comprise the major redevelopment of the hospital, including new facilities for accident and emergency services, coronary care, radiology and new operating theatres. Included in the development will be a bone marrow centre and the construction of a

new central energy system following the decommissioning of the Central Linen Service, incinerator and coal-fired boilers.

Honourable members may be aware of the longstanding problems faced by patients and staff because of the critical shortage of parking spaces in the vicinity of the hospital. Included in the master plan strategy is a car park that will be constructed under University High School's oval. The construction of an underground car park directly linked to the hospital will resolve the current problems of access and security and has the agreement of the school council, the Minister for School Education and the hospital. The terms of the agreement stipulate that the car park must be constructed within one school year in order to minimise disruption to students and that the surface of the oval be fully restored.

The primary purpose of the proposed legislation is to facilitate the development process by overcoming potential legal restrictions on the use of the land occupied by the high school oval. This land is unalienated Crown land, permanently reserved as a site for educational purposes and under the control of the Minister for School Education. The Bill authorises the Minister for School Education to grant a licence to the hospital for the purposes of construction of the underground car park and stipulates the matters that must be covered by a licensing agreement.

The proposed legislation will also operate to expedite the development process by ensuring that it will not be unduly delayed by litigation. It will empower the Minister for Planning and Housing to amend the Melbourne Planning Scheme for the specific purpose of facilitating the development. Rights of appeal against an amendment to the planning scheme for this purpose and against works approval under the Environment Protection Act will be restricted to the parties involved in the development. However, all other normal planning and environmental processes will be followed.

I now wish to make a statement under section 85(5) of the Constitution Act of the reasons for altering or varying that section. Clause 9 of the Bill is intended to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the bringing before the Supreme Court of an action or proceeding of a kind referred to in clauses 5 and 8 of the Bill.

This is a complex and costly redevelopment that needs to be completed with as little delay as possible

in the interests of the community as a whole. To this end, clause 5 provides that certain decisions made under the Environment Protection Act in connection with the redevelopment are not appealable or reviewable by a court or tribunal.

For the same reason, clause 8 prevents the Supreme Court from entertaining actions for compensation against the Crown or the hospital that are based on the use of the University High School land in connection with the redevelopment. Currently the land is reserved for educational purposes. It is vital that the development should not be delayed by claims based on the existing reservation or use of the land.

The proposed legislation will facilitate a development that is of inestimable value to the people of Victoria.

I commend the Bill to the House.

Debate adjourned on motion of Dr NAPTHINE (Portland).

Debate adjourned until Thursday, 14 May.

PLANNING AND ENVIRONMENT (FURTHER AMENDMENT) BILL

Second reading

Mr McCUTCHEON (Minister for Planning and Housing) — I move:

That this Bill be now read a second time.

The Bill makes a series of changes to the Planning and Environment Act 1987 to help to give effect to the objectives of the Planning System Review which has been carried out as part of the Victorian Housing and Residential Development Plan. It takes account of submissions made to a paper entitled "Identification and Review of Issues in Planning Procedures", which was prepared by the Department of Planning and Housing last September.

The objectives of the review, as then set out, are: clarification of the roles to be played by the State government, regional bodies and local government in the planning process; achievement of a speedier and more efficient administrative system to deal with permit applications and planning scheme amendments; minimisation of the level of formality and legal intervention in planning processes while

recognising legitimate concern with property rights and development potential; maximisation of the potential for performance criteria rather than dependence on prescriptive criteria in facilitating and controlling land use and development; and establishing the importance of the policy and strategic role of the State government rather than its involvement in matters of local and statutory detail, while recognising the need for strategic implementation through planning schemes.

The government recognises the widespread perception among those concerned with development in this State that it is taking too long to make decisions about proposals to use and develop land. Changes to the system are needed to implement micro-economic reforms in a way which is consistent with the government's policies, including conservation and social justice.

The short-term focus is on incremental system changes so that at both State and municipal levels: short-term performance improvements can be achieved; system delays can be reduced; responsibilities can be clarified; resources can be redirected to achieving system outputs rather than rule maintenance; and the desired shape of the longer-term system can be better defined.

The context for this Bill is set out in the Planning System Review report, which is to be released in the next few days. The report will describe a series of changes to the planning system needed to change the emphasis in the way the system is operated. The future emphasis is to concentrate on strategic planning — defining desired results from the process of urban and regional development and ways to achieve them. The statutory process of development control under the Act is to be seen as one element — and a very important one — in achieving those results.

The review has noted that changes are needed in the way the planning system is operated within its legislated framework. This is as important as — and possibly more important than — change in that framework. The Department of Planning and Housing will be initiating projects in the coming year to give effect to necessary changes to planning procedures under the Act and to subordinate legislation. The review also noted some specific and fairly straightforward changes to the Planning and Environment Act 1987 that would help implement the review's objectives.

