

Tuesday, 26 May 1992

The PRESIDENT (Hon. A. J. Hunt) took the chair at 3.2 p.m. and read the prayer.

PARTNERSHIP (LIMITED PARTNERSHIPS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. M. A. LYSTER (Minister for Health).

QUESTIONS WITHOUT NOTICE

SECURITISATION OF TRADE RECEIVABLES

Hon. ROSEMARY VARTY (Nunawading) — I direct my question to the Minister for Manufacturing and Industry Development. What special-purpose entity has been used as the vehicle for funding the securitisation of trade receivables in the State Electricity Commission, the Gas and Fuel Corporation and Melbourne Water?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — Mrs Varty's question is: what vehicle has been used for the securitisation of trade receivables in Melbourne Water, the Gas and Fuel Corporation and the State Electricity Commission? I am not aware of any vehicle being used for such purposes in any of those entities, but I shall be happy to take her question on notice and provide Mrs Varty with a response during the course of the week.

ROLE OF AUDITOR-GENERAL

Hon. R. M. HALLAM (Western) — In the face of critical comments made by several of his Ministerial colleagues, I asked the Minister for Manufacturing and Industry Development last Thursday whether he was prepared to record his unqualified support for the office and role of Auditor-General. In what I regard as having been a scurrilous and disgraceful attack on the Auditor-General, the Minister levelled the general criticism that the Auditor-General had not uncovered any of the issues that were

subsequently referred to a Royal Commission, and he specifically cited the Tricontinental Royal Commission.

Will the Minister now explain to the House how anything the Auditor-General could have done would have prompted the Tricontinental Royal Commission, given that he was not the auditor of Tricontinental, nor indeed its parent, State Bank Victoria? Is the Minister expecting the House to believe that if the Auditor-General had recommended that the Tricontinental Royal Commission be established he, as Leader of the Government in this House, would have supported that recommendation?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — My response to Mr Hallam is to reaffirm the view I expressed: I appreciate the fact that it is about time there was an audit of the Auditor-General's office. It is to be conducted by Fergus Ryan and Arthur Andersen, and it will be a good thing for the people of Victoria.

Hon. Rosemary Varty — You were calling it an investigation last week!

Hon. D. R. WHITE — It is also correct that in relation to both the Gowan and Frost inquiries, which were substantial investigations over a long period, I said that no matter that had previously been the subject of any report by the Auditor-General's office was referred to them.

Hon. R. M. Hallam — You said Tricontinental as well!

Hon. D. R. WHITE — And that precedes the current Auditor-General. Mr President, you would be aware that I have made that point in this House on a number of occasions over the past 15 years. It is well known and understood that Tricontinental had the benefit of a government guarantee from State Bank Victoria and that in the normal course of events it would be fitting and appropriate for the Auditor-General to have considered the implications for the State's finances of organisations that had government guarantees. The Auditor-General's office did not do that, and did not provide a report.

Hon. R. M. Hallam — You opposed us trying to get that information!

Hon. D. R. WHITE — It is clear that we have never opposed any aspect of the Auditor-General's office — —

Hon. R. M. Hallam — That is not true, Minister — you opposed it! We pushed for it!

Hon. D. R. WHITE — The fact that the Auditor-General's office failed to uncover any aspect of a debt that resulted in a \$2.7 billion deficit to State Bank Victoria is a reflection on the Auditor-General's office.

TEXTILE, CLOTHING AND FOOTWEAR INDUSTRY

Hon. B. E. DAVIDSON (Chelsea) — Will the Minister for Manufacturing and Industry Development explain to the House what the Victorian government is doing to ensure a competitive future for the State's textile, clothing and footwear industry?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — All members on the government side of the House are concerned about the current circumstance of the textile, clothing and footwear (TCF) industry, which accounts for 11 per cent of value-added manufacturing and 17 per cent of total manufacturing employment in this State. I chair the government's textile, clothing and footwear task force, which was established to create a tripartite approach for the textile, clothing and footwear industry of this State. As well, it is charged with the task of presenting to the Federal government a range of initiatives that are designed to help the sector restructure.

The task force is working towards approaching the Federal government — in conjunction with the South Australian government — with a range of initiatives. For the benefit of honourable members I shall enumerate the names of some of the prominent business and employee representatives who have been kind enough to offer their services to the TCF task force. They include: Alan Trumble, Managing Director of Pedita Pty Ltd; Ian Dahl, Chief Executive Officer, Sportscraft Consolidated Pty Ltd; John Blood, Chairman, Fletcher Jones and Staff Pty Ltd; John Marshall, Director of the Manufacturing Council of Victoria; Anna Booth, Federal Secretary, Clothing and Allied Trades Union; and John Van Doldren, Federal Secretary, Australian Textile Workers Union. That list is by no means exhaustive.

Today I met with my colleague from South Australia, Mr Lyn Arnold. It is the intention of both governments to present a package of initiatives to the Federal government.

The government is making clear to the Federal government that it should consider employment levels to allow time for the TCF industry to adjust properly. In light of the tariff policies applying to the car industry the Federal government made clear the aspects of the industry it wanted to retain and support. It is important today that the Federal government indicate clearly the aspects and parts of each section of the TCF industry that should be retained and the implications of the current tariff levels and policies on employment during the 1990s.

In seeking this tripartite approach with employers, the trade union movement and government, we note with interest that the Federal opposition's position on TCF is effectively to wipe the industry off the map in Victoria and South Australia. It is clear that the tariff policy of Hewson and McLachlan, which is supported by the Victorian coalition, will have devastating effects on the textile industry in the metropolitan area, especially, and in rural Victoria. We will be making clear in our representations to the Federal government that the Victorian coalition has no policy on TCF, apart from supporting Hewson and McLachlan to completely wipe out all tariffs in that industry in metropolitan and country Victoria — a policy that, if implemented, will result in the elimination of 22 000 jobs in Victoria.

We will be making clear that there should be no further change in tariffs at the Federal level without due regard to employment levels.

MENTAL HEALTH ACT

Hon. M. T. TEHAN (Central Highlands) — On 1 May 1992 the Minister for Health wrote to the State Public Services Federation Victoria (SPSFV) saying she will not introduce legislation to achieve mainstreaming of psychiatric services or devolution of the School Dental Service until "employment arrangements for staff transferring to general hospitals etc. had been negotiated".

How does the Minister explain her complete abrogation of this statement in relation to dental therapists and the SPSFV with legislation already before the House when she will not proceed with amendments to the Mental Health Act until arrangements are made with the Health and Community Services Union?

Hon. M. A. LYSTER (Minister for Health) — In part Mrs Tehan's question relates to proposed legislation now before the House, the Health Acts (Revision) Bill. If I recall correctly, in my

second-reading speech I referred to a clause that will remove the restriction on the employment of school dental therapists, which means they can operate only within the confines of Health Department Victoria. As I said in that speech, the removal of the restriction will not change the employment conditions of those workers. However, it has been interpreted by the State Public Services Federation and, I regret to say, by the Australian Dental Association (Victorian Branch), as being a significant change in the way those people will offer such services. The achievements in dental health in this State have been significant.

In the past three years alone we have put in place 33 new community dental services. The School Dental Service has been expanded to include all grade 2 children, and services to high-need areas have been increased. A major new prevention process known as fissure sealant has been introduced for all primary schoolchildren. Many of those achievements have been possible because of the excellent work of dental therapists working in Health Department Victoria. The department will not set aside the achievements it has made in improving both the quality and universality of dental services by significantly changing the way in which those services are offered. We value our dental therapists far too much. However, we do believe it is appropriate — this was announced in the Budget last year — for Health Department Victoria to relinquish its role as the sole employer of people such as dental therapists. The Bill will make that possible.

As I said in my Ministerial statement last week, the body under whose auspices dental therapists will fall will be worked out in consultation with the union and with their professional body, the Australian Dental Association. I look forward to the discussions I will be having with those bodies and I hope we can facilitate the employment of dental therapists so that the excellent achievements that have been put in place over recent years can be further strengthened.

TEXTILE, CLOTHING AND FOOTWEAR INDUSTRY

Hon. R. A. BEST (North Western) — I am pleased with the announcement just made by the Minister for Manufacturing and Industry Development regarding his appointment as the head of a task force to examine relief for the textile, clothing and footwear industry. Will he inform the House of the initiatives taken within the Victorian government's

budgetary framework to reduce the imposts placed on the industry such as WorkCare levies and payroll tax?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — Not only have we made funding available to decentralised industries as part of the adjustment that was made and agreed to by all sides of the House in about 1984-85, we have also made clear in relation to new and expanded investment in the textile, clothing and footwear industry that the government has a range of schemes through National Industry Extension Service (NIES) funding and direct financial assistance programs for business plans and large-scale investment.

We have made it clear that the government is prepared to provide major direct funding both for infrastructure and for training purposes, and it has done so. A major investment program for the Geelong region, yet to be announced, is being finalised. It will be a consequence of major direct financial assistance from both Federal and State governments.

The most important message we are getting from the representatives I mentioned earlier, employers and the existing textile, clothing and footwear industry is that they want some commitment from the Federal government on the continuation of the industry in a form that will secure the industry in Victoria and minimise the dislocation that would otherwise occur with the existing tariff policy.

Mr Hallam and Mr Best would be better served by using their energies to change the Federal opposition policy on tariffs because the policies they are supporting are doing more to dislocate the textile, clothing and footwear industry than any other single factor.

SMALL BUSINESS DEVELOPMENT STRATEGY

Hon. R. S. IVES (Eumemmerring) — Will the Minister for Small Business inform the House of the recent release of the small business development strategy?

Hon. T. C. THEOPHANOUS (Minister for Small Business) — Recently I had the pleasure of releasing the small business development strategy, which will build on the strengths and opportunities of small business. Central to the strategy is the proposed

merger of the Department of Small Business and the Small Business Development Corporation.

It was clear there was an overlap of policy and program development functions between the Department of Small Business and the Small Business Development Corporation; the duplication was specifically in the marketing, communications and corporate administrative functions of the two bodies.

I asked the Department of Small Business to address those issues and as a result the Director-General of the Department of Small Business and the Chairman of the Small Business Development Corporation examined the interface between the two bodies.

The matter was also referred to the Public Service Board for assistance with the review, which was conducted with full consultation with the management of both the department and the corporation.

The final report of the Public Service Board recommended that the portfolio operate as a single corporate structure with a single directorate established to administer it. The recommendations were endorsed by the director-general, the chairman of the corporation and subsequently by me, as Minister.

In line with this aim the portfolio has now released a small business development strategy, which seeks to capitalise on the merger, and which has five key strategic directions for the department and the corporation.

Hon. R. J. LONG (Gippsland) — On a point of order, Mr President, I suggest that the Minister is making a Ministerial statement and is not answering the question. Therefore I ask you to bring him back to order.

The PRESIDENT — Order! It has often been remarked in this Chamber that the distinction between a full and complete answer on the one hand and a Ministerial statement on the other is somewhat blurred. At this stage the Minister certainly has not gone beyond the bounds of a full answer. However if the answer continues along the lines of a Ministerial statement, Mr Long will have the opportunity to move that the question be noted in the normal way.

Hon. T. C. THEOPHANOUS (Minister for Small Business) — To answer the question it was necessary

for me to outline that the strategy is closely linked to the proposed merger of the department and the corporation. The strategy has five key elements which include, firstly, cutting red tape through the Regulation Review Unit and the proposed business licensing centre, which the government is supporting, and the establishment of master licences for small businesses. This should aid in the elimination of red tape in a variety of ways.

The second element relates to management training. We have closely examined the issue and it is clear that business people who have management training are more successful or more likely to succeed than those who have not, so it is important for us to develop accredited courses in management training and to deliver those courses appropriately. The third area is more direct service delivery —

Hon. R. J. LONG (Gippsland) — On a further point of order, Mr President, the Minister is taking no notice of your ruling. Therefore I suggest that he is brought to order and told that he is not allowed to continue with the answer.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — On the point of order, Mr President, I was asked to outline the strategy that was being developed. I do not see how I can outline the strategy without outlining the elements of the strategy, which is what I am attempting to do.

The PRESIDENT — Order! It is possible for the Minister to outline his strategy in detail through the expedient of making a Ministerial statement — which is what Mr Long believes the Minister is now doing. I do not propose to interrupt the Minister at this stage, but I point out that I will accept a motion from Mr Long at the completion of the Minister's answer to enable this important topic to be taken into consideration.

Hon. T. C. THEOPHANOUS — I am attempting to briefly outline the five strategic directions, of which I have outlined two. The third element relates to the delivery of services through a network of one-stop shops and the various small business centres that have been established in conjunction with the TAFE sector.

The fourth element relates to addressing the availability and cost of capital for small business — about which I have given information in earlier answers — through the development of the Banking Industry Working Group. The fifth element concerns the focus by the department, in conjunction with

other government agencies, on an examination and review of the efficiency and equity of the taxes and charges that apply to small business.

I am happy to inform the House that the department has been successful in lifting the threshold on payroll tax, which means that businesses with payrolls of less than \$500 000 now pay no payroll tax. The department is also concerned to address cross-subsidies to small business for electricity consumption — which is an area where, as honourable members know, significant cross-subsidisation occurs.

The process is designed to achieve clear directions for both the Small Business Development Corporation and the Department of Small Business. The opposition spokesperson on small business, Mr Vin Heffernan, the honourable member for Ivanhoe in the other place, has been kept —

Hon. R. I. KNOWLES (Ballarat) — On a point of order, Mr President, the Minister is now clearly debating the subject. He has been on his feet for a long time, and I believe you should ask him to sit down.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I was not debating the issue. I was about to say that the opposition spokesperson has been kept fully informed of the merger. I was simply noting that the opposition has been kept fully informed. I should not have thought that that amounted to debating the question.

The PRESIDENT — Order! I uphold the point of order.

Hon. R. J. LONG (Gippsland) — I move:

That the Minister's answer be taken into consideration on the next day of meeting.

Motion agreed to.

BURNLEY PRIVATE NURSING HOME

Hon. R. I. KNOWLES (Ballarat) — I direct to the attention of the Minister for Health the inadequate monitoring of the Burnley Private Nursing Home in Richmond and to the government's claim that nursing home monitoring is a grey area. What action has the Minister taken to effect a speedy and clear resolution of the clarifying of State and Federal government responsibilities in this critical area?

Hon. M. A. LYSTER (Minister for Health) — I certainly agree with Mr Knowles that this issue should be addressed expeditiously, and that is a major component embodied in the aged care review that has been undertaken over the past 18 months to two years by the Federal government in cooperation with State governments.

Although funding issues tend to receive most of the publicity in the aged care review, monitoring the quality of care in nursing homes and other forms of accommodation for our elderly is implicitly caught up in the review.

The Victorian government has consistently taken the view that elderly people are facing distressing anomalies in the provision of funding and the monitoring of care because of the lack of clarification of the division of responsibilities between the State and Federal governments. The government believes that from a health care and health planning perspective it would be preferable for aged care and health responsibilities to be on the same level as acute hospitals so that continuity of care issues, which I spoke about in my Ministerial statement last week, can be addressed appropriately.

To date the Federal Minister for Health, Housing and Community Services has been extremely reluctant to pursue the notion of States assuming responsibility for the total care of our elderly population. Together with my State colleagues, I will continue to pursue clarification of the issue, as will the Premier and other Premiers at Premiers Conferences.