The Bill should be seen as one part of a program that this government has initiated to further improve the planning system in Victoria. I now turn to the specific changes proposed by the Bill.

Clause 3 relates to the duty of a responsible authority to give notice about an application. The Planning and Environment Act 1987 introduced the requirement to give notice about an application to the owners and occupiers of adjoining land. This requirement was introduced to overcome problems that had arisen with the lack of notice in certain cases under the former legislation. The Act allows planning schemes to give exemption from that notice in specific cases, but that power has not been used effectively because the exemption that can be granted is limited.

The Planning and Environment Act 1987 has substantially overcome the problem of permits being granted without notice, but there is a widespread perception that the notice procedures and third-party appeal rights have gone too far.

Clause 3 proposes to put into effect the principle behind the original provision by providing that a planning scheme may set out certain types of applications which are exempt from notice and appeal provisions or where only limited notice is required.

The same clause also allows schemes to set out classes of applications to be exempt from appeals by third parties against decisions by the responsible authority to grant a permit. Victoria has the most extensive rights in Australia for third parties to object to permit applications and to appeal against decisions, and experience over the past few years suggests that the cost of that process in terms of delay is excessive.

The Bill proposes a careful pulling back from the principle of what is effectively a universal ability to object and appeal. This is consistent with the principle of allowing councils, as accountable and responsible bodies, to make decisions to grant permits and to do so in appropriate circumstances without the threat of appeal. Importantly, it will avoid the delays inevitably associated with appeals.

The extent of such exemptions from notices and appeals is to be set through planning schemes and could be either general over the State or a region or designed to meet local requirements. The Act needs to retain flexibility in this matter so that, for example, a local structure plan can provide that an

application to use and develop land in a manner consistent with that plan is exempt from notice requirements. But I would also be seeking to include some general exemptions which could be applied over the whole of Victoria, or at least over the metropolitan area, through the State and regional sections of planning schemes. In exercising powers to approve amendments I would be seeking to ensure some consistency between requirements, because it would be undesirable for a totally fragmented approach to notice requirements to develop.

The Bill proposes two important safeguards on the use of these provisions. Firstly, clause 4(2) has the effect of providing that an exemption cannot itself be introduced without notice. The only exception is the requirement to notify the owners and occupiers of affected land, which is important because one amendment could affect a very large number of people. Apart from that, all the notice requirements about an amendment must be complied with. The second safeguard, provided in clause 11(2), is that an amendment for this purpose can come into effect only if approved by the Minister personally, not under delegation. The government believes that this arrangement will strike a more appropriate balance in decision making, allowing specific types of applications to be dealt with quickly while maintaining important principles of social justice.

Clause 4 provides expedited procedures to amend planning schemes without notice in cases where the amendment is needed solely to allow an application to be made for a project otherwise prohibited by the scheme. Public consultation on the project would then take place in considering the application, with the possibility of objections and appeals. This allows one round of consultation rather than two.

The clause also takes the opportunity to overcome the somewhat anomalous situation that before exempting an amendment from the need to give notice to all owners and occupiers affected by the amendment the Minister must consult the responsible authority. In the case of a State amendment that involves consulting all councils in Victoria just to decide whether to exempt the amendment from an impossible notice requirement. The changes proposed by the Bill will allow other notice to be given in those cases without delay, and councils can comment on the amendment.

Clause 5 allows the Minister to exempt a planning authority from the need to refer submissions about an amendment to a panel, if the planning authority

provides a forum for objectors to be heard, and such a procedure would be adequate in the particular case. Important safeguards are incorporated in this procedure. In particular, the Minister must be satisfied that the planning authority can act independently in the matter; and the authority must not have a direct pecuniary interest in the outcome of an amendment or own land directly affected by an amendment dealt with in this way. In hearing submissions the authority will comply with the same rules as would a panel. In appropriate cases that will save the costs of establishing an independent panel and avoid delay.

Clause 6 elaborates the present requirement that an objection to an application must state the reasons for that objection. Councils have complained about inadequate objections, or objections which have little relevance to the application. An objector is to state how the objector believes the grant of a permit would affect the objector personally, affect land owned or occupied by the objector, or affect the community generally.

Clause 7 removes a now unnecessary seven-day delay in granting a permit to which there have been objectors. The Administrative Appeals Tribunal Act was amended last year to require an objector to notify the responsible authority of an appeal against its decision, and there is no need to allow the Administrative Appeals Tribunal an extra week to notify the authority. Clause 8 makes the reasonable provision that a responsible authority can make a minor amendment to a permit affecting a condition required by a referral authority if the change is acceptable to that referral authority.

Clause 9 establishes a new procedure to consider applications of State significance. This will enable the Minister to call in an application at an early stage and allow submissions to be considered by a panel for report to the Minister. The Minister can then make a decision on the proposal. This decision would not be appealable to the Administrative Appeals Tribunal. At present an appeal to the tribunal can be called in for decision; the new provisions are an extension of this principle to minimise delay on important applications.

Clause 10 provides that, if a planning authority is slow in taking steps in an amendment, the Minister may direct that action be taken in a set time. If it does not do so, the Minister may take over as planning authority for the amendment. That will allow an impasse in considering an amendment to be overcome and the issues at least to be considered

by a panel. It would still be open to the authority to abandon the amendment, and such a course would enable the Minister to prepare a fresh amendment if that were seen to be appropriate.

I have already referred to the important safeguard in clause 11(2) in relation to amendments that allow applications to become exempt from notice requirements. Other clauses take the opportunity to overcome minor anomalies in the Act, and to make minor procedural changes to expedite decision making and the issuing of certificates.

In conclusion, I stress that this Bill is but one part of the government's response to general concern about the need to remove unnecessary delays in making decisions about the use and development of land. As such, it needs to be seen in the context of the wider process of reviewing the operation of the Planning and Environment Act. That involves reviews of procedures followed under the Act, as well as the ongoing review of the Act itself.

I commend the Bill to the House.

Debate adjourned on motion of Mr MACLELLAN (Berwick).

Mr McCUTCHEON (Minister for Planning and Housing) — I move:

That the debate be adjourned until Thursday, 14 May.

Mr MACLELLAN (Berwick) — I should like an undertaking from the Minister for additional time if required. Page 2 of the second-reading notes refers to the release of a report in the next few days. I ask the Minister to make available copies of that report to the Liberal and National parties and to give an undertaking that if additional time is required it will be granted.

Mr McCUTCHEON (Minister for Planning and Housing) (*By leave*) — I am happy to accept those conditions, and I hope the opposition will be able to debate the Bill in a fortnight's time.

Motion agreed to and debate adjourned until Thursday, 14 May.

MELBOURNE MARKET AND PARK LANDS BILL

Second reading

Mr HARROWFIELD (Minister for Finance) — 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, the Treasury Gardens and the area around the building occupied by the Royal Australasian College of Surgeons, an obligation that still continues. The Bill deals only with the area that for convenience I shall call the college of surgeons site.

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 purchasing the area it occupies, but to make this feasible it would also need 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 would 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 nominal rent. By this means the government will ensure that the integrity of the present gardens and of the site as a whole is not threatened or affected.

The integrity of the site is also ensured by the fact that the administration building and the surrounding lands are on the Register of Historic Buildings and that this legislation does not limit that registration in any way.

ADJOURNMENT

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As required by section 85(5) of the Constitution Act 1975, I make the following statement of the reasons why clause 12 of the Bill alters or varies that section.

Clause 12 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 11 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 grant of certain other land and extinguishes all interest 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 from the former use. The existence of those 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.

I commend the Bill to the House.

Debate adjourned on motion of Mr JOHN (Bendigo East).

Debate adjourned until Thursday, 14 May.

ADJOURNMENT

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) - I move:

That the House do now adjourn.

Caloola Training Centre

Mr JOHN (Bendigo East) — I raise for the attention of the Minister for Community Services the decision the government made last year to close the Caloola Training Centre for intellectually disabled people at Sunbury by October this year.

The opposition supports the closure and the policy of deinstitutionalisation. It wants to give residents with intellectual disabilities the opportunity of living and having access to the community — with, of course, the government providing proper support for the training of nurses and adequate resources and support for those people.

The opposition has grave reservations about the government's capacity to provide the necessary support. I have been critical of the government's performance and have cited particular cases where it has fallen down on the job.

Approximately 450 residents are being relocated from Caloola to other parts of the State. Some have already been relocated, and I am informed that 343 patients have left.

Despite the government's rhetoric about caring for the residents a number of facts must be exposed. The residents and their families are not being treated fairly or properly consulted; in fact, they are not being adequately considered.

The government has shown a gross lack of compassion in its actions to date. Of the 343 residents who have left Caloola, 37 have gone to nursing homes, 216 to community houses and the remainder to other institutions, some of which I am informed are in worse condition than Caloola!

It is an indication that the government was ill-prepared in its decision to close Caloola. It was obviously designed as a cash grab by the government, which is desperate to sell the 1500 valuable acres at Sunbury. The government says it is consulting with the residents and their families as to their choices of institution for relocation, but there are only about 20 places available in the Sunbury community and 130 residents have indicated Sunbury as their first preference.