The Federal government is keen to take full responsibility for aged care funding and other areas of activity from the States, but the States are reluctant to hand over that responsibility. However, they agree that the current anomalies and discrepancies must not be allowed to continue. I look forward to the monitoring, funding and responsibilities issues being clarified — I would like to think — at the next Premiers Conference.

STATE ELECTRICITY COMMISSION OF VICTORIA

Hon. P. R. HALL (Gippsland) — I ask the Minister for Manufacturing and Industry Development whether it is a fact that the \$4.7 million of State Electricity Commission of Victoria stock at the Morwell distribution centre has been identified as being in excess of five-year demand. What management technique does the SEC

intend to put in place to prevent such stockpiling waste in the future?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — It is not possible for me to know whether such a survey has been carried out in the Latrobe Valley. It is inappropriate for the State Electricity Commission to purchase stock that would not be required for more than five years. Mr Hall has not identified the particular stock to which he refers. If he has any further details beyond those that he has provided in the question I shall be pleased to hear from him because that would assist the SEC to provide me with the details that would enable me to provide him with a more specific response later in the week.

COMPANION ANIMALS

Hon. E. H. WALKER (Melbourne) — I preface my question to the Minister for Conservation and Environment by saying that honourable members, particularly those from rural areas, will be aware of the damage done to farm animals by stray dogs, particularly near centres of population. Feral cats also pose a serious and worsening problem for native wildlife. I ask the Minister whether he knows the extent of the problem and what the government is doing about it.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — As the responsible Minister, today I launched the Protect Your Cat, Protect Your Wildlife campaign, which is aimed at educating the general community, and which deals with measures that can be taken to solve the problem. The campaign is based on studies done here and in other States which have found — and this may surprise many honourable members — that because of their hunting instincts even well-fed cats kill native wildlife. On average, a pet cat can kill 25 creatures a year, and when one considers total cat numbers that totals 25 million animals killed or injured each year.

Victorian wildlife is particularly vulnerable as it consists of many kinds of marsupials, birds, reptiles and frogs which evolved in an environment that did not include cats as predators. Stray, feral or uncontrolled cats are introduced predators with which our native wildlife cannot coexist. It is estimated that about 1.5 million cats live in Victoria and that more than 500 000 are either stray or feral. About 45 000 cats end up in animal shelters each year, of which only about 1 per cent are claimed by their owners.

Much of the wildlife killed by wandering cats in suburban areas is caught in local neighbourhoods. Much of the hunting occurs at night, which is when pet cats should be kept inside houses or restrained outside in properly-constructed shelters.

Responsible pet ownership is the key to the problem and the kit outlines action people can take to become responsible owners. It recognises the fact that many people consider companion animals such as pet cats to be important, but it must also be realised that most of those people would prefer their cats were not causing undue harm to wildlife. Many are not aware of the impact their cats can have.

The kit outlines the action people can take to become responsible owners including: identifying their cats with collars, tags, microchip implants, or tattoos; desexing their cats — I am told that neutered cats make better and more contented pets; confining their cats to their properties; and keeping them in at night. Cats kept indoors will not be hurt in fights or hit by cars and they will not harm wildlife. Owners can also place bells on their cats' collars. The kit also outlines that cats should never be dumped; they should either be rehoused or humane euthanasia should be arranged.

As well as the educational aspect, it is important that local councils take this issue seriously. Sherbrooke has been a leading council on this subject by producing local laws that meet the needs where education does not suffice.

Despite the hilarity shown by members on the other side, this is a serious issue for many people. Those concerned about the welfare of cats and wildlife have been involved in the production of the kit, and it will contribute towards educating the community about the problem and reducing the impact on wildlife.

REDEVELOPMENT OF ST KILDA BATHS

Hon. K. M. SMITH (South Eastern) — I ask the Minister for Conservation and Environment whether it is a fact that the rental for the St Kilda Baths-Bojangles redevelopment is calculated on only half of the true valuation of the property and that the valuation does not reflect its true market value?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The proposal was developed by an open-tender process in which the municipality of St Kilda and the Department of Conservation and

Environment were involved. The successful tenderer submitted a tender that was very favourable in terms of the community and the return over time. That was the basis on which the success of the tenderers was judged. One will have to look at the future return to see the results of the tendering process.

GEM PIER, WILLIAMSTOWN

Hon. R. A. MACKENZIE (Geelong) — Will the Minister for Manufacturing and Industry Development explain to the House why the government is providing \$1.4 million to the Williamstown council for the restoration of a derelict pier when it is providing only \$200 000 of the \$1.2 million necessary to restore Geelong's Eastern Beach promenade, which has been in a derelict state for some 10 years? The people of Geelong have had to raise the outstanding amount through public subscription and local government. Why have the people of Williamstown received \$1.4 million when it has taken the people of Geelong 10 years to receive \$200 000?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — We made it clear to the Williamstown council — —

Hon. G. P. Connard — Who is "we"?

Hon. D. R. WHITE — The Department of Manufacturing and Industry Development and the Port of Melbourne Authority made it clear that Gem Pier was not a continuing responsibility of the authority and that it was seen by shippers and people who use the port as an ongoing burden on the authority. The government indicated that it would be prepared to offer Gem Pier to Williamstown council as an ongoing responsibility in perpetuity if the council were prepared to take over the continuing operation and the cost of maintaining the pier. The government also indicated that it was prepared to refurbish Gem Pier prior to handing it over and that that would be a condition of the transfer and that after the transfer Gem Pier would be a responsibility of the ratepayers of the City of Williamstown. I am not sure precisely which section of the community is responsible for the pier to which Mr Mackenzie is referring.

Hon. R. A. Mackenzie — Geelong City Council for the past five years.

Hon. D. R. WHITE — I make it clear that the proposal to provide the \$1.4 million for the

restoration of Gem Pier was part of an arrangement to secure a transfer of Gem Pier from the responsibility of the Port of Melbourne Authority and the State government to local government. As a consequence of Williamstown City Council being prepared on behalf of the ratepayers to take continuing responsibility for Gem Pier, the government was prepared to refurbish it prior to the pier being handed over.

Similarly, after progressive representations from Mr Lawson, a beach renourishment program was carried out in Sandringham as a result of State government funding, and not from Port of Melbourne Authority funding. The Sandringham City Council was also involved as was the local community.

If the pier at Geelong has been an existing and continuing responsibility of the Geelong City Council, the situation is not analogous to the circumstances surrounding Gem Pier.

HOSPITAL PRODUCTIVITY GAINS

Hon. JOAN COXSEGE (Melbourne West) — I believe many hospitals are making significant gains in productivity and making the health dollar more efficient. Will the Minister for Health inform the House where and how this is happening?

Hon. M. A. LYSTER (Minister for Health) — From time to time criticisms are made of hospitals and their capacities to maximise the various productivity measures taken in other industries. I do not believe that is the case, and I shall share a graphic example with members of the House that shows how many hospitals are making the health dollar go further, to use a colloquial phrase.

In the 1989-90 financial year the management of the Austin Hospital realised its sick leave costs were excessive; they were of the order of \$1.7 million. It was recognised that there was room for improvement, and the board has now made commendable gains in reducing absenteeism. Once the hospital's average absenteeism was identified as being significantly higher than that of the industry, a strategy was developed by working in collaboration with the 600 employees of the hospital to determine how the absenteeism rate could be improved. The information gained from the survey has been a valuable tool for management in a number of areas throughout the hospital.

However, I will share with the House the success achieved in the reduction of absenteeism. As a result of the work done by management, unions, and staff representatives, sick leave hours have reduced by 11 per cent compared with those taken last financial year. In dollar terms that means a saving of \$200 000 in sick leave payments for the same period.

The management of the hospital does not believe that is the end of the achievable savings but knows it has now established an excellent base on which to achieve further productivity savings. Because of the information gained, a constructive base has been established with the work force for achieving greater efficiencies, not just by reducing absenteeism but by identifying four key elements in particular: the importance of workers enjoying their work; their working conditions; their relations with fellow workers; and acknowledgment of work well done.

The management of the Austin Hospital should be commended for its work. I know other hospitals are following its example and I look forward to that kind of productivity achievement being duplicated across the industry.

CAMBERWELL CITY COUNCIL

Hon. B. A. CHAMBERLAIN (Western) — Does the Minister for Ethnic, Municipal and Community Affairs have confidence in the administration of the City of Camberwell, and does she intend to accede to the request that an administrator be appointed to take care of the affairs of that city?

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — Last Friday a number of former councillors of the City of Camberwell made contact with the Office of Local Government and left for me a letter that I saw when I returned from the youth Ministers council in South Australia.

The whole issue of intervention by one level of government into another is obviously a weighty one indeed. It is one that would not be taken lightly and it is one in which the government would enter with the greatest of reluctance. However, considerable allegations are being made by the group alluded to by Mr Chamberlain about the present administration of the City of Camberwell.

This afternoon, at the invitation of the City of Camberwell, the Director of the Office of Local Government will be making contact with the City of Camberwell. I stress that the contents of the letter received from the group of former councillors have

at this stage not been thoroughly checked by the Office of Local Government. I am taking the correspondence and the allegations seriously, but they remain allegations. As yet the City of Camberwell has not made a formal approach to me to put its side of the story. Presumably the City of Camberwell would want to answer some of the comments being made about it.

Obviously one takes seriously correspondence of that kind signed by people who have made major contributions to local government. However, one would intervene in the affairs of a council only if there were an extremely good reason for doing so. As I have said, one would take that step with reluctance.

Every member of this House has stressed the importance of the autonomy of local government during the 1980s and into the future. One would take the step of intervening only with reluctance.

The third point is that the group that left me with the letter on Friday may still supply documentation to substantiate some of the claims it made. I shall be waiting to receive that and to assess it. I conclude by saying that I am obviously taking the allegations seriously. I shall get officers to weigh them up and assess them. Obviously I shall be seeing the administration and the councillors of the City of Camberwell at some stage and, if a decision is to be made for some kind of intervention in the affairs of the council, the House will be informed.

INTERPRETING SERVICES

Hon. LICIA KOKOCINSKI (Melbourne West) — Welcome back, Mr President. I direct my question to the Minister for Ethnic, Municipal and Community Affairs and, in this instance, in relation to her responsibility for ethnic affairs, I ask: what is the government doing to ensure that the interpreting services it provides are put to effective use and that operators in the field know when and how to use interpreters, because this is a perennial problem in many organisations?

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I thank Ms Kokocinski for her question and her ongoing interest in this field. Obviously, upgrading and continuing to upgrade the skills of interpreters and translators is important in our society where so many people have recourse to the skills of interpreters. Equally as important is the training of professionals to enable

them to become aware of how and when to use the services and skills of interpreters.

Recently the Language Services Training Unit in the Office of Ethnic Affairs was enhanced as part of the organisational restructure following the consolidation of State Language Services. This gives training officers a more important part to play in the provision of interpreting services. It gives them the opportunity of working with both interpreters and service users. As well as working with interpreters they have the opportunity of developing workshops and seminars for professionals across a range of areas to create awareness and sensitivity to the needs of people from non-English speaking backgrounds.

Courses of the kind I have mentioned have been conducted regularly by the Victoria Police for training cadets and sergeants, for solicitors participating in bar readers courses, for the Office of Psychiatric Services and for agencies working with disabled clients. We have received good feedback about those courses and our training officers are working on developing special modules and kits that will enable them to spread their services still further.

Of particular interest to many members of this House is that this is the first time the training officers have had the opportunity of working regionally and in rural Victoria. Last week a training officer spent four days in Mildura and Swan Hill working with the local pool of accredited interpreters who provide support and development as a supplement to previous training that has been undertaken through the Sunraysia TAFE and the Office of Ethnic Affairs training course.

Significant contacts have now been made with the major user agencies in the Mildura region, such as the police, Community Services Victoria, especially the Child Protection Unit of CSV, a group called Action on Disability within Ethnic Communities (ADEC) and mental health professionals. The Mildura-Swan Hill visit went so well that an invitation has already come from the Wodonga area to run something similar. I am delighted with the work going on in a field that until recently was somewhat neglected or was less than fully understood by professionals and probably also by the government.

QUESTIONS ON NOTICE

Suspension of Standing Orders

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — By leave, I move:

That so much of the Standing Orders as require answers to questions on notice to be delivered verbally in the House be suspended for the sitting of the Council this day and that the answers enumerated be incorporated in *Hansard*.

I am advised that there are answers to 22 questions on notice today. The numbers of the questions in the relevant portfolios are:

Ethnic, Municipal and Community Affairs: 1388, 1429, 1468, 1469, 1497, 1498, 1526, 1527, 1555, 1556, 1574.

Conservation and Environment: 1536, 1605, 1617.

Consumer Affairs: 1436, 1446, 1465, 1494, 1518, 1523, 1552, 1585.

Motion agreed to.

PERSONAL EXPLANATION

Hon. LICIA KOKOCINSKI (Melbourne West) — I desire to make a personal explanation and correct a matter that appears in last week's *Daily Hansard*. On 21 May during debate on the Environment Protection (Resource Recovery) Bill I referred to the de-inking plant at Albury and noted that the owner was Australian Pulp and Paper Mills. I should like to inform the House that I made an error. The owner is Australian Newsprint Mills Ltd. I am acutely aware of the sensitivity of separating the ownership of the companies' newsprint and manufacturing plants and I apologise for the concern that arose. Also, I congratulate the Public Affairs Manager of Australian Newsprint Mills Ltd for contacting me so promptly and pointing out my error. I apologise for any embarrassment caused by my error.

PETITION

Companion animals

Hon. G. P. CONNARD (Higinbotham) presented a petition from certain citizens of Victoria praying that consideration of the Companion Animals Bill be deferred pending consultation and review with interested groups.

Laid on table.

RACIAL AND RELIGIOUS VILIFICATION BILL

Introduction and first reading

Hon. M. A. LYSTER (Minister for Health), by leave, introduced a Bill to render unlawful certain acts or statements that vilify or threaten people on the ground of their race or religion, to empower the Magistrates' Court to make non-harassment orders and for other purposes.

Read first time.

PAPERS

Laid on table by Clerk:

East Gippsland Centre — Report and financial statements for the year 1990-91 (two papers).

Industrial Relations Act 1979 — Report of the President of the Industrial Relations Commission on the operation of the Act for the year ended 31 October 1991.

Melbourne University — Report and financial statements for the year 1991.

Mineral Resources Development Act 1990 — Code of Practice for Exploration and Rehabilitation of Exploration Sites, May 1992.

Ombudsman — Report for the year 1990-91.

Planning and Environment Act 1987 — Notices of Approval of the following amendments to planning schemes:

Hawthorn Planning Scheme — Amendment L3.

Horsham Planning Scheme — Amendment L36.

Keilor Planning Scheme — Amendment L23.

Melbourne Planning Scheme — Amendment L101.

Melton Planning Scheme — Amendment L13.

Shepparton Shire Planning Scheme — Amendment L48.

South Melbourne Planning Scheme — Amendment L37.

Tambo Planning Scheme — Amendment L28.

Werribee Planning Scheme — Amendment L42.

Swinburne Limited — Report and financial statements for the year 1991.

The Constitution Act Amendment Act 1958 — Report on the Shepparton District By-election, 19 October 1991.]

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Proclamation of His Excellency the Governor in Council fixing operative date in respect of the following Act:

Grain Elevators (Amendment) Act 1992 — 20 May 1992 (*Gazette* No. G19, 20 May 1992).

Ordered that reports tabled by Clerk be considered next day on motion of Hon. HADDON STOREY (East Yarra).