Some 200 residents and their families have expressed a desire to live in cluster housing on a small part of the original development. Indeed, firm proposals have been submitted to the government, which have so far been rejected. There is no flexibility in the government's approach. Worse is yet to come! I am informed the relocation team comprises 43 staff, which is about 1 staff member to 7 or 8 residents. The relocation team does not feed, dress, wash or do any of the other day-to-day duties involved in caring for the residents; it simply makes relocation arrangements. It has been doing so for many months. One might ask: why this gross overstaffing? The team has hired 20 cars from the Commonwealth to support the relocation. This is a further example of the government's mismanagement.

In the 12 weeks following the government's announcement of the institutions's closure 16 or 17

residents have died. That is probably the highest death rate in any intellectually disabled institution over the past decade.

Mr Roper — It is a coincidence.

Mr JOHN — It may well be a coincidence but the stress, despair and anxiety suffered by the residents and the government's insensitivity and lack of compassion could well have adversely affected those people. It is about time the government lifted its game. It is dealing with the most vulnerable people in society.

The closure is a cash grab. The government is not fulfilling its announced policy of deinstitutionalisation. Its action shows a lack of sensitivity. The relocation staff are not meeting the needs of the patients. The government must lift its game and treat these people much better.

Cobram Day Training Centre

Mr JASPER (Murray Valley) — I direct to the attention of the Minister for Community Services — it is disappointing that she is not in the House to hear the concerns being raised on behalf of constituents in my electorate — the lack of appropriate staff at the Cobram Day Training Centre. The centre has been operating for many years and was originally established to meet the needs of handicapped people in the area.

The centre has a staff of 3.5 plus administrative back-up that was funded for 19 hours a week. The funding was increased to 32 hours a week because of an injection of local funds. Currently the centre has 19 clients receiving specialised services to assist them to develop skills necessary to living more normal lives within the community. The centre has received strong support from the Cobram community.

The centre was originally developed with little funding but its funding was increased and it is now able to handle those 19 clients. The centre is located in a building that was purchased and renovated with funds provided by the Federal government. The current difficulty is that nine people are on the waiting list to enter the centre but they have been unable to do so because of the lack of staff. I raised this issue with the regional director of the Hume region, Mr Tom Keating, on the basis that consideration be given for additional funding so further staff could be employed and at least some of the nine people on the waiting list could be assisted.

In response Mr Keating said that he was aware of the situation but that specific criteria were being developed for their admittance either to that centre or to other centres throughout the State. Mr Keating says that there will be some extension of programs throughout the State because of the closure of Caloola, which was mentioned by the honourable member for Bendigo East. He then suggests a second avenue for expansion of funding that involves examining the position of parents who are more than 65 years of age and are supporting their handicapped children. However, the entire Hume region would be allocated only three places under the program.

The last sentence of the letter states:

At this stage the specific criteria do not allow us to expand the service at Cobram.

I asked for further details but additional funding for staffing at the Cobram Day Training Centre was not forthcoming.

The Minister and the government should give more sympathetic consideration to the community's handicapped people. The Minister should provide additional funding so that further staff can be employed and so that those people wanting to lead more normal lives who are on the waiting list to be accepted at the training centre can be accepted. I seek support and action from the Minister.

East Ringwood Sporting Club

Mr BATCHELOR (Thomastown) — I direct to the attention of the Minister for Gaming a report at page 5 of the *Ringwood Mail* of 15 April:

Ringwood Council wants a slice of the gambling dollar from the East Ringwood Sporting Club.

I was appalled when I saw this allegation and I sought further information on whether the report was correct. I obtained a copy of a report from the council's policy and resources committee. The report confirms the story because it has a recommendation to council that:

Should council issue a town planning permit for gaming machines on council controlled premises, it advises the applicant that council strongly suggests that the organisation responsible for installing and operating the gaming machines set aside a portion of the net income from these machines into a fund for the

further development/refurbishment/renovation of facilities within the reserve involved.

The report was considered by the Ringwood City Council, and the minutes of the meeting of 27 April confirm that the motion was put and carried.

A number of issues arise from the stated policy, and five issues are of concern to me. I should like the Minister to address each one of them. In relation to the first issue, I suppose if I were to be generous I could state that, on the face of it, it appears that the council is seeking a financial inducement for the granting of a planning permit. Surely that is contrary to the Planning and Environment Act. The newspaper article shows that the attitude of the Chief Executive of the Ringwood City Council, Mr John Paech, is even stronger than that, and again I quote from the article where it states:

In approving any application for gaming machines the council should make this expectation clear.

The expectation is that some of the money that goes to the club should find its way back to the council.