COMPANION ANIMALS BILL

Second reading

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

That this Bill be now read a second time.

In 1984 and 1987 the government's Animal Welfare Advisory Committee received extensive public comment after the release of two papers on initiatives to develop companion animal legislation. In August 1987 the matter was referred to the Social Development Committee of Parliament to inquire into the role and welfare of companion animals in society. The Social Development Committee made extensive and detailed recommendations to Parliament in May 1989.

The government response to the Social Development Committee report was tabled in Parliament in November 1989. The response supported the development of companion animal legislation with the objectives as recommended by the committee.

The government acknowledged the special needs of the community for companion animals, but also recognised the increasing community concern about the large number of unwanted and stray animals caused by irresponsible overbreeding. Another major consideration was the need to protect the environment and other animals by minimising attacks on humans, other animals and native wildlife by stray companion animals.

To foster the welfare of companion animals and to reduce community nuisance created by them the government considered that two simultaneous approaches were necessary: the development of legislation to introduce control measures; and the promotion of responsible ownership through education. Current legislation in the form of the Dog Act 1970 has failed to meet community expectations and does not cover other species of companion animals.

The principal purposes of the Bill are to provide for: the registration and control of companion animals; the registration and regulation of companion animal businesses; the regulation of the boarding and agistment of companion animals; and the establishment of a fund for use in promoting the welfare of companion and other animals.

The government believes the Bill will serve to: promote and protect the welfare of companion animals; reduce the overbreeding of certain species of companion animals; reduce nuisance caused by companion animals; and control dangerous dogs.

I shall now deal briefly with particular features of the Bill.

REGISTRATION OF COMPANION ANIMALS

The Bill requires the registration in all municipalities in Victoria of all dogs and cats over six months of age. The Bill also enables councils to require the registration of other species of companion animals. The Bill expands the registration system to facilitate a higher level of registration by enabling municipalities to appoint companion animal businesses and veterinary practitioners as registration agents for the registration or renewal of registration of companion animals. In addition, the Bill requires companion animal businesses to notify the appropriate council of the sale of a dog or cat that is not registered.

To reduce the problems of overbreeding the Bill will encourage pet desexing through a registration incentive scheme. Municipalities will set differential fees to provide incentives for desexing and for responsible ownership. Concessions will also apply to farm working dogs, registered breeders and animals of more than 10 years of age.

REGISTRATION OF COMPANION ANIMAL BUSINESSES

The Bill requires premises at which companion animal businesses are carried on to be registered by councils. The relevant businesses are mainly businesses or enterprises run for profit involving the selling, buying, breeding, rearing, training, hiring, agistment or boarding of companion animals. This includes horseriding schools and other businesses deriving profit from dealing in companion animals. Exemptions, including those in the greyhound and horseracing industry, will apply. Registration of companion animal businesses will be subject to compliance with a code of practice.

BOARDING AND AGISTMENT OF COMPANION ANIMALS

The Bill regulates the boarding and agistment of companion animals, including horses, and clearly defines the person responsible for the welfare of the animals and the rights of the owner and the person who has custody of an animal.

DANGEROUS DOGS

New controls over dangerous dogs are well overdue. Current legislation fails to address the problems caused in the community by dangerous dogs. The Bill enables councils to declare dogs as dangerous according to certain criteria and imposes strict controls on the keeping of those dogs. Visible and distinctive means of identification of the dog and the premises that house a dangerous dog will alert people, particularly children, to the danger of approaching this type of dog.

ANIMAL WELFARE FUND

The Bill establishes a board to administer a fund into which will be paid 5 per cent of the annual fees collected by councils from the registration of companion animals. It is intended that the fund will be used to promote responsible pet ownership education programs, for research into animal welfare and for other animal welfare issues such as desexing initiatives. An education campaign, which is crucial to this legislation, will also be undertaken.

LIMITATION OF JURISDICTION OF SUPREME COURT

I wish to make a statement under section 85(6) of the Constitution Act 1975 of the reasons for altering or varying that section by the Bill.

Clauses 31(2), 32(2) and 40(2) of the Bill are intended to alter or vary section 85(5) of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court from entertaining proceedings to the extent provided in those clauses. Clause 31(2) provides that where a person destroys a dog or cat under subclause (1) of clause 31 that person does not incur any liability for acting under subclause (1). Clause 32(2) is a similar provision applying to persons acting under clause 32(1). Clause 40(2) is a similar provision applying to persons acting under clause 40(1).

The reasons for preventing the entertainment of those proceedings are as follows:

CLAUSES 31(2) AND 32(2)

Without the protection provided in the clauses persons authorised to destroy dogs or cats found at large in the vicinity of livestock or in a wildlife sanctuary or classified conservation zone may be reluctant to destroy such dogs or cats. To fail to destroy dogs and cats and to leave them at large in those areas presents an unacceptably high risk of death or injury to the exposed animals.

CLAUSE 40(2)

Without the protection provided in this clause an authorised officer may be reluctant to seize and destroy a dangerous dog. To fail to destroy such a dog would present an unacceptable risk of death or injury to people or animals as these dogs have already proved their capacity to inflict serious injury without provocation.

In conclusion, the Bill enables councils to make local laws to determine the limits on numbers of companion animals per property and to address the problems of municipalities that experience problems with cat and dog attacks on livestock and wildlife.

I believe the Bill strikes an appropriate balance between the rights of animal owners and the rights of other members of the community.

I commend the Bill to the House.

**Debate adjourned on motion of
Hon. R. S. de FEGELY (Ballarat).**

Debate adjourned until next day.

LOCAL GOVERNMENT (FINANCIAL) BILL

Second reading

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I move:

That this Bill be now read a second time.

INTRODUCTION

Municipal finance has long been identified by local government as an area in need of major reform. The Bill is the first important step towards assisting local government to achieve those much needed improvements. For too long the industry has been burdened by a level of prescription which has limited its operational flexibility and which has added little to public accountability.

The Bill forms part of a complete financial reform package which includes: a new accounting standard, especially for local government; proposed new accounting regulations; an accounting manual; and a Statewide training program. Together, these elements represent the most significant reform of municipal finance this century.

The new national accounting standard — AAS27 — specifically for local government has been essential to this process of reform. The standard “financial reporting by local governments” is to be progressively adopted by all States and will ensure that local government’s financial reporting and accounting is in accordance with widely accepted commercial practices and professional standards. The new standard will benefit the community, councillors and council officers and has been strongly supported by local government. It will ensure that financial reports contain comprehensive information presented in an easy-to-read format. This will enable all users of local government financial reports to gain a greater appreciation of all the resources managed by councils on behalf of their communities.

DEVELOPMENT AND CONSULTATION

The major contribution of the Pope and Harrowfield committees has set the foundation for change in municipal finance. In 1988 the working party chaired by the Mr Neil Pope, now Minister for Labour, first highlighted the need for a major overhaul of municipal finance. Against that background, in 1990 a committee chaired by Mr John

Harrowfield, now Minister for Finance, recommended substantial changes in local government's method of accounting and reporting to comply with existing accounting standards. To assist it in reaching its conclusions, the committee consulted widely with local government through a series of Statewide public meetings.

Throughout the reform process input from local councils and the key local government associations has been essential. The main components of the Bill were circulated to all councils for their comments, and the key associations, including the Municipal Auditors Discussion Group, the Association of Municipal Accountants, the Municipal Association of Victoria, the Metropolitan Municipal Association, the Institute of Municipal Management and the Australian Accounting Research Foundation, have all been consulted.

The Standing Committee on Local Government Financial Management, which has representation from many of these key groups, including the Local Government Engineers Association and Department of the Treasury, has provided a high level of support for this exercise and has ensured the full involvement of the industry. I thank Mr Vern Robson, chairperson of the committee, for his excellent work and commitment to this reform.

KEY AMENDMENTS

I now turn to the particular changes to be made by the Bill. The main changes relate to: municipal auditing arrangements, particularly, the appointment of council auditors; municipal accounting and reporting requirements to complement the new national standard; the advertisement and adoption of council budgets; the preparation of corporate plans; minimum insurance cover; uniform payment dates for rates and charges; and the appointment of municipal inspectors.

The Bill principally amends Parts 6, 7 and 8 of the Local Government Act 1989. These parts of the Act are not as yet operative, but will come into effect on 1 October 1992.

I shall now briefly outline the key amendments.

COUNCILS TO APPOINT AUDITORS

Councils will be given power to appoint their own auditors after a public tender process rather than having them appointed by the Minister. This amendment has been reviewed by the Municipal

Auditors Discussion Group and the Auditing Standards Board, and is welcomed by all councils.

All registered company auditors will be eligible to be appointed as council auditors. This has the advantage of ensuring that all auditors of local government carry out audits in accordance with professionally accepted standards. This will ensure the best possible quality of audit. A phase-in period of three years will allow persons who are not registered company auditors but who hold a municipal auditor's certificate from the Local Government Qualifications Board to upgrade their qualifications.

NEW ACCOUNTING AND REPORTING REQUIREMENTS FOR COUNCILS

A number of important changes are proposed to current municipal accounting and reporting practices that will improve the overall efficiency of councils' financial operations. Time lines governing the preparation and audit of financial statements and preparation of annual reports have been changed to require finalisation within three months of the end of the financial year. This will ensure that communities are aware of the financial performance of their councils. To give councils time to adjust, a transitional period of five months will operate for two years.

The Bill proposes that councils should no longer be required to establish separate funds for revenue and borrowings. The removal of this prescriptive restriction is consistent with the thrust of the new accounting standard and provides councils with increased flexibility. It will not, however, disadvantage those councils that may wish to continue to maintain a number of funds. Under current arrangements loans and capital works are considered separately. The raising of loans and the development of the capital works program will now form part of the total budgetary process — a move welcomed by the key local government associations.

ADOPTION AND ADVERTISEMENT OF THE BUDGET

The Bill requires that councils adopt their budget by 30 November. This is necessary to ensure that the budget is finalised as soon as possible after the start of the municipal financial year on 1 October.

To ensure proper accountability to ratepayers, it is proposed that councils advertise details of the proposed budget and capital works program. In

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addition, the whole budget must be available for inspection for a period of five days after publication of the notice. The budget will also be displayed at prescribed places throughout the municipality. This contrasts with the more limited arrangement under the 1958 and 1989 Local Government Acts, which allowed comments only in relation to loan projects.

CORPORATE PLANS

As part of the Bill's overall philosophy to improve the good management of local government, councils will be required to produce corporate plans. These plans will outline councils' objectives, strategies for achieving those objectives and appropriate performance indicators.

The preparation of corporate plans will provide a solid base for council policy development and decision making. As these plans will be available for public scrutiny, they will also give the community a clear view of its council's activities and directions.

INSURANCE COVER

To reduce the possibility of serious financial risk through unforeseen events, the local government Ministers conference recommended statutory setting of minimum liability cover for councils. The Bill implements this recommendation.

PAYMENT DATES FOR RATES AND CHARGES

To prevent community uncertainty regarding payment dates for rates and charges, the Bill provides for the Minister to fix dates for payment. In addition to payment by lump sum, a flexible range of instalment options will be made available to ratepayers.

In recognition of the wider range of council activities available as a result of recent legislative reforms, this Bill removes restrictions on the qualifications required to be appointed as a municipal inspector.

Instead of the possession of a special certificate, skill and expertise will be the major criteria of appointment. To provide increased flexibility, an appointee will not be required to be a public servant, and may be appointed for a specific time period.

OTHER AMENDMENTS

The Bill also makes a number of miscellaneous amendments, which are essentially of a housekeeping nature, to clarify drafting issues, the

timing of implementation of various provisions and other consequential matters.

I commend the Bill to the House.

Debate adjourned for Hon. R. M. HALLAM (Western) on motion of Hon. W. R. Baxter.

Debate adjourned until next day.

INDUSTRIAL RELATIONS (SUPERANNUATION ENFORCEMENT) BILL

Second reading

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I move:

That this Bill be now read a second time.

The major purpose of this Bill is to provide for the more effective enforcement of occupational superannuation provisions contained in industrial awards.

Superannuation is now a common feature of awards by virtue of national and State wage case decisions since 1986. However, the effective enforcement of superannuation provisions has proved extremely difficult because of deficiencies in the Industrial Relations Act 1979. As a result of these shortcomings, many employees are not receiving their legitimate award entitlements.

Clause 4 of the Bill will amend section 79A of the Industrial Relations Act by providing that an employer, at the time of paying an employee's wages, must give the employee a written pay slip and ensure that the pay slip contains details of any superannuation contributions made on the employee's behalf.

Clause 5 will amend section 87 of the Act to provide a clearer procedure for appointing inspectors under the Act. This clause also provides for an inspector appointed under the Australian Industrial Relations Act 1988 to be authorised to exercise the powers and perform the functions of an inspector under the Industrial Relations Act 1979. The Federal Act already provides the facility to appoint State inspectors to exercise Commonwealth powers.

Dual inspector appointments will enable a more efficient allocation of resources by the Federal and

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State departments, particularly in industries where the coverage of Federal and State awards overlap.

Clauses 6 and 7 of the Bill change the power of inspectors in relation to the inspection and copying of records. It will enable inspectors to require employers to calculate an employee's entitlements.

These measures will streamline and enhance the enforcement of the Industrial Relations Act. They are designed to reduce many of the unnecessary delays encountered by departmental officers in investigating alleged award breaches, including the non-payment of superannuation contributions.

Clause 8 of the Bill will insert a new section 97A in the Industrial Relations Act to provide for the recovery of unpaid superannuation where an employer fails to make a contribution on behalf of an employee to an occupational superannuation scheme or fund in accordance with an award. This will correct a major deficiency in the Industrial Relations Act whereby provision is made only for the recovery of payments to individuals; it does not enable the recovery of moneys owed to the third party, for example, in the case of award superannuation, to a superannuation fund. Currently, the Department of Labour is restricted to prosecuting only for breaches of the award, and cannot actually recover arrears.

Clause 8 also provides that the court may order an employer, upon conviction for failing to make a contribution, to pay to the scheme or fund the amount of contribution that is unpaid. Importantly, the Bill also provides that the court may order an employer also to pay the amount that would have accrued had the contribution been paid to the scheme or fund when it was due. This addresses a major problem in the recovery of superannuation entitlements. It will provide that individuals can be compensated for the interest payments they are entitled to as well as the employer contributions.

This Bill does not create new entitlements or improved benefits for employees with respect to superannuation.

It does not increase any of the penalties for breaches of the Act or awards.

The Bill recognises that superannuation is now an established feature of State industrial awards, and that specific provisions are required to enable it to be enforced in the same way as other award entitlements, such as wages and holiday pay. It will

ensure that employers who meet their legal responsibilities in regard to superannuation are not put at a competitive disadvantage by those who do not.

The approach adopted in this Bill is consistent with recent amendments to the Federal Act.

I commend the Bill to the House.

**Debate adjourned on motion of
Hon. G. R. CRAIGE (Central Highlands).**

Debate adjourned until next day.

INDUSTRIAL RELATIONS (ENTERPRISE BARGAINING) BILL

Second reading

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I move:

That this Bill be now read a second time.

The major purpose of this Bill is to make a number of machinery changes to the structure and functioning of the Industrial Commission of Victoria to facilitate and enhance enterprise bargaining.

The industrial relations system must be sufficiently flexible to achieve workplace reform at an enterprise level. The system of conciliation and arbitration boards, for almost a century the cornerstone of the State system, is too rigid and inflexible to facilitate effective reform at an enterprise level.

The inappropriateness of the existing board system in the enterprise bargaining process was recognised by the major parties in proceedings in the recent State wage case of December last year.

The Victorian Employers Chamber of Commerce and Industry advised the commission:

I find it difficult to separate in the State system, the question of a review of awards from the question of a review of the place of the board system. So I find it somewhat difficult to contemplate an effective review of award structures in the Victorian system without contemplating the present and past and future place of the board system in serving the industrial interests of the parties in Victoria, employers, government and trade unions.

In its December 1991 State wage case decision, the commission in full session also acknowledged the shortcoming of the existing legislative arrangements. The commission said:

Although we consider that the arrangements outlined will be adequate to deal with enterprise bargaining in the future, we recognise, as did the Australian commission in the national wage case decision, that the existing statutory mechanisms are not completely satisfactory for the processing of enterprise bargaining agreements.

The abolition of conciliation and arbitration boards is the key feature of this Bill. Industrial matters and disputes are to be dealt with by either a single member of the commission or the commission in full session. It is also proposed that single members of the commission have the ability in the first instance to determine the scope of awards and recognition with respect to any established awards. Any such decisions will be appealable to the commission in full session.

I direct the attention of honourable members to the fact that single members of the commission will include the president and deputy presidents as well as commissioners. This will increase the flexibility of the State system by enabling the skills of all members of the commission to be used more effectively.

This added flexibility and more effective use of resources is further enhanced by the legislative recognition of a panel system, with panels headed by the President or a Deputy President. The above reforms, together with the capacity for dual appointments of members of the Victorian and Australian commissions, will enable closer cooperation and integration of the two systems. This is another requirement if reform at the enterprise or workplace level is to occur.

The powers of the President have been expanded to enable greater flexibility and the effective management of the commission. The powers of the Minister have been rationalised, logically formatted and clearly expressed. These proposals will also enable the commission to respond more effectively to the emerging industrial issues. The Bill provides for a system of certified agreements to replace the current provisions relating to registered agreements. Fixed-term certified agreements are the primary mechanism for enterprise bargaining under the October 1991 national wage case decision. The Bill provides that the Victorian commission may only

certify agreements that are in the interest of the parties and are not contrary to the public interest. This will ensure that the State commission retains its central role in the industrial relations process and that the rights of all parties involved in enterprise bargaining are protected.

The abolition of the conciliation and arbitration board system necessarily requires a review of the process for recognition of associations. Recognition will now be accorded to industrial associations on an award-by-award basis. As I noted earlier, recognition issues will now be determined by a single member of the commission, with appeals allowable to the commission in full session.

Employer associations and the Victorian Trades Hall Council will continue to have the same rights and responsibilities under this Act and will be recognised with respect to awards rather than boards, as is the case under the board system. The requirements for recognition are similar to the current tests contained in the Industrial Relations Act 1979. However, a facility has been introduced for an employer, group of employers or public bodies to be granted the same rights and responsibilities as a recognised association. This proposal will undoubtedly assist in the award review process and the increasing emphasis on enterprise/employer based award structures.

A key objective of the Bill is to achieve a more flexible legislative framework. Provisions in the Bill relating to methods of payment and intervals for meals are designed to allow award provisions to take precedence over the minimum prescriptions contained in the Act. Provisions in the current Act have frustrated the introduction of enhanced flexibility arrangements at the workplace level.

The abolition of the conciliation and arbitration board system has necessarily meant that large sections of the existing Act have had to be reformatted. An example of that is the procedures for dealing with alleged harsh, unjust or unreasonable dismissals. Honourable members should note that the only major change proposed to these provisions is an extension in the time limit from 4 days to 10 days for the lodging of applications. The government believes that such an extension will reduce the number of applications lodged with the commission, and will enable the commission greater flexibility to deal with other industrial issues.

I also direct the attention of honourable members to the changes relating to disabled persons employed in institutions and sheltered workshops. The proposals in the Bill will enable such workers to access the unfair dismissal provisions in the Act and will enable conditions in certified agreements to be applied to their employment.

All major parties in the State industrial relations system acknowledge there are deficiencies in the Industrial Relations Act. These deficiencies have been further heightened by the increasing focus on workplace reform and the move to enterprise bargaining arrangements. This Bill is designed to increase flexibility in the structure and functioning of the commission and to enable the commission to deal effectively with the economic and industrial reforms which are vital to this State's future prosperity.

I commend the Bill to the House.

**Debate adjourned on motion of
Hon. G. R. CRAIGE (Central Highlands).**

Debate adjourned until next day.

MELBOURNE MARKET AND PARK LANDS BILL

Second reading

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

That this Bill be now read a second time.

The Melbourne market and park lands Acts deal with a number of parcels of land within the City of Melbourne. By an arrangement made and reflected in legislation in 1933 the City of Melbourne has been able to derive rent from two sites — the sites of the former Eastern and Western markets — and has been obliged to maintain certain parks and gardens, including Royal Park, the Domain, 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 which 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 Historical Buildings and that this legislation does not limit that registration in any way.

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 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 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 for Hon. M. A. BIRRELL (East Yarra) on motion of Hon. G. R. Craige.

Debate adjourned until next day.

MELBOURNE LANDS AND MARKET SITES (AMENDMENT) BILL

Second reading

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

That this Bill be now read a second time.

The purpose of the Bill is to amend the Melbourne Lands and Market Sites Act 1991.

Legislation prior to 1991 allowed the Melbourne City Council to lease certain sites, including the site of the former Western Market. In the case of the Western Market site the council has done so.

The basis of the agreement in principle reached between the Crown and the prospective purchaser of that site was that any lease over the land would continue, with the Crown resuming the land for the City of Melbourne subject to the existing lease, and selling and issuing the Crown grant to the purchaser also subject to the existing lease. The text of that agreement in principle was known to the government and to the opposition before the legislation was passed.

The legislation passed last year prevents the parties from achieving this particular element in the agreement, and the sale therefore cannot proceed. This Bill will correct that situation.

Since agreement was reached, the prospective purchaser has sought to ensure that the sale leave undisturbed the subleases already in place on the site. To preserve those subleases was well within the spirit of the original agreement, and a provision to that effect has also been incorporated into the amending Bill.

I commend the Bill to the House.

Debate adjourned for Hon. M. A. BIRRELL (East Yarra) on motion of Hon. G. R. Craige.

Debate adjourned until next day.

PARTNERSHIP (LIMITED PARTNERSHIPS) BILL

Second reading

For Hon. M. A. LYSTER (Minister for Health), Hon. C. J. Hogg (Minister for Ethnic, Municipal and Community Affairs) — I move:

That this Bill be now read a second time.

The purpose of the Bill is to introduce limited partnerships in Victoria for infrastructure projects. The Bill is in furtherance of the government's policy to encourage private investment in public infrastructure development.

An important consideration in developing the Bill has been to limit the extent to which it impinges on the Corporations Law. It is not the intention of the government to provide for a generally available form of limited liability structure outside the Corporations Law or to permit the recognition of those partnerships formed in States which do. Therefore, the availability of limited partnerships under the Bill is restricted to infrastructure projects that will be of benefit to the Victorian public.

The Bill is largely based on the model of the New South Wales Act. The government recognises that, for the purpose of attracting investors, uniformity of legislation across Australia is desirable as far as possible.

A limited partnership consists of one or more general partners who manage the business and have unlimited liability and one or more limited partners. Investors who contribute as limited partners gain the advantage of limited liability as their liability is capped at the amount of their contribution to the partnership.

The limited partnership structure provides taxation advantages that are important to investors in infrastructure projects which often will not provide income for several years as the losses attributable to individual partners may be offset against that partner's other income.

The Bill allows for the formation of a limited partnership upon registration. Registration may take place only if the Minister is satisfied that the purpose of the proposed limited partnership is for infrastructure development that will be of benefit to the Victorian public.

One uncertainty which has faced limited partnerships in the past concerns the effect of the limitation on liability provided by one jurisdiction for transactions entered into in other jurisdictions. To overcome this problem, the Bill includes a provision that recognises limited partnerships formed in other jurisdictions where those partnerships would be eligible for registration under the Victorian legislation.

The Bill will play an important role in the micro-economic reform of Victorian infrastructure while maintaining Victoria's role as a leading supporter of the national scheme of corporate regulation.

I commend the Bill to the House.

Debate adjourned for Hon. J. V. C. GUEST (Monash) on motion of Hon. G. R. Craige.

Debate adjourned until next day.

MELBOURNE UNIVERSITY (VCAH) BILL

Second reading

Debate resumed from 19 May; motion of Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs).

Hon. P. R. HALL (Gippsland) — This is one of a succession of Bills that have come before the House associated with the amalgamation or merger of institutions delivering higher education in this State. The Bill will provide for the merger of the Victorian College of Agriculture and Horticulture (VCAH) with the University of Melbourne.

It is worth recording why so many Bills of this nature have recently been introduced into the House. It goes back to a decision made two years ago by the then Federal Minister for Employment, Education and Training, Mr Dawkins, when he decided that Australia should have a unified system of education. In the creation of that system many colleges and institutions that delivered higher education in Victoria were forced to join the university system.

It was expected that colleges and institutions wanting to become universities would have to meet certain criteria, one of which required them to have a minimum enrolment of 5000 full-time students. The Victorian College of Agriculture and

Horticulture, together with a number of smaller colleges and institutions in Victoria, did not meet that criterion and, for that reason, were forced to seek partnership with an existing university in the State or amalgamate to form a new university, as occurred in one instance.

The amalgamation of VCAH and the University of Melbourne was born out of necessity rather than desire. It was certainly not the wish of the college to merge with any other institution. The college would have preferred to remain a stand-alone institution specialising in the delivery of agriculture and horticulture but it was forced into a position where it had to seek partnership with a larger institution to suit the proposals of Mr Dawkins.

In 1983 the Victorian College of Agriculture and Horticulture was established by an Act of Parliament which brought together six educational bodies that were formerly administered by the then Department of Agriculture. Those institutions became the six campuses of the college at Burnley, Dookie, Glenormiston, Longerenong, McMillan in Gippsland and part of the Gilbert Chandler educational institution.

About 12 months ago I was a member of a group that visited each of the six campuses in company with the current Director of the Victorian College of Agriculture and Horticulture. We had an enjoyable two days looking at each of the six campuses and learnt a lot about the operations of VCAH. In referring to the activities of each campus I shall refer to the 1989 report of the college. The Burnley campus is located near Richmond. I was impressed not only by the college buildings but also by the magnificent surroundings of the Burnley campus.

The Burnley campus was originally established as a horticultural college in 1891. It has served a worthwhile purpose in providing principally horticultural courses. One of the many impressive features of the campus is its gardens. I recommend that any honourable member who has the opportunity should visit the Burnley campus. It has an open day each year. I have attended on open days when displays have been put on not only by people at the college but also by various service sectors relating to horticulture. The visit was particularly worthwhile. My wife has a much keener interest in gardens than I do, and she particularly enjoyed those days and was pleased not only to see those various displays but also to obtain samples of plants that had been propagated on the campus.

Hon. W. R. Baxter — They are growing well in Traralgon!

Hon. P. R. HALL — Indeed they are. The Burnley campus is principally involved in horticulture. It also offers courses on nursery production and management, landscape construction, arboriculture and open space management.

Dookie campus is located between the cities of Shepparton and Benalla. It also has quite a history. It was first established in 1886 and occupies an extensive area of 2477 hectares. Certainly its area of interest is broad-acre farming and lamb and beef grazing enterprises. It has a dairy operation with an active dairy herd on the campus, an excellent piggery and an area set aside for orchards and vineyards. In recent years Dookie has shared some of its facilities with La Trobe University, which runs a nursing program on Dookie campus. That initiative of sharing facilities is most welcome. It is certainly a worthwhile objective.

From speaking to the young men doing agricultural courses at Dookie I found that they, too, welcomed the inclusion of the nursing course for obvious reasons! I look forward to hearing further comments about the Dookie campus from Mr Baxter and Mr Evans, who are both from that area.

The Gilbert Chandler campus is located at Werribee, 30 kilometres from Melbourne. It is well known in the Australian dairy manufacturing industry as a centre with excellent facilities for training skilled operators and supervisors in that industry. It has a well-equipped pilot dairy that produces spray dried milk, cheese, butter and ice cream.

Glenormiston campus is perhaps the most picturesque of all the campuses I have visited. It is located between Terang and Camperdown in the heart of a particularly strong wool and dairy industry area. One of the impressive features of Glenormiston is the well-established thoroughbred horse stud. Training and education in those industries is conducted at that campus.

Glenormiston is an historic property dating back to 1840 when the Black family established farming activities in the area. The original homestead still stands. That fine building is used by the college. It made the visit to the college all the more memorable for me.

Longerenong campus is situated in the Wimmera, which is famed as a wheat growing area, near Horsham. It was established in 1889. It covers 1500

hectares and is located largely in an area of broad-acre farming, which one would expect in a prominent crop growing area.

McMillan campus is located in Gippsland. I am well aware of that campus because it is in part of my electorate. The principal campus is located at Warragul; three other campuses are located at Leongatha, Sale and Bairnsdale. McMillan campus is the most recent VCAH campus, but in the time since it was established it has grown to have a fine reputation providing the sort of training that is needed by farmers in the Gippsland area. It has strong links with the dairy industry but that has been extended to other areas of farming and it is also associated with timber.

It is pleasing to note that VCAH offers a wide range of courses across both TAFE and higher education, and that it has been able to integrate higher education and TAFE education in the one college. I understand that its 1991 enrolment figures were 764 effective full-time students in higher education and a further 1400 full-time students in the TAFE area. I am not exactly sure of the number of 1992 enrolments but I do know that the popularity of the courses as indicated by the number of students selecting a course at VCAH as their first choice increased by 36 per cent this year.

I shall take this opportunity to give the House a few facts and figures that highlight the importance of agriculture to Victoria and the Australian economy. Many people who live in Melbourne do not realise the importance of agriculture to all Victorians. Victoria produces 22.2 per cent of Australia's agricultural products. That is a fine achievement given the comparative size of Victoria to the rest of Australia. Last year Victoria produced 17 per cent of Australia's crops; 22 per cent of Australia's slaughtered livestock; and 27 per cent of Australian livestock being milked, shorn for wool and so forth. In 1989 Victorian agricultural commodities were valued at \$5.2 billion, which is a significant component of the this State's wealth.

It is also interesting to note the number of farm units. In 1989 in Victoria there were 32 000 farm units with operations above \$20 000 a year. Those are not hobby farmers but real farmers trying to make a living off the land. Like all industries, the farming sector has felt the brunt of the recession and consequent restructure of industries that has taken place in Australia in recent years. Many people have been forced off the land for various reasons, which should be of concern to all of us given the economic

importance of agriculture to this country. In 1983 there were 176 000 farm units across Australia but by 1990, seven years later, that figure had dropped to 125 000 units. It had dropped by 50 000 farm units across the country in the space of seven years, and it is not the only industry where people have been displaced and retrenched. Farmers have been forced off their land for a variety of reasons.

Education will play an increasingly important role in keeping farmers on their properties. For a long time Australian farmers have lived in the tradition of in-house training and self-education, where skills have been passed down from one generation to the next, and there has been little formal education. Although the transfer of skills from generation to generation and from father to son will always be an extremely important component in learning how to farm properly, education will play an increasingly important role in the future. In that regard the Victorian College of Agriculture and Horticulture has been one of the leading institutions of education, providing the sorts of courses that farmers require.