The second issue I raise is that the council officers are implying that they will grant permits only where people are willing to comply with such blackmail. Where will this end? Will they request the same inducement from the RSL or local hotels? I would like to see them try it with Bruce Ruxton; that would produce an interesting outcome! The third issue in the minutes of the council meeting is:

Council is ignoring the legal advice provided to yourself and the Minister for Planning and Environment that planning permits are not required for gaming machines and indeed are trying to circumvent the consultation process which is currently being undertaken by the Minister for Planning and Environment on the Statewide amendment to planning controls for gaming machines.

The fourth issue is:

Publicity such as this could lead to more councils trying to take "a slice of the action" and holding clubs and pubs to ransom.

One envisages councillors around the State salivating at the thought of getting their hands into the tills of clubs in their areas!

Are all the councils aware of and prepared to undertake the same financial and probity checks

required by the Gaming Commission if they become partners in venues with gaming machines?

These are all matters of great concern. I ask the Minister to consider each one and follow it up. The last thing we want is local councils around Victoria having a say in the issuing of gaming machines to local clubs.

Appointments of union officials

Mr GUDE (Hawthorn) — In the absence of the Premier I raise a matter for the attention of the Minister for Employment, Post-Secondary Education and Training relating to the appointment to government agencies of a number of union officials and others associated with the Australian Labor Party. I am concerned about the extended use of taxpayers' dollars and I wish to refer to some specific people. The function they are carrying out is at the Monash Medical Centre. The first person is Mr Clancy who is a Trades Hall Council official. The second is Miss Gail Gills who at the time of her appointment was the President of the Hospital Employees Federation. The third is Mr Tony Dew, a former employee of the Victorian Accident Rehabilitation Council. At the time of his appointment he was a personal assistant to the Minister for Community Services. The final person is Mr Bill Lyster who is the spouse of the Minister for Health in another place. All those people have had a close association with the trade union movement and two of them are current employees of trade unions.

As I understand it more than \$100 000 a year is being paid to those two people, with the effect that taxpayers' money is being used to offset the costs of running trade unions. Worse, from the community's point of view, is that it appears that the only way one could obtain a reasonable level of industrial peace in some institutions is to put these people on the payroll.

That is a matter of concern because it also puts those people in difficult positions. Where does their loyalty lie? Is it with the Victorian government and the people of Victoria who are paying them? Does their loyalty lie with the unions by whom they are still employed? Does it lie with the Monash Medical Centre?

I do not make the allegation but I have heard suggestions that when the Monash Medical Centre amalgamated with Prince Henry's Hospital the question of none-too-subtle blackmail came to the

fore. There was a suggestion that these sorts of appointments were made because the necessary process of change could not otherwise occur.

The appointment of people such as Mr Lyster and Tony Dew, who have a personal involvement with Ministers of the Crown, also raises the extent of their loyalty. Is their loyalty to the hospital or to a former employer?

I raise the matter with the Premier because of the growing community disquiet about the way friends of the Australian Labor Party have been placed in highly paid positions. For example, Mr Lyster was on ADM8 level in the Department of Labour and until recently on a salary of about \$60 000. He is now retiring from the department and is in receipt of somewhere between \$70 000 and \$80 000 a year with a whole raft of additional opportunities for income that I shall not go into tonight.

I raise this matter as an expression of concern on behalf of the people of Victoria at the way their tax dollars are being spent. One observes a reduction in the capacity of hospitals to dispense services to the community with wards being closed and hospitals being unable to afford to employ sufficient nurses and so on to carry out the duties of caring, yet hundreds of thousands of dollars are being allocated for the employment of trade union officials. One can rightly question the Premier: what is your priority in health, Madam Premier?

Maribyrnong Valley linear park

Mr SEITZ (Keilor) — I raise for the attention of the Minister for Water Resources a matter of concern within the Keilor community. A parcel of land on the corner of the old Calder Highway and Flora Street is up for sale. It adjoins the Caroline Chisholm Park, which is owned jointly by the council and Melbourne Water and is part of the Maribyrnong Valley linear park.

The Upper Maribyrnong strategy plan prepared by Melbourne Water and the Department of Conservation and Environment was for a linear park that included the escarpment of the Maribyrnong River, which is the other great river in Melbourne. Over the years in its open space program the government has committed a lot of money to upgrading and improving that river and it would be to the detriment of the area if this piece of land were not part of the park.

I ask the Minister to use his good offices with Melbourne Water to enter into a joint negotiation with the City of Keilor to purchase that property. The Premier recently opened the Caroline Chisholm Park. Caroline Chisholm's name was also given to a replica of a shelter shed used in the gold rush days when the route to the goldfields went through Keilor. That is part of Keilor's heritage and the community is eager to maintain the area in an historic sense.

The council would like to acquire the property, which is on the open market, rather than having to compulsorily acquire it. A land use application was made for a 7-Eleven store and petrol station to be erected on that parcel of land. If that were the case it would be totally contrary to Keilor's planning scheme and the good management of the Maribyrnong River and its environs.