I shall comment on some of the provisions of the Bill. As I have already said its purpose is to arrange the merger between VCAH and the University of Melbourne.

It is important to point out that VCAH did not rush into a merger with the University of Melbourne; it considered it, and had talks with other universities and institutions before deciding to form an association with the University of Melbourne. I think they signed a heads of agreement, and an in-principle document way back in December 1989, so it has taken some time for the Bill to come to fruition.

The Bill itself allows for the college to affiliate with the university and become a company, that company being the Victorian College of Agriculture and Horticulture Ltd. It will relate to the university for higher education purposes, but will still relate directly to the State Training Board for TAFE purposes.

The company itself will acquire the courses, the students, the staff, and the assets and liabilities managed and owned by the existing college. The new company will have 13 directors, 10 of whom will be ongoing appointments to the same sort of positions as currently exist with VCAH, and the three further directors will be appointed by the university.

The Bill means higher education students will be students of the University of Melbourne for academic purposes; and TAFE students will be students of the college but not students of the university. As I said previously, this is an important example of TAFE and higher education working together but retaining separate accountability.

The staff of VCAH are employed by the college and will not become staff of the university. This will mean that the staff will still be able to teach in both the higher education sector and the TAFE sector of the company.

I should like to concentrate in particular on the transfer of certain land to the University of Melbourne. Under clause 11 of the Bill land actually involved with the campuses at Dookie, Burnley and Glenormiston will be transferred to the University of Melbourne. The Longerenong and McMillan campuses may be transferred but they are subject to further agreements yet to be reached, and I will comment on those in a moment.

Land at the Gilbert Chandler complex and also some of the McMillan campuses at Sale, Bairnsdale and Leongatha will not be transferred. They are Crown land and are shared by other places of education, so it would be inappropriate to transfer those lands to the University of Melbourne.

I want to return to the Gippsland position because it is of particular interest to me in representing the Gippsland electorate, and the indecision about what should happen with the McMillan campuses has caused a great deal of concern. I am sorry to say there is still indecision about what will happen with those campuses. Months ago I pointed out to the Minister the need to get the parties together to resolve the outstanding issues, and I am disappointed that agreements have not been reached at this point. I see no reason for the Minister's tardiness in calling the parties together to resolve this very important issue.

Because of doubts about what would happen with the McMillan campuses in Gippsland the State Training Board commissioned a review of TAFE provision of agricultural education in Victoria, and that review was conducted by a Mr Michael Selway. He gave his final report to the State Training Board in December of last year. In particular he examined the Longerenong issue and the McMillan issue in Gippsland, and I shall take up the points in relation to Gippsland.

In his report to the board, Mr Selway's opening comments about the Gippsland region were as follows:

I appreciate that Gippsland region is a controversial and sensitive issue.

That is no understatement because the amount of mail I have received on the VCAH Bill and its future has been absolutely enormous — probably more than I have received on any other Bill I have had to deal with. Many people have expressed views and opinions on how agricultural education in Gippsland should be delivered. Mr Selway continued:

However, it is important that this review be used as a vehicle for resolution of the matter rather than allow it to continue as a "festering sore".

I could not agree more with that statement, and I only wish that Mr Selway had resolved the issue through his report, but he did not. He made two recommendations but gave no indication as to which of those should be implemented. It has left the Minister with a dilemma: he has accepted neither of the two recommendations but almost split them down the middle so that we now have a situation that pleases nobody.

This is typical of the indecision surrounding the Gippsland situation. As a background to the delivery of agricultural education in Gippsland, I have already explained that we have the VCAH McMillan campuses at Warragul, Leongatha, Sale and Bairnsdale, but there is also the East Gippsland Community College of TAFE which delivers some significant courses in agricultural education. We also have the newly named Central Gippsland College of TAFE and, although it could not claim to be delivering direct courses in agriculture, it certainly delivers courses that are complementary to agricultural courses, particularly business studies courses relating to the farming sector.

With that background in mind, I turn now to Mr Selway's review team, which went down to Gippsland and took submissions from many people. They spoke at public meetings and received feedback from many quarters. Mr Selway produced two propositions, the first of which was:

That VCAH McMillan and its associated campuses be incorporated into the new arrangements with Melbourne University and the VCAH and that this

arrangement include the agricultural programs and designated staff of East Gippsland College of TAFE.

In essence he has said that VCAH McMillan should take over all agricultural courses delivered throughout Gippsland. I do not think that position is acceptable because there is an important role for TAFE to play in the delivery of agricultural courses. Certainly many TAFE colleges across country Victoria are involved in the delivery of agricultural courses and it seems a bit hard to take all of these courses away from the East Gippsland Community College of TAFE and give them to the VCAH McMillan campuses.

The second proposition put forward by Mr Selway was that there could be a Greater Gippsland College of TAFE, which would take over the East Gippsland Community College of TAFE, the Central Gippsland College of TAFE and the VCAH McMillan campuses so we would have one larger TAFE structure covering all of those institutions.

Mr President, because of your knowledge of Gippsland you will understand why that proposal was unacceptable to all concerned. You will be aware of the impracticality of having only one TAFE authority responsible for providing agricultural education programs throughout the region. It was a stupid recommendation, and I have not met anyone who has agreed with it.

Although Mr Selway made two specific proposals he gave the reader no idea of which he believed would be more effective. Instead he implied that either the Victorian College of Agriculture and Horticulture or a greater Gippsland TAFE authority would be capable of providing agricultural education courses in the region.

I am disappointed that the matter has not been resolved, given that Mr Selway supposedly spoke to all those who are in the best position to evaluate the most effective means of providing agricultural education programs in Gippsland. I have often urged various education Ministers to leave such decisions to the experts rather than allowing politicians to make decisions in areas in which they have no expertise. Certainly I doubt whether any honourable member can claim to be an expert in this area.

After being presented with the report the Minister had no choice but to make a decision, the details of which he conveyed to Mr Shearer, the President of

the Victorian College of Agriculture and Horticulture on 6 April this year:

Land used by the VCAH at Warragul will be transferred to the University of Melbourne after agreement has been reached between the VCAH, Yallourn College of TAFE —

which is now known as the Central Gippsland College of TAFE —

and the OSTB —

that is, the Office of the State Training Board —

regarding TAFE access to current facilities and future expansion at Warragul and Leongatha.

The first decision the Minister made was to transfer the land used by the VCAH at Warragul to Melbourne University. I see no problem with that so long as an agreement is reached with the Central Gippsland College of TAFE to allow the development of the TAFE programs at Warragul and Leongatha.

I am disappointed that the two institutions have been unable to reach agreement. I am reluctant to agree to the passing of the Bill while the matter is not resolved. Given that the letter was written six weeks ago, during the Committee stage I shall ask the Minister to say what progress has been made. In the same letter to Mr Shearer the Minister for Employment, Post-Secondary Education and Training also says that:

... immediate action will be taken to transfer VCAH programs and facilities at Sale and Bairnsdale to the East Gippsland Community College at TAFE ...

The transfer to East Gippsland Community College of TAFE will be conditional on an agreement being reached between the college and VCAH regarding access to college facilities for higher education programs.

In other words, the Minister decided to find a middle way between the recommendations made by Mr Selway, who implied that either the TAFE colleges or the Victorian College of Agriculture and Horticulture could provide the programs, but not both. The Minister tried to find a middle way by transferring the VCAH programs and facilities at Sale and Bairnsdale to the East Gippsland Community College of TAFE while deciding that

VCAH would provide such programs for the central and south Gippsland regions.

The Minister should have brought the parties together to sort out their differences. He should have done all he could to enable them to reach agreement on the best way of providing agricultural education programs in Gippsland — but he has failed to do so. Despite the Bill having been on the Notice Paper for a long time — it was first mooted in 1989 — these and other issues referred to in the letter remain outstanding.

The Minister's inability to resolve those issues makes it difficult for members of the coalition to pass the Bill without making critical comments about particular aspects of it. Nevertheless I am pleased that VCAH is to be merged with the University of Melbourne, which will be of financial benefit to both sides. The university will benefit from having a TAFE component under its umbrella and the college will benefit from having access to the agricultural science faculty at the university.

I support the aims of the Bill, although I reiterate my disappointment that the Minister has failed to resolve the outstanding issues I have referred to. During the Committee stage I shall ask the Minister to say what progress has been reached on the agreements referred to in his letter of 6 April.

Hon. R. S. IVES (Eumemmerring) — The Melbourne University (VCAH) Bill has been extensively debated in another place; and both Mr Storey and Mr Hall have spoken at length on it in this place. I understand that Mr Baxter will speak after I have spoken, which will mean that the Bill and its background will have been exhaustively canvassed by members on both sides.

I understand that all parties have settled or are close to settling the details of the land to be transferred to the University of Melbourne and the access to be granted by other TAFE colleges and students to the various campuses referred to, and that, as a consequence, the Bill will be passed by this House.

I acknowledge that the achieving of the merger has been complex. The merger has involved the bringing together of one city and five country campuses spread throughout the State — each of which has its own speciality and some of which act as community colleges — the University of Melbourne, the Office of the State Training Board, the TAFE sector, a Commonwealth government higher education component and the State government. It is no mean

feat for such a diverse group of institutions and providers to reach agreement on the agendas for such a unique and trail-blazing arrangement.

Both Mr Storey and Mr Hall have said that the process has been time consuming. As I have said on other occasions, the process of reforming education institutions can be likened to shifting tombstones. What matters is the final result, and in this case the final result appears to be satisfactory.

One of the most important elements of the arrangement is that the Commonwealth government will take over full responsibility for higher education, placing such activities on the same footing as other higher education programs throughout the State. The Victorian College of Agriculture and Horticulture has been concerned to retain its specialist orientation, the aim of which is to meet the practical needs of farming and other agricultural sectors. That orientation has been a special feature not only of VCAH but also of the various agricultural colleges that merged to form VCAH in 1983. The particular form of amalgamation negotiated with the University of Melbourne will enable the college to retain its special focus and identity while achieving the desired result of merging with a large educational institution.

The college will operate as a company, to be formed by the University of Melbourne. The college staff will be employed by the company, and the college will continue its relationship with the State Training Board as a coordinating and funding body for TAFE programs. On the other hand its higher education award courses will be deemed to be courses of the University of Melbourne, subject to the requirements of the academic board of the university. Funding will be provided through the university, and administrative and other services will be provided to the college by the university through service agreements.

The University of Melbourne has a number of excellent teaching and research departments in the related areas of veterinary science, agriculture, forestry, chemistry and other areas. It is expected that the arrangement established through this affiliation agreement will substantially strengthen links that have existed for a number of years between the university and VCAH and lead to further improvements in educational and research services to agricultural industries in Victoria.

It is hoped the end result will be to turn out students who have practical skills, intellectual capacity and

management ability, which the Australian and Victorian agricultural and horticultural industries are in need of today if they are to successfully tackle the very real and difficult challenges with which they are confronted. I commend the Bill to the House.

Hon. ROBERT LAWSON (Higinbotham) — Approximately 10 years ago each Australian State chose a short title that would give some impression of the State itself. New South Wales chose the Premier State, Western Australia chose the State of Excitement, and Victoria chose the Garden State. That description gave some impression of the smallness of the State and the richness of its soil. Victoria lives up to that title particularly in its various cities and its countryside.

Melburnians are a race of enthusiastic gardeners. Mr Hall mentioned how enthusiastic his wife was when she visited various agricultural colleges and saw their exhibitions. Many of us enjoy gardening and have a high regard for the gardens of Melbourne and Victoria's various provincial cities.

It has been said before that approximately \$1 in every \$5 of Victoria's gross domestic product arises from agriculture and horticulture. In 1989 agricultural products in Victoria raised some \$5.2 billion, an enormous amount.

The six components of the Victorian College of Agriculture and Horticulture (VCAH) were not enthusiastic about the proposed amalgamation with the University of Melbourne and it can be described only as a forced marriage. The proposed merger has not occurred through any policy of the State government or the opposition but because of the strong push by the Federal government. The six colleges that have been amalgamated to form VCAH are proceeding well. The measure of their success may be judged by the increasing number of students in the colleges. That is against the world trend, so Victoria is going against the trend in other countries in a positive way.

The villain entered, stage left: the Federal Treasurer, Mr Dawkins, announced when he was the Minister for Employment, Education and Training that if the six institutions that made up VCAH did not merge with a university they may not expect further Federal funding. The Bill is the result of Mr Dawkins's insistence that the colleges merge with a university.

The Federal and State governments believe big is beautiful; they worship bigness. That philosophy

resulted in the amalgamation of various organisations to form the Ministry of Transport with the resultant disaster that ensued. I hope problems will not arise through the merger of VCAH with the University of Melbourne. In this age of computers, fax machines and modern electronic communication, it is easier to control large campuses spread throughout the State.

The only criterion one should use to judge whether the amalgamation is successful is whether the education standard of the institutions will improve. The University of Melbourne is a world-renowned university and the fact that the institutions will be absorbed into it will assist to lift their standard of teaching. The importance of the merger is emphasised when one considers that \$1 in every \$5 of Victoria's gross domestic product comes from agriculture and it is relatively more important in a period when manufacturing industry is declining.

The coalition has no great enthusiasm for the merger but it does not oppose it. Like most things with this government, the community will find out whether it is successful some time in the future.

The merger may be regarded as a victory for the Federal Treasurer, and the situation reminds me of a poem about a great battle. Young Peterkin was playing on the site of an old battlefield and came across a skull which he showed to his grandfather who said, "What good it wrought I cannot see — but 'twas a famous victory." Let us hope this is a great victory and will do a lot of good for the educational institutions.

Hon. W. R. BAXTER (North Eastern) — I shall contribute briefly to the debate and refer particularly to the Dookie Agricultural College mentioned in the excellent contribution by Mr Hall, who said that the college has had a proud history over many years and has played no small part in educating generations of men and women who have been involved in agriculture either directly on farms, in industry with agricultural connections, or in further educating other farmers and prospective farmers.

I agree with Mr Hall that in the past there has often been a view, particularly among the farming community, that if little Johnny was going to grow up and work on the family farm it was not necessary for him to receive a formal education because he would learn all he needed to know from his father.

I have long rejected that view. Even if it was formerly satisfactory and acceptable, now it

certainly is not. Everyone is aware of the difficulty in gaining income from agriculture and the absolute need for Australian agriculture to be maintained at the forefront of world agricultural production; it must maintain world-best practice and must continue to be the most efficient agricultural industry in the world. Our farmers need to be up to date with the latest techniques.

No longer does farming involve the basic industries of beef, wheat growing and dairying. Now there are many other examples in farming, not necessarily in the specialist areas but in the traditional pursuits; for example, in the fruit strains and horticultural areas. The opportunities for production in the broadland areas are more varied than would have been considered possible even a decade ago. Exotic crops like canola and some pasture seeds were not previously grown for sale. Certainly new techniques like lot feeding in the grazing industry have emerged.

Throughout the years Dookie College has been at the forefront in the dissemination of new technologies. I must admit that all has not been sweetness and light and the advice given has at times been found wanting, but we live in a dynamic environment where things change. Developments that were considered plausible at the beginning and showed promising results in trials and in early applications have been found in the long term not to be as viable as they originally appeared. That is not a criticism but a fact of life.

I am pleased that Dookie is to become part of the University of Melbourne. As Mr Lawson said, that will do it no harm because Melbourne University has a worldwide reputation of some significance. I certainly applaud the move because it will bring to the Goulburn Valley and northern Victoria a tertiary institution of no small means.

I have been concerned that that part of Victoria has not had a tertiary institution. La Trobe University has campuses at both Wodonga and Bendigo; Deakin University has campuses at Warrnambool and Ballarat. There appeared to be a hiatus in the Goulburn Valley situation. I am pleased that Dookie will officially become part of Melbourne University. That will provide it with a leg in, so to speak, and I look forward in the not too distant future to the establishment of a tertiary institution at Shepparton, one of Victoria's fastest growing regional centres; it is the food bowl of Victoria and, I maintain, of Australia.

A tertiary institution in the area would crown the outstanding development Shepparton has experienced since the second world war. Such a facility would encourage further growth of that city. I noted in yesterday's *Australian Financial Review* an excellent article by the Shepparton Kyabram Rodney Development Corporation; it exalted the benefits and attractions of the Goulburn Valley. The article in no sense exaggerated those benefits but was factual. I believe the only facility lacking in Shepparton is a tertiary institution.

I am concerned about the future of nursing education at Dookie. About five years ago nursing education moved from hospital-based to college-based training. Discussions at the time centred on the availability of such training in northern and north-eastern Victoria. After much input from the local communities a decision was made that the training would be provided at the Wodonga Institute of Tertiary Education and at Dookie and about \$5 million or \$6 million has been spent establishing nursing training facilities at Dookie. The training has continued for three or four years and that institution has already established a fine reputation.

Hon. D. M. Evans — With excellent facilities.

Hon. W. R. BAXTER — Yes. As Mr Evans says, with excellent facilities. It has provided training for many local students — mostly girls, but some males — particularly from the Shepparton, Violet Town, Benalla and Echuca areas and into the southern Riverina regions. That training has also been available at Wodonga where substantial funds have also been expended.

I have inspected the magnificent facilities at the former Wodonga Institute of Tertiary Education. It has become part of La Trobe University with its campus at Albury-Wodonga, as did Dookie. Nursing training was absorbed by La Trobe University. The local community welcomed the establishment of a fully fledged university at Wodonga and Dookie. Shepparton also welcomed it.

Everything appeared to be going swimmingly, so to speak, until recently when, for various reasons that I am yet to understand fully, La Trobe University intimated it might withdraw nursing training from Dookie and concentrate that training at Wodonga. It would be most disappointing if that were to occur because it would be backing away from or reneging on an agreement made four or five years ago that nursing training would be provided at Dookie. The

abrogation of that agreement so soon and without cogent reasons would be disappointing. It would also be a dreadful waste of the \$5 million or \$6 million spent at Dookie. It would remove from Dookie the breadth of academe it has recently gained. Dookie would return to more or less a single stream — that is, agriculture — whereas, as Mr Hall said, it has gained substantially from having nursing training on campus. For those reasons, I hope the college continues in its present format.

Many of my Goulburn Valley constituents would find difficulty if nursing training were not available at Dookie. The students would not necessarily be attracted to Wodonga; they would be more likely to come to Melbourne. When one thinks about Victoria's population, people tend to be drawn towards the central and metropolitan region of Melbourne rather than moving north to Wodonga. I do not see that move enhancing the numbers at Wodonga — not that they need bolstering in any event — but it would force people towards the capital cities. For the reasons enumerated in this place on many occasions, that would be disappointing.

I would be disappointed if La Trobe University were suggesting it should vacate its premises at Dookie because Dookie will become part of Melbourne University and not part of La Trobe University, and if it were to imply that it did not want to be a "tenant" of Melbourne University and Dookie. If La Trobe University is weighing that consideration, I hope the authorities there will quickly disabuse themselves of it because it would be selfish to adopt such an attitude. It would penalise future generations of students simply because of an empire-building notion currently held by some academics who hold sway over others.

It would be short-sighted to allow that sort of short-term consideration to sway the debate. A further reason occurs to me, but I it hope does not have substance: it may be because of the peculiar situation pertaining in Albury-Wodonga where there are two universities where there should only be one. I refer to the Charles Sturt University in Albury and the La Trobe University in Wodonga. It is history why that is so, but it is largely because of our unlamented friend Dr Metherell. As a member of the New South Wales government at another time he refused to cooperate in establishing a single university for Albury-Wodonga. As a result, for the time being and for the foreseeable future we are stuck with two universities in Albury-Wodonga when one would be far better.

I would not want La Trobe University to adopt the approach of withdrawing from Dookie and concentrating on its Wodonga campus in the belief that it will outgrow Charles Sturt University in Albury to such an extent that it will be able to subsume that university through weight of numbers. I am not suggesting that that is the case, but I have to say there is a suspicion around the countryside that that might have something to do with La Trobe University's decision to withdraw from Dookie. If that is its view, I hope the council of the university quickly disabuses those among its ranks who hold that opinion.

On 2 April I attended with the honourable member for Shepparton in another place, Mr Kilgour, and my colleague in this place, Mr Evans, a meeting in the City of Shepparton convened by the Mayor, Cr Piper. The meeting was attended by numerous interest groups concerned about the withdrawal of nurse training from Dookie and by a delegation from La Trobe University led by Professor Kit Carson. The People from La Trobe were most helpful and open in what they said, but they received a message from that meeting that the people of northern Victoria were not happy with what appeared to be taking place. The delegation from La Trobe gave an undertaking that it would take on board any representations it received.

This Friday evening in the Harder auditorium in Shepparton Mr Kilgour from the other place will be one of the lead speakers at a public meeting to further discuss the issue and to make representations to the council of La Trobe University. I am sure the public meeting will resolve in strong terms that it is the desire of the people in the Goulburn Valley, particularly in Shepparton, that the commitment made only a few years ago to conduct nurse training at Dookie be honoured, and I look forward to that happening in the future.

I wish the legislation well. Overall VCAH has a proud history and it is now being attached to a university which also has a proud history. The importance of agriculture to this State cannot be underestimated and, although the amalgamation was not sought by the proponents in the first instance and has in some respects been forced on them, I believe it will work in Victoria's interests.

The PRESIDENT — Order! Clause 18 of the Bill directly affects the jurisdiction of the Supreme Court, therefore, the second reading of the Bill is required to be passed by an absolute majority. As

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

Bells rung.

Members having assembled in Chamber:

The PRESIDENT — Order! So that I may be satisfied that an absolute majority exists, I ask honourable members to rise in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Ordered to be committed next day.

ROAD SAFETY (LICENCE CANCELLATION) BILL

Second reading

Debate resumed from 19 May; motion of Hon. T. C. THEOPHANOUS Minister for Consumer Affairs).

Hon. W. R. BAXTER (North Eastern) — The Bill has been brought in with some haste by the government as a consequence of a couple of recent rulings in the Magistrates Court dealing with drink-driving offences. The Road Safety Act 1986 provides for the cancellation of a driver's licence in certain circumstances where the driver is convicted of a drink-driving offence, that is, having above the prescribed level of alcohol in his blood.

On previous occasions the House has made it clear to the community the seriousness with which it views alcohol and driving. It has made clear to the community that Parliament will not tolerate persons who drive vehicles when they are under the influence of alcohol and that if they offend on subsequent occasions the law will deal with them harshly.

To that extent, the Act takes away a discretionary power of a magistrate which exists in virtually every other circumstance. The old Penalties and Sentences Act provided that a person found guilty of an offence need not necessarily have a conviction recorded against him and could serve a community service order, enter into a bond, be fined or whatever. That was being used by magistrates who would not convict drivers facing drink-driving

charges if extenuating circumstances applied but who would nevertheless find them guilty and put them on some sort of a bond.

Parliament subsequently passed section 78 of the Road Safety Act which abrogated Part 9 of the then Penalties and Sentences Act so that magistrates did not have that discretion in cases where a person charged with a first offence had a blood alcohol reading of more than 0.1 per cent or more than .05 per cent for subsequent offences.

That has been the law now since at least 1989 and has meant that anyone with a blood alcohol reading above those I have specified suffered a mandatory licence cancellation if convicted of such an offence.

Last year Parliament enacted the Sentencing Act, which repealed the Penalties and Sentences Act 1985 and amended the Road Safety Act 1986 to maintain the provisions in section 78. That meant the provisions of the Sentencing Act concerning bonds could not be used in drink-driving cases.

Section 7 of the Sentencing Act, the provision relating to sentencing orders, sets out a number of matters that the court might take into account in determining whether to record a conviction:

If a court finds a person guilty of an offence, it may, subject to any specific provision relating to the offence and subject to this Part —

... with or without recording a conviction, order the offender to pay a fine; or ...

It lists several other circumstances. The result has been that in recent cases before Magistrates Courts a magistrate has held that section 7 of the Sentencing Act is superior to and overrules section 78 of the Road Safety Act. The magistrate did not proceed to a conviction; albeit having found the defendant guilty of an offence it was not recorded as a conviction, and thus the provision for mandatory licence cancellation did not prevail.

It is interesting to consider the two cases in question. I must preface my remarks by saying that I am relying on newspaper reports only and I am well aware that newspaper reports are not always accurate.

Hon. Robert Lawson — What a cynical view!

Hon. W. R. BAXTER — I requested the office of the Minister for Transport to provide me with the

facts of the cases. Surprise, surprise — they faxed to me the two newspaper articles that I already had! Clearly the Minister's office does not have any more facts than I have; its officers are relying on newspaper articles!

In one case, a driver, having been found guilty of driving with a blood alcohol reading of .14 and despite the fact that this was his third conviction, walked away from the court with his licence intact. I must say that on the facts as they are presented in the newspaper report, if they are correct, regardless of any extenuating circumstances that might have been advanced by the defendant or his solicitor it seems to me that — given it was his third conviction for drink driving — he certainly did not deserve to keep his licence. To that extent, I agree that the Minister and the government had to act.

The second case — again, I am relying on a newspaper article — concerned a solicitor who had a reading of .12. In this case it was his first offence; nevertheless, being a solicitor, he should be well aware of the law of the land, particularly in this regard. The facts as they are set out in the newspaper article indicate the defendant was fined \$400 after being found guilty and the magistrate did not convict the defendant; therefore his licence remained intact.

To overcome the apparent loophole in the law being used in the future the Road Safety (Licence Cancellation) Bill, an amending measure, is presented to honourable members today. I hope — and I am led to believe — that the Victoria Police are appealing against the decisions in the two cases I have described so that they will go before a higher court for review.

The Bill amends the Road Safety Act by requiring a mandatory licence cancellation on being found guilty, even if a conviction is not recorded. Section 50 of the Act now provides that "On conviction for an offence" licence cancellation applies. The amendments will provide "On conviction or finding guilty of an offence" licence cancellation will apply. Clearly what has occurred in the two cases I have reported to the House will be prevented from recurring.

I have some concerns about the principle of not giving magistrates discretion. I give an example which, hypothetical as it might be, might have some resemblance to current fact. For example, a driver drinking with his mates at a hotel in a suburb of Melbourne decides — —

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Hon. T. C. Theophanous — Not in the 25 per cent part of the restaurant?

Hon. R. A. Best — He would not be in the Labor Party; they have not got any mates!

Hon. W. R. BAXTER — The driver decides he will not drive his vehicle home but that he and his friends will take a cab home. They leave the hotel that happens to have a fairly large car park attached thereto. They determine that his vehicle is parked in the darkest section of the car park and, as he does not wish to leave the vehicle there, he moves the car 50 or 100 metres. He is still in the car park, not driving on a public roadway, when he parks his car under a light in the car parking area. In the process of doing so, he is apprehended by a member of the Police Force and is asked to blow into the breathalyser which records a blood alcohol content reading of .13. He will be proceeded against and will presumably be found guilty of an offence. Yet it could be said that here is an example of an instance where the magistrate might be able to use some discretion as to whether the licence is cancelled, bearing in mind that the driver was endeavouring to do the right thing; he was not driving his vehicle home; he was leaving it in the car park overnight; he was not out on a public road; and his friends were standing by while he executed the manoeuvre.

Hon. Robert Lawson — A likely story!

Hon. T. C. Theophanous — It is a likely story!

Hon. W. R. BAXTER — The fact that he is presumably to have his licence cancelled will, in a case such as this, perhaps have a far greater penalty —

Hon. T. C. Theophanous — Why didn't he get one of his friends to drive? They were all drunk!

Hon. W. R. BAXTER — In such a case, a far greater penalty might apply than in other circumstances. For instance, if the driver happens to run a small business for which he is the chief salesman it would be a high penalty for him. The schedule to the Act provides that on that sort of reading the driver will in fact lose his licence — it being a first offence — for 13 months. As I said, it would be a fairly severe penalty on him in the circumstances I have described.

I have some concerns about the matter of removing magisterial discretion but Parliament has already done so previously in the enactment of the Road

Safety Act and in other enactments. Therefore I cannot ask Parliament to restore something that it has already made a conscious decision in the past to remove.

I am concerned, however, that the Bill contains a retrospective element in the transitional provisions in clause 7, which specifies:

The amendments made by this Act apply to any sentence imposed after its commencement, irrespective of when the offence was committed.

Only last week the House passed the Crimes (Culpable Driving) Bill and, coincidentally, clause 7 in that Bill was the transitional provision which specified that it would apply only to offences allegedly committed after the commencement of the Act.

I should have thought it would be a good idea to maintain some uniformity with Bills. A culpable driving charge usually results from a death whereas a drink-driving charge can arise even when no-one has been injured. It is potentially a horrendous situation but a driver can be apprehended, as in the case I just outlined to the House, without being involved in a collision or without causing damage or injury. It would be unfortunate if there were a degree of retrospectivity in this Bill when the same did not apply to the Bill debated last week which dealt with what I consider to be a much more serious offence.

I propose to the Minister that he accept an amendment which will lead to commonality between the two Bills. Clearly my amendment, if accepted, will not affect any appeal by the police on the two cases I quoted from the newspapers; they can still go back to court. The amendment does not mean any cases that appear before the courts subsequent to the passage of this Bill but dealing with offences detected prior to the passage of the Bill will necessarily escape licence cancellation. The whole matter will revolve around the case and whether the magistrate believes the circumstances are sufficiently extenuating for section 7 of the Sentencing Act to properly apply. I leave the matter at that.

The opposition supports the Bill and recognises the need for it. Although Parliament may have passed the Sentencing Act in all good faith — I am sure it did — the amendments in the Sentencing Act contained in the schedule to the Road Safety Act 1986 and to section 78 thereof did not go sufficiently

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far and this additional amendment is now required. We have no argument with that but we do not believe the element of retrospectivity contained in the Bill is warranted.

Hon. ROBERT LAWSON (Higinbotham) — It appears that the Road Safety Act consists of a series of interlocking loopholes because every sessional period I have attended — and I have been here many years now — we seem to do something to cobble together the Road Safety Act. We pass a Bill we believe will improve the position and make it clear to the courts what Parliament has in mind and then some lawyer finds a loophole. The government reacts by bringing in another amendment to the Act and we all make speeches once again.

We must make it clear to the courts, the police and anyone else concerned with road safety that Parliament is serious on the subject of road safety and the danger of drink-driving. It reminds me of a quotation from Othello:

O' that man should put an enemy in his mouth to steal away his brains.

That is what happens; people put alcohol in their mouths to steal away their brains and we see the result in the carnage on the roads and the injured and dying people in hospital. It is a message that Parliament has been trying to get across for many years and I repeat that Parliament is most serious on the subject of drink-driving, the preservation of lives and property and the cessation of injury on the roads.