Honourable members might be aware that the old steel bridge across the old Calder Highway has been preserved because of its significance during the goldfield days. We are also trying to preserve the Arundel Road wooden bridge. We believe the additional work to the Caroline Chisholm Park will complement the weekend activities of the thousands of children and visitors to Brimbank Park.

I implore the Minister to use his good offices to examine the situation so that we can purchase the land adjoining the park and develop a unique setting in the area. In later years a government department will then not be forced to compulsorily acquire the property and turn it into a park. I am sure that if the land does not finish up in public ownership when the property is offered for sale future generations will demand that Melbourne Water purchase it and make it part of the linear park along the Maribyrnong River, as an extension of Brimbank Park.

Use of car clamps

Mr WEIDEMAN (Frankston South) — I raise for the attention of the Attorney-General a successful racket operating in Victoria which has now spread to the City of Frankston. It involves the use of car clamps in private car parks where the wheels of cars are clamped and the cars then towed away. Cars are taken away without the knowledge of their owners. It is almost like stealing, yet this successful racket continues.

A Mr Monro wrote to me about his experience when his son's car was towed away. He states:

Our son phoned us at 11.30 at night to say that his car had been towed away from the parking area immediately adjoining Rugantinos restaurant and beside what used to be Safeway.

My initial reaction was predictably, "If you park your car in the tow away area and you get towed away, then you deserve what you get".

But when he went with his son to get the car his view changed. He states:

1. Fairly recently small signs exactly the same size as normal council parking advisory signs have been erected at the entrance to the area, which consist of small blue green writing on white, advising that any car left in the area for more than 30 minutes will be towed away.

These points should be carefully noted:

- a. From a distance the signs are very similar in appearance to council green permitted parking signs. They bear no resemblance to the red on white parking prohibition signs.
- b. There is no statement of the penalty for parking in the area.
- c. There is no statement of how to get your car back if it is towed.
- d. There is no statement of the Act or bylaw that empowers towing away of vehicles.

Mr Monro claims, as I would, that occasional visitors to Frankston who parked in that area to eat at the restaurant or to go to the movies would have had no concerns about the safety of their vehicles. He continues:

On the night in question, a Wednesday night, 13 vehicles were towed away in 2 hours, which at \$150 a vehicle is a cash flow of \$2050 in 2 hours for two men and a rather dilapidated tow truck.

Taking into account day time tow aways, plus night time tow aways, it is easy to estimate a minimum cash flow of \$30 000 per week from this very small parking area.

On taking his son to 30 Kookaburra Street the son was not allowed to inspect his car for damage. One of the operators was behind a roller door and Mr Monro and his son had to pay up front before the door was raised to get the car. One of the operators said, "Don't open the door until I have wrung the \$150 out of the old bastard or his kid might do a runner on us".

There is no reason for those activities in the City of Frankston, the City of Melbourne or anywhere. I have no doubt that if this man had stood his ground and refused to pay in cash he would not have got his son's car back that night.

Apparently another young man returned to his car as the back wheel was being endowed with a clamp and was told that if he touched it he would be severely dealt with.

The blocking of the back wheels is causing problems with transmissions. It is disturbing that these gentlemen with badges on their arms are patrolling the streets. The Frankston police station was closed and D24 declined to attend the incident I referred to earlier. Will the Minister raise with the Premier, the Minister for Consumer Affairs, or any Minister for that matter, this important issue for local government? It is a racket. It would appear that the Black Dons or the Mafia are running the place.

Teaching of the Indonesian language

Mrs HIRSH (Wantirna) — I direct the attention of the Minister for School Education to the teaching of the Indonesian language, which is taught from preparatory grades through primary and secondary school in the Rowville cluster of schools.

The SPEAKER — Order! The honourable member's time has expired.

Responses

Mrs SETCHES (Minister for Community Services) — I understand the honourable member for Bendigo East referred to the Caloola Training Centre. I was not in the House when he raised the matter but I listened on the speaker system to some of what he had to say. Although I did not hear all of it, I shall try to answer some of the matters he raised.

The government's decision to close the Caloola Training Centre by October 1992 is on schedule. Since 1 July 1991 the client population has been reduced by more than 70 clients and two units have closed. Of the remaining clients, 175 will move to refurbished units in other institutions, 216 to new community accommodation and approximately 25 to nursing homes.

Procedures to ensure clients and families are consulted on preferences for new accommodation have been established. All first preferences have been discussed by the advocates, team leaders and

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those on site. Additional money will be provided to the community agencies, and resources from the Office of the Public Advocate have been made available to ensure clients are provided with advocates.

A total of 43 houses are required to house those who are moving into the community. Units at Kew, Kingsbury, Colanda, Janefield, Pleasant Creek and Sandhurst are to be refurbished, and tenders have been let on all works and some have closed.

I understand the number in the team at Caloola was a matter of concern to the honourable member. One must remember that there are more than 700 staff and 450 clients at Caloola. To ensure that staff are redeployed to other jobs and clients are accommodated is no mean feat. To make a complaint about the number of people on site dealing with those matters is ridiculous. It is a logistic exercise to ensure that those people are moved correctly and that staff are able to take up redeployment packages.

I should be interested to know if the honourable member has made up his mind whether he supports the closure of Caloola.

Mr John interjected.

Mrs SETCHES — I ask *Hansard* to please note those words — there is support for the closure of Caloola. I now need to advise the Liberal Party candidate for that area that it is the policy of the coalition to support the closure of Caloola. Maybe the opposition will have to take him in hand, as it should do with others who are deserting the coalition's view. The Liberal candidate is not supporting the closure of Caloola and is probably doing a good deal of work against it.

It is a matter of priority for the government to ensure that the disgusting hole of a place which has been there for more than 100 years and which has not provided suitable surroundings for people, and where more than 1000 people were housed under the former Liberal government —

Mr Leigh interjected.

Mrs SETCHES — I am so pleased to hear that there is a commitment to the closure of Caloola and that there will be some support from the other side to ensure that the 450 people housed there at the time of the decision to close are placed carefully,

preferably in areas of their choice, perhaps in the units to be refurbished or in the 43 houses.

The government has a commitment, which has not been mirrored by the opposition, to ensure that there will be places for those people.

Mr John interjected.

The SPEAKER — Order! The honourable member for Bendigo East has had his opportunity. He should allow the Minister to reply without interruption.

Mrs SETCHES — Are you going to make certain that they are!

Honourable members interjecting.

Mrs SETCHES — Are you willing to place these people — —

The SPEAKER — Order! I suggest the Minister should address her remarks to the Chair and to the points raised by the honourable member.

Mrs SETCHES — An additional \$12 million has been allocated to the project to supplement the amount required to run Caloola, as well as an additional \$5 million in non-recurrent funding to ensure people are placed in accommodation appropriate to their needs. Some will be placed in community-based areas and others will go to refurbished units as was agreed at the time of the closure.

We will deliver this time. We will make sure they are in better surroundings than they have been subjected to and that their opportunities will be enhanced, not stunted as has occurred in previous years.

The SPEAKER — Order! The honourable member for Murray Valley also raised a matter for the attention of the Minister for Community Services.

Mrs SETCHES — No doubt the honourable member for Murray Valley will advise me what it is he wishes me to answer. I shall take it up as a matter of urgency, whatever it is — he always raises such important matters in this House that I shall be diligent in my response.

Mr Jasper — Thank you, we will note that.

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Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — The honourable member for Wantirna raised the issue of Indonesian being available as a language taught in her area. I shall draw that to the attention of the Minister for School Education.

The honourable member for Frankston South referred to the towing away of cars from private land, and that certainly needs to be followed up.

The honourable member for Keilor raised for the attention of the Minister for Water Resources parklands in his area. I shall draw that to the Minister's attention.

The honourable member for Hawthorn, who is not in the House — —

Honourable members interjecting.

The SPEAKER — Order! I advise the honourable member for Malvern that it is not too late in the day for the Chair to intervene and take action against him. I ask him to remain silent and to observe the standards of decorum that his own Leader and other members of the House have urged be maintained.

Mr ROPER — The honourable member for Hawthorn suggested that a number of people employed at the Monash Medical Centre had been appointed in a way that reflected their political allegiances. It was an incredible and what one might describe as a gutter-type attack on the board of the Monash Medical Centre. As honourable members know, the hospital is one of the finest health institutions in the State. It has been a remarkable achievement of this government, which has developed services for an area that had been badly neglected.

The honourable member for Hawthorn mentioned, among others, Mr Bill Lyster — who in fact has been involved with work on the hospital from the beginning. Indeed, he played an important part in ensuring that appropriate industrial relations arrangements were made on the site so that the hospital was built on time and on budget.

What the honourable member for Hawthorn obviously does not want to hear — and that is why he is not present — is that the wife of the honourable member for Syndal is also employed by the hospital, and has been for some time; so is one Denise McGill, the endorsed Liberal Party candidate for the seat of Oakleigh. Honourable members know from what

has been said in court about the honourable member for Hawthorn that he would never allow a few facts to get in the way of a good story.

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, the Minister is casting reflections on another member of the Chamber and he should refrain from doing so.

The SPEAKER — Order! I do not uphold the point of order.

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — I shall certainly direct the comments of the honourable member for Hawthorn to the attention of the board of the hospital, which is responsible for employment practices in the hospital.