I have a strong view about the abuse of alcohol, and I read about a case the other day where a man committed an assault and he was found not guilty because the magistrate judged that he was so drunk that he was incapable of controlling his own actions. That may be good in law but it seems ridiculous to me because when that man first started to drink he was capable of understanding that he was putting alcohol into his mouth and that if he kept on doing it he would lose control. There was a time at which he could have stopped drinking and that is the time that one should consider that the man was capable of understanding his actions.

We should look at that time and that connection when we are dealing with people who get drunk and drive motor cars. Even if they are aware of their own actions when they get into their cars, the amount they have drunk affects their reaction times and their judgement and they should be held responsible. If a solicitor is affected by drink and he

appears before the court on a charge of drink-driving the court should not take a lenient view because that solicitor presumably is driving an expensive, powerful motor car. Such a car is a dangerous instrument on the roads; it is dangerous to the public and to the driver.

We should not make any exceptions if a person is drunk or affected by drink and in charge of a motor car. Those people should face up to the consequences, and it should be made clear to the courts that we want those offenders to face up to the consequences of their actions. As I said, we have been spending years trying to cobble together the Road Safety Act to ensure it does what Parliament intends. I hope the message gets through to the courts this time that Parliament is serious in its desire to see people face up to the consequences of their actions. If people drink they should not drive. It does not matter whether it is in the car park of an hotel or anywhere else; people should be careful in what they are doing.

Hon. R. A. MACKENZIE (Geelong) — I support the Bill. As Mr Lawson said, every Parliamentary session we debate a Bill dealing with road safety. I go so far as to say that, despite criticisms from the opposition and others over a range of other activities, the government cannot be criticised in the efforts it has put into road safety. Some wonderful reforms have been made and in many ways Victoria leads not only Australia but also the world with some of its legislation.

Hon. T. C. Theophanous — Does it deserve to be re-elected on that basis?

Hon. R. A. MACKENZIE — I am not too sure about that. This Bill is another step to put further pressure on the drink-driver. In the last sessional period the zero blood alcohol level for large vehicle operators was introduced. The government is following the right pattern with the cancellation of licences for continuing offenders. Support for that measure has been widespread not only in Parliament but also in the community. During its investigations the Social Development Committee discovered that that is the view of not only the ordinary members of the public but also the so-called experts who have made studies into these aspects.

Although commending the government for its activity in this direction and its success in many ways I raise an issue which I am disappointed it has not addressed and which I have raised on numerous

occasions in the House. One does not know how much longer one will have the opportunity of raising matters in this House!

Nevertheless, I put it to the Minister that we have to look at other drugs besides alcohol. We are not doing enough work to solve the problems created by the use of other drugs. The drug use statistics show an ever-increasing use of legal drugs or medication as well as illegal drugs. There is still a great deal to learn about the effects these drugs have on drivers. Research into the effects of legal and illegal drugs has been done not only overseas, but also in Australia. Police in Tasmania and Western Australia have found that they have pulled up drivers for the most appalling driving behaviour that has all the indications of being influenced by alcohol only to find the blood alcohol reading is below .05. In Victoria it is not mandatory for the police to investigate any further if that is the case; however, I understand that in Western Australia if the police have reason to believe the erratic behaviour is not caused by alcohol they have the right to carry out a blood test or other tests to find out whether the driver is under the influence of some other drug.

The information from overseas indicates that the popular drug marijuana when taken alone has much the same effect on a driver as alcohol but when combined with even a small proportion of alcohol it has a multiplying effect. It is an extremely dangerous combination.

While the government should be commended for concentrating on alcohol, it needs to address this other issue. As far back as 1986 the Victoria Police requested further investigation into this area. I should like to quote from a report by Professor Vernon Plueckhahn, the Director of Pathology at the Geelong Hospital and the senior lecturer in forensic medicine at the University of Melbourne. This paper was produced in 1980 following an investigation into road traffic deaths and prevention of injury. He says:

The effect of marijuana on driving skills, and the part its use plays in road traffic accidents is still not completely clear. For example, Smart (1974) reported twice the frequency of road accidents among a group of college students convicted for cannabis use. As the consumption of alcohol and multi drug use was also common among these latter students, it is possible that these two factors, and not that of cannabis use, may have been responsible in part or completely for the increased accidents involvement reported for these students.

In its 1987 policy on road trauma caused by drugs other than alcohol the Royal Australasian College of Surgeons states that it:

... recognises that other drugs alone or in combination with alcohol can seriously impair driving and riding ability. Accordingly, it is recommended:

that there be increased research and improved data collection so as to measure the effect on driving performance of drugs, both prescribed and illegal, when taken with or without alcohol;

that guidelines be established whereby members of the medical profession may properly advise their patients as to any likely or possible impairment of driving or riding skills which may result from the taking of particular drugs or other substances. Furthermore, that such drugs as may diminish driving performance be labelled with an appropriate warning.

That makes sense. I suggest to the government that if it is going to conduct further investigations into road safety it should request the Social Development Committee to examine this issue. After all the good work the committee has done in regard to alcohol it would be a pity if it did not start looking seriously at both legal and illegal drug usage.

In 1987 the Transport Workers Union of Australia discussed the problem of long-distance contractors. This is the classic situation of drug use on the roads and was mentioned several times by various honourable members during the debate on zero blood alcohol content for large vehicle operators. During the debate we were told of the immense pressures caused by the unrealistic schedules placed on transport drivers and the tremendous competition, especially in country areas where the local road transport operator may be the only industry in the town. If he does not get the contract, the whole community suffers. They enter into many unrealistic contracts in order to support the community.

I know members of Parliament who deal with a considerable cross-section of the community have come across the lengths to which transport drivers will go to hold to contracts and keep driving trucks. They take on unrealistic contracts and do all manner of things to remain in a profession they love. In the process of trying to keep going, they invariably turn to the assistance of a variety of drugs. We do not have the ability to test for them. It is all very well having zero blood alcohol for these drivers, but what is the point if they are spaced out on some other material for which we do not have the ability

to test? We need to do a lot of research in the area of the effects certain substances have on drivers and we need to understand exactly how bad the situation is.

I commend the government and feel that we have done a reasonable job as members of Parliament in passing legislation during the past 15 years or so that has greatly reduced the road toll. It is remarkable. I was amazed as I drove to Melbourne this morning in peak hour traffic how many cars entered the approach to the West Gate Freeway. About 50 000 cars cross the bridge every day. When you see the congestion in the city and the thousands of drivers driving at a fairly decent pace all over the city and throughout Victoria and when you consider their various capabilities and the variations in driving skills and the ages of the drivers, it is amazing that the road toll is not higher than it is. It never ceases to amaze me that we get away with it as well as we do.

That is not to say that we can be complacent and that we cannot further reduce the road toll because the enormous human cost will never be reconciled to us as members of the community. They will not be reconcilable because road deaths do not stop with the death of a person: they affect families and a whole range of things in the community. We talk only generally about road deaths. If we examined the injury statistics we would get another horrific picture. In addition, statistics do not tell the story of the length of a stay in hospital, the pain and suffering, the inability to return to a normal life and the fact that lives have been ruined.

We must continue to fight against the road toll and must never drop back or be complacent. I support the Bill, as I have supported most government legislation on this issue. I regret that to a certain degree the government has played down the role of the old road safety committee of the Parliament. I maintain that a separate committee on road safety is necessary.

Hon. W. R. Baxter interjected.

Hon. R. A. MACKENZIE — Mr Baxter says that if the coalition gains power later this year one of the first things it will do will be to reintroduce a road safety committee of Parliament. I hope to be an independent member of this House after the next election. If I am I will support any of that type of legislation that the then government introduces.

I hope the government has taken on board the matters that I have raised. I know that the Minister

for Consumer Affairs is concerned and has a great interest in the area. I support the legislation in every way. I commend the Bill to the House.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 to 6 agreed to.

Clause 7

Hon. W. R. BAXTER — I move:

Clause 7, lines 8 to 10, omit "to any sentence imposed after its commencement, irrespective of when the offence was committed" and insert "only to offences alleged to have been committed after its commencement".

I enunciated my reasons for moving this amendment during the second-reading debate. They are basically to take away any element of retrospectivity contained in clause 7 and bring the Bill into line with the Crimes (Culpable Driving) Bill, which was passed last week, so that there is some commonality between the two pieces of legislation.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — The government opposes the amendment. Clearly the amendment will not address any question of retrospectivity because there is no retrospectivity in clause 7. The provision treats equally everyone who comes before a court in the future — not in the past. That is what the amendment seeks to change. There is no element of retrospectivity in the clause and no principle that justifies amending the clause.

There is no reason that anyone can put forward as to why people who have already committed an offence should be treated differently from people who may commit an offence in the future. People who have not yet committed an offence have not yet been before a court and the legislation seeks to treat all people who come before a court in the future in the same way.

By proposing this amendment the opposition is effectively establishing two classes of people who will go before magistrates. In respect of one class a magistrate will be able to exercise a discretion by virtue of the fact that a person committed an offence

after a certain date as opposed to having committed an offence before that date. There may be two identical cases, or one may be significantly worse than the other, but by virtue of this amendment a magistrate would have power to exercise a discretion only in one case and not in the other, even though both will be dealt with in the future.

There is no retrospectivity involved in the clause and there is no justification for the amendment. The amendment would mean that magistrates who have exercised discretion in the past, which is why the Bill was drafted, would be able to use that discretion in the future but only for some cases. That is what the opposition's amendment would do in effect. I urge the opposition to reconsider the amendment because it is not in keeping with the spirit of the Road Safety Act or with the intention of the Bill.

The Sentencing Act, which came into force on 1 April, has been applied to cases where offences were committed before 1 April; magistrates have been able to use their discretionary power in relation to offences that were committed prior to 1 April.

Hon. W. R. Baxter — So what?

Hon. T. C. THEOPHANOUS — If one accepts your argument about retrospectivity one accepts that it is all right when magistrates are provided with power to deal with offences when that suits the offenders or is in their interests to do so, but it is not all right for the government to put up a proposal that is not in the interests of those offenders. I think there is a degree of double standard in that proposition.

There is no retrospectivity in the legislation. The amendment would create two classes of people and many in the community would be able quite rightly to point a finger at the opposition and ask how they were not able to get off by coming before a lenient magistrate when a person who committed a more serious offence on the previous day was able to get off before the same magistrate. That is not right and not just. Quite clearly the opposition is barking up the wrong tree with the amendment. The government opposes the amendment.

Hon. W. R. BAXTER (North Eastern) — I found the Minister's convoluted argument confusing to say the least. The Minister appeared to be asserting that there is no retrospectivity in the clause. He then said that there was retrospectivity and that I was unjustified in giving people the benefit of that retrospectivity. I was all at sea.

I refer the Minister to paragraph 17.3 of Schedule 4 of the Sentencing Act 1991, which says:

In section 78 for "Part 9 of the **Penalties and Sentences Act 1985** with respect to the adjournment of a charge without proceeding to conviction" substitute "Subdivision (3) of Division 5 of Part 3 of the **Sentencing Act 1991**".

That refers to section 78 of the Road Safety Act, which goes to the matter of adjournments, a matter which I explained earlier. That makes no reference at all to a magistrate applying the Road Safety Act having to disregard Part 3, Division 1 sentences and, in particular, section 7(f) and others, if the magistrate believed they were applicable. It may not have been the intention of the government that magistrates must disregard that particular enactment, but the enactment at the time did not specify or have that exclusion inserted into the Road Safety Act.

Parliament cannot be held up to ridicule by introducing amendments subsequently and by saying, "It was not what we intended; we didn't do our job well enough; we didn't do our drafting tight enough so what we will do is amend it in the way we intended in the first place".

I do not wish to be a party to that. If the government cannot get it right the first time it should not have the Parliament rescue it retrospectively. That is what the government is trying to do.

Hon. T. C. Theophanous interjected.

Hon. W. R. BAXTER — The Minister said there will be two classes of defendants only. There already are because some have appeared before the courts and have had their cases heard under the Sentencing Act. Those who committed an offence in the same time frame deserve to have their cases heard under the law as it applied at the time the offence was committed, not at the time the case is heard when the law may have been changed because the government realised that it messed up in the first instance.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I reiterate that the government opposes the amendment. The argument of the opposition about retrospectivity does not hold up. There will be two classes, and the opposition is extending the number of people who will get off on the basis of the ones who have already got off. Those are being appealed. The government is seeking not

to create any others; but the opposition is creating two classes of people whose cases will be heard in the future, not in the past. That is not the definition of retrospectivity. The government opposes the amendment.

Amendment agreed to; amended clause agreed to.

Reported to House with amendment.

Passed remaining stages.

Sitting suspended 6.35 p.m. until 8.8 p.m.

ENVIRONMENT PROTECTION (RESOURCE RECOVERY) BILL

Second reading

Debate resumed from 21 May; motion of Hon. B. T. PULLEN (then Minister for Education and Training).

Hon. C. F. VAN BUREN (Eumemmerring) — I refer to a number of points raised by the opposition; one being a letter read by Mr Smith from the Construction Forestry and Mining Employees Union about the lack of consultation. The Minister has regularly consulted the union and other groups to ensure their points of view have been canvassed. I was disappointed that the letter was read because what was stated was completely wrong. The union has been under a lot of pressure with the Australian Pulp and Paper Manufacturers Ltd dispute at Burnie in Tasmania. The assertion of the letter was wrong. The Minister has tried to work out the problems with the union. On the day the letter was read I was having discussions with members of the union in the Latrobe Valley.

The Bill will establish the mechanism to reduce by 50 per cent the amount of waste going to landfills by the year 2000. The Natural Resources and Environment Committee of which I was a member looked into waste management in the greater Melbourne area. We had to look at waste from industry, not only waste from garbage. The Natural Resources and Environment Committee inspected landfills right across the metropolitan area and throughout Victoria and it also went to New South Wales to see how waste was handled there. New South Wales has one authority that directs where waste is deposited, on which day and at what time. Strong measures for waste disposal are taken in New South Wales. The committee had dialogue with local government, which is the main body involved

in the removal of waste but it was reluctant to accept the New South Wales model.

Australia generates the highest amount of municipal waste of any country other than the United States of America and Victoria generates some 4 million tonnes annually. That amount keeps growing year by year. The disposal of waste in the Melbourne area costs approximately \$140 million and that cost will rise as our population grows and our waste increases.

Evidence was given of the emerging problem of landfills. It will become more of a problem in years to come. People have become more aware of environmental issues and are more conscious of the positioning of landfills. I heard for myself the objections to landfills by people in the areas in which they live. Landfills are becoming scarce resources. Many of the current landfill sites will be filled in the next four years and councils all over Victoria are looking for new sites. People are becoming more environmentally aware and they are strongly opposed to landfills in residential areas. The message to the committee from groups and concerned people was that recycling should be done on a large scale.

Page 37 of the report of the Natural Resources and Environment Committee entitled *Waste Management in the Greater Melbourne Area* states:

Even after minimisation, and before final disposal of our common ejecta, much can be done to retrieve useful materials from the waste stream by employing various recycling techniques. The reclamation and reuse of such commercially valuable items as glass, paper, aluminium, other metals and plastics from domestic and other refuse has been so well publicised over recent months as to need little further explanation here. In currently pursuing its own inquiry into recycling, the Commonwealth government's Industry Commission has estimated from evidence that more than 70 per cent of the input used in the production of packaging and industrial paper products is derived from paper recycling, while the level in printing and writing paper manufacture is 6 per cent. Some 55 per cent of aluminium beverage cans is also being recycled, with a rate of around 26 per cent for all aluminium, part of which is exported as scrap. The commission estimates an overall recovery rate for glass at 25 per cent, although up to 30 per cent of 750 ml. refillable beer bottles are reportedly reused. All recovered glass is reused in domestic production. The recycling of plastics in this country is still relatively undeveloped, although an estimated 10 per cent of PET bottles is recycled.