I ask the honourable member for Hawthorn to make appropriate checks before he embarks on personal attacks because, if he had asked the honourable member for Syndal, he might have discovered that people closely related to members of the Liberal Party are employed by the hospital, as one would expect. One would expect members of all political parties, although probably not the National Party, to be employed there.

Mr Steggall interjected.

Mr ROPER — However, one would expect that in Swan Hill a few people closely related to members of the National Party would be employed in a hospital.

The honourable member for Thomastown referred to the demand made by officers of the Ringwood City Council on the East Ringwood Sporting Club for its share of gaming machine turnover. I have been made aware of this activity. I am aware also that officers of the Melbourne City Council have suggested to organisations in the City of Melbourne that they will receive planning assistance if they provide 1 per cent or more of their gaming machine turnover to the Melbourne City Council.

Mr Perton — That is disgraceful!

Mr ROPER — For once, I agree with the honourable member for Doncaster. Frankly, that is disgraceful, and it will not be tolerated. Such standover tactics by officers of councils are not to be tolerated. The matter will be referred to the attention of the Victorian Gaming Commission and the Minister responsible for local government — the

Minister for Ethnic, Municipal and Community Affairs — for action to be taken against those officers.

Much discussion was held before the introduction of the legislation that created the Victorian Gaming Commission. The discussion revolved around issues such as how much of the revenue would go to the clubs and hotels, the Hospitals and Charities Fund and the Community Support Fund. The government set up the Community Support Fund specifically to provide a wide range of community support from the gaming dollar. Now officers of councils are trying to intervene almost in the manner of thugs in an attempt to gain a proportion of the money.

The government is taking every action through the commission and the Police Force to ensure that criminal elements cannot creep in through the back door, yet local councils are trying to push their way in through the front door to do the same thing — cream off a proportion of the money.

I make it clear that that kind of standover tactic by local government officers and councillors will not be tolerated. I believe any member of Parliament who becomes aware of that sort of thing occurring in his or her area would wish the government to take action.

I hope this serves as a warning to any municipal council that may have been thinking of taking such action. I also make it plain that the planning arrangements for the introduction of gaming are clear. The government is examining a Statewide amendment, which is currently the subject of consultation and much useful information is being gained from municipal councils as a result of that process.

The extraction of funds from clubs across Victoria will not be tolerated by the government or by Parliament.

Mr WEIDEMAN (Frankston South) — On a point of order, Mr Speaker, the Leader of the House has undertaken to refer the matters raised in the debate on the adjournment of the sitting to the appropriate Ministers. Will the Minister indicate how that is done? Is it done by issuing a copy of *Hansard* to Ministers?

I have yet to receive replies to a number of matters I have raised in the adjournment debate. This is the second time that I have raised this issue and I hope the Attorney-General and other appropriate Ministers will receive a copy of *Hansard* so that I will

receive a reply. I have raised an important matter and I would like a genuine reply from the Minister as to how he refers the matters raised to the appropriate Ministers.

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — I point out to the honourable member for Frankston South that he flew wide in his concluding remarks and he mentioned that he would also like the Minister for Consumer Affairs, the Premier and other Ministers to examine the matter. The general practice is for departmental officers to examine the matters raised in adjournment debates and to respond directly to the members concerned. If the honourable member for Frankston South will provide me with details of the matters to which he has not received responses, I will take up the issue in the appropriate area.

The SPEAKER — Order! The point of order raised by the honourable member for Frankston South has been adequately addressed by the Minister.

Mr LEIGH (Malvern) — I wish to raise a point of order with you, Mr Speaker, and I seek clarification on a statement you made yesterday in relation to the media access bans. You said that, in fact, all your instruction had been was that clear passage be maintained. I have spoken to a number of members of the media and they say —

The SPEAKER — Order! If the honourable member wishes to take up this matter with the Chair, I suggest he do so in Chambers. The honourable member will resume his seat.

Mr LEIGH — Mr — —

The SPEAKER — Order! Will the honourable member resume his seat! I am not prepared to hear this matter further in this forum.

Mr LEIGH — On a point of order — —

The SPEAKER — Order! There is no point of order. The honourable member for Malvern on a further point of order.

Mr LEIGH — On a point of order, Mr Speaker, I believe that as a member of Parliament you made a statement in this Chamber, and in fact I am not prepared — —

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The SPEAKER — Order! I have ruled on the point of order. There is no point of order. Will the honourable member resume his seat!

Mr LEIGH — Mr — —

The SPEAKER — Order! Will the honourable member resume his seat! If the honourable member

defies the Chair, the Chair will be left with no alternative but to act against him.

Motion agreed to.

House adjourned 6.59 p.m. until Tuesday, 5 May 1992.