That was an all-party Parliamentary committee that looked into recycling. The issue must be faced and that is what the Bill does. The object of the Bill is to establish a framework to encourage and promote recycling and reduce wastes going to landfill.

I am pleased with Victoria's rate of recycling, especially for recycling aluminium cans and plastics, which is the best in the nation. The question might be asked: if Victoria is in the forefront, as it usually is with most things, why do we need the Bill? We know that some industries have an excellent record in recycling such products as glass and aluminium. However, a number of industries are not interested in being part of the recycling program.

Industries that are keen on recycling have been influenced by a number of factors. In the mid-1980s container deposit legislation regarded kerbside collection as a viable means of recycling and the beverage industry agreed to work with the government. Some industries have found ways to implement recycling programs and they are to be congratulated and encouraged.

The bottom line is that if legislation had not been introduced no action would have been taken by those industries because they are reluctant to spend money unless they are forced to do so or unless an example is set by somebody else. Since the mid-1980s the response has been excellent. Susan Ryan has been encouraging recycling and she is now encouraging more industries to play their part. Other industries such as the liquid paperboard industry have started trials but have not yet given a firm commitment to recycling or to kerbside collection. That is not good enough and is not acceptable either to the government or the community which require a higher standard. The government has the responsibility of ensuring that the State retains its premier position with regard to recycling. The only way to do that is to pass legislation to ensure that people improve the standard of recycling.

We also have a responsibility to take the industry forward. Some industries are a bit slow out of the blocks and they wait to see what the next one does or what they can get away with. We talk a lot about voluntary programs but there is no action. This industry is one where legislation is needed to force its hand and motivate it. Unfortunately, members of the industry who do the right thing will wonder why the legislation is necessary. The legislation has to be introduced to force those people who do not want to do the right thing to take the action.

This important Bill will provide a comprehensive program to ensure that the infrastructure is provided to improve recycling so that the necessary high standard is met. Everybody knows what that standard is and what is expected of them.

The Minister for Conservation and Environment has worked very hard on this Bill and has spoken to many groups. There is some correspondence regarding this matter and I shall quote a letter from the President of the Recyclers Association of Victoria dated 26 May 1992 entitled "Recycling Collapse":

The Victorian recycling industry, local government and major conservation groups today are predicting the collapse of Victoria's recycling schemes unless the opposition coalition parties are prepared to stiffen up the resource recovery Bill now before Parliament. They say opposition amendments to the Bill —

Hon. M. A. Birrell — Who said this?

Hon. C. F. VAN BUREN — This is signed by David Bourke, President of the Recyclers Association of Victoria.

Hon. M. A. Birrell — Did he write it?

Hon. C. F. VAN BUREN — It is a media release issued in his name.

The President of the Recyclers Association of Victoria, David Bourke, says that without guaranteed money and commitment from industries, recycling collection could fall over in the next four weeks. Local government, the Australian Conservation Foundation, Wastebusters and the Recyclers Association are calling on the Minister for Conservation and Environment, Barry Pullen, to drop the legislation until the opposition supports three elements.

"These are watertight assurances of industry funding: binding industry agreements on recycling targets: and stiff penalties for non-performances," David Bourke said.

Ray Radford from Wastebusters said, "The collapse of newspaper recycling two years ago showed that industry self-regulation does not work. Since the opposition changes this Bill now has virtually no sanctions on non-performers."

That is a pity because they are the ones who cause the problem.

Hon. M. A. Birrell — They have not seen our amendments.

Hon. C. F. VAN BUREN — I think people know of your amendments. Other groups which have given strong support to the Bill include local government, the Metropolitan Refuse Disposal Group, the Municipal Association of Victoria and the Metropolitan Municipal Association. A press release issued by those organisations states:

The resource recovery legislation is now being debated in State Parliament. It has taken 14 months to prepare, and aimed to get councils and industries to share the responsibility for recycling and waste minimisation. But at the eleventh hour the Bill has been gutted.

Why at the last minute have opposition amendments stripped the Bill of all controls on the drink container and packaging manufacturers?

Why do ratepayers through councils now bear all the costs of recycling while the industry which generates the bottles, pans and packaging gets off scot-free.

Why should councils be 'forced' to pay a \$2 per tonne levy on waste which they collect, transport and dispose to their own municipal tips while manufacturers would only make 'voluntary' contributions?

Why under the terms of this Bill are there no sanctions on industry for poor performance?

That just about sums up the Bill because the government is trying to develop a system where industry undertakes recycling. As I said earlier, some industries have to be forced into the fold because they refuse to act.

If industries enter voluntary programs through letters of understanding the Bill will not apply to them. I do not see why any industry has to interfere if they are willing to agree to the programs. Industry has a choice: either it enters the programs voluntarily or it is forced to through the provisions in the Bill. Industry must decide whether it is going to be in or out of it. If it decides to opt out, it will experience difficulties.

Victoria is looking for ways to improve its current high standard of recycling. Last year a task force on recycling was established which negotiated with industry to develop higher recycling targets than are currently being achieved. It is recognised that industry requires a national approach with national targets being set equally for all States. Difficulties

will arise if that is not the case because the States with lower standards will cause problems.

I keep coming back to the point that this State cannot afford to let its high standards drop. Currently flimsy bags are being used to collect recyclable waste. They will have to be replaced. One only has to see what happens with those bags on a wet day to understand that there is a need for robust containers.

A good example of that is Concord City Council in Sydney, which has introduced 50-litre recycling crates. Those crates help in creating an excellent rate of return of recyclable material. Victoria will have to consider the use of those recycling crates. I am aware of the problems caused by flimsy bags, and we need to use containers something like the crates, which are much stronger than bags.

One of the problems with the recycling program is that it is set up by councils and it is run by ordinary people who collect waste for organisations. The material is left in the bags, the bags get wet, they get torn and the rubbish gets strewn all over the place. People do not want to see rubbish on the nature strip.

I look forward to the support of industry and local government. A number of programs have been undertaken by local government to help achieve a 50 per cent reduction in waste by the year 2000. The Knox City Council, which is in my electorate, has pioneered a program which provides 120-litre bins for garbage and 240-litre bins for recyclable material. The council is also educating the public. I understand the program in the City of Knox is highly successful and that many other councils in the province I represent are supporters of recycling.

Another major area where waste can be minimised and recycling can be improved involves the commercial and industrial sectors. In 1991 the City of Moorabbin conducted a survey on waste management, one finding of which was that the recycling of industrial and commercial waste would be successful. The study estimated that provided a proactive scheme were put in place some 236 300 cubic metres of waste could be added to the recycling programs and the savings that could be gained would be in the order of \$1.1 million.

The study showed that recycling is good for the environment, good for the community and good for business. The survey conducted by the City of Moorabbin has exciting possibilities, including the establishment of waste exchange depots, drop-off depots, and depots for commercial waste for

recycling. An important feature of the findings of the survey is that shopping centres could provide improved kerbside recycling collection.

As I said, Victoria is in the forefront of waste management. Local government has the infrastructure needed to play its role and local government supports the Environment Protection (Resource Recovery) Bill. Local councils have played an important part in and have been a driving force behind the preparation of the May 1990 report of the Natural Resources and Environment Committee *Waste Management in the Greater Melbourne Area*. Local government supports the Bill because it recognises the need for legislation that writes into the law things that need to be done — and local government wants things done.

One of the things that local government has complained about is a lack of teeth because of the absence of legislation. Voluntary groups and local councils had no teeth when it came to enforcing any schemes.

A good example of cooperative waste management can be found in the south-eastern region in my area, which forms part of the four regions of the city. The City of Berwick is the host council, working with other councils as a team, including the City of Knox, that dump their rubbish in the Berwick area. Their waste management scheme has been refined and now they even tap the landfill site for methane gas that is taken out for energy production; they can produce enough power for some 10 000 homes in the area.

Members of the Natural Resources and Environment Committee saw the ultimate example of waste management when we visited Lucas Heights in Sydney. Not only do they take out and use the methane gas but they also take out the carbon. It is taken directly to the Commonwealth Industrial Gases Ltd plant next to a large landfill site with a life of 7 or 8 years.

As I said, much can be achieved by recycling waste. It is vitally important that we do so now because members of the community are much more aware of the need to protect the environment and of what actually has to be done to achieve that end.

The Minister for Conservation and Environment has consulted widely on the proposed legislation. He has spoken with representatives of local government and industry. Industries that want to do the right thing and work in cooperation with the government

will find they have no problem in achieving that aim. When I spoke to the Minister about the matter he indicated that he was willing to talk to the groups with whom I had spoken, including representatives of local government and individual members of the community as well as people in business.

Wide-ranging consultation, discussion and dialogue have been undertaken on the proposed necessary measure. I am aware that some people prefer to react to things and therefore will take a different stance, but when it is all over and the Bill has passed, everyone will realise the value of the measure and people who are working in the waste management system will have no problems in implementing their programs.

I commend the Bill to the House.

Hon. P. R. HALL (Gippsland) — The Environment Protection (Resource Recovery) Bill contains the following in its explanatory memorandum:

The object of the Bill is to establish a framework to encourage and promote recycling and reduce wastes going to landfill.

Nobody in this House or anybody to whom I have spoken outside it would suggest that is not a worthwhile objective or that it should not be aspired to. People would agree also that legislation to achieve the objective would be worthwhile. Therefore the opposition is pleased that the government has introduced the Bill. Mr Birrell has commented on the opposition's view on some of the mechanisms employed in the proposed legislation and has indicated that the opposition wishes to change some mechanisms. He has put very clearly on the record that the opposition wholeheartedly supports the object of the Bill.

Recycling is the first and most important issue. I am pleased to acknowledge that Victoria has made significant progress on recycling and is now a leader in the country on matters of recycling, with several projects under way. Reducing wastes going to landfill sites is another worthwhile objective to which the community should be aspiring.

Several municipalities in the province I represent are having problems finding suitable areas in which to dispose of waste. A few have found that their local tip has reached its capacity or is close to it and are having considerable difficulties in finding alternative sites. I represent country areas and I

imagine the problem is even worse in some of the municipalities around Melbourne where populations are denser and suitable landfill sites for the disposal of wastes are not readily available.

Over the years I have been amazed at the speed with which the tip in the City of Traralgon where I live has filled up. Ten years ago one had to drive down a pronounced slope to arrive at the area where waste was disposed of; now that tip site is at ground level, having continually increased in height as waste has been disposed of and buried. Reducing wastes going to landfill is an objective wholeheartedly supported by the opposition.

The Bill has been before the House since 14 November last year. The opposition was pleased by the decision to allow the proposed legislation to lie over until the current session of Parliament in order that negotiations, discussions and consultation could be undertaken with a range of people affected by the Bill.

Many concerns have been expressed about the proposed legislation and I suggest that many concerns are still felt. However, the amendments foreshadowed by Mr Birrell will go a long way to satisfying the majority of the concerns. During the time the Bill was held over, as Mr Van Buren has told the House, not only has the opposition consulted with interested parties; the government and the Minister have been consulting with them as well.

I have read a few articles in newspapers as well as seen pamphlets that indicate the Minister is considering making some changes to the Bill. The most recent edition of the Municipal Association of Victoria magazine contains an article headed "Concessions on resource recovery legislation". It was reported in that article that the Minister had indicated consideration of some concessions and some quite significant changes to the Bill. The last paragraph of the article even states:

The Minister intends to meet with local government and industry representatives, to sort out final arrangements before reintroducing the Bill.

I must say that I have some difficulty in this debate in that I do not know exactly whether the Minister intends making any significant changes. Certainly through newspaper articles I have read of some changes he may be considering, but the Minister has not reintroduced the Bill. The two government speakers to date have not made clear any changes

the Minister may make to the Bill so it is hard for opposition members to debate the issues that are current when we do not know what the Minister's intentions are.

Perhaps it would have been better for him to reintroduce the Bill, as was suggested in the MAV article, so that we might know exactly what the Minister's intentions are. As it stands I can only comment on the Bill as presented, unamended, to the House.

In the second-reading speech the Minister commented that the purpose of the Bill is to establish mechanisms to enable wastes disposed of to landfills to be reduced by 50 per cent by the year 2000. He also states:

Wastes going to landfill sites can be reduced by recycling, reuse, composting and reducing waste at source.

Certainly I have no disagreement with those statements. The second page of the speech talks about kerbside collection. It states:

More than 4 million Victorians now have access to house-to-house collection.

I read that statement with some amazement because, according to the latest Australian Bureau of Statistics figures, in the last census Victoria's population had reached just over 4 million for the first time. To suggest that 4 million Victorians have access to house-to-house kerbside collection of recyclable materials seems amazing. Many small municipalities in the electorate I represent certainly do not have those collections. Later in the debate I hope the Minister will correct that statement. I wonder whether he really intended to say that more than 4 million Victorians now have house-to-house collections.

The Bill establishes many different mechanisms, and I will briefly go through them all. First of all it creates a body known as Recycle 2000. As already indicated by Mr Birrell, the opposition intends to change the title of the body. The Bill also creates waste management councils and outlines the functions these councils will perform. It imposes landfill levies on certain municipalities in the metropolitan area, in Geelong, in Ballarat and in Bendigo, and the opposition has no objection philosophically to the imposition of landfill levies.

The Bill also talks about industry waste reduction agreements, and it imposes a levy of 1 cent per item on those manufacturers of packaged items that cannot form a waste reduction agreement. Once again I will address that important issue in my later comments, but it is typical of the articles I read in the newspaper where the Minister may have varied particular aspects of the imposition of the levy. It would be nice to know exactly what the Minister intends in this regard.

The Bill also gives the EPA the power to ban arbitrarily products that it considers environmentally damaging, but it does not give us any indication of how the EPA may assess products to determine whether they are environmentally damaging. This is certainly a wide power to be given to the EPA.

It also sets by regulation deposits that will be paid on items which are "recyclable, but which are not suitable for kerbside collection." That opens up an infinite range of goods that might be classified as being in that category. In the second-reading speech the Minister mentions the sorts of goods he was referring to, which included batteries, tyres and oils, but this particular government requirement on such goods could be extended to other areas such as televisions, fridges, other white goods and almost anything that one could imagine. Also, if a 20 per cent deposit levy is to be imposed on some of those large items the costs will significantly increase, and I should think that for many people it may be worth going across the border and buying the new fridge or TV interstate where such levies are not imposed.

Hon. B. W. Mier — Such as South Australia?

Hon. P. R. HALL — Why not, if they are cheaper in South Australia?

Hon. B. W. Mier — But they're not.

Hon. P. R. HALL — They would be if there were a 20 per cent levy imposed on items here by your government, Mr Mier.

They are the basic mechanisms established in the Bill, and I can only describe them as extremely heavy handed and regulatory in their approach, but that is not surprising for the government. Its relationship with industry seems to be very hard and a "ruling with a big stick" type of mentality.

The Bill's objectives are almost impossible to achieve in the sense that it aims to reduce by 50 per cent

waste going into landfill sites. However, it focuses on the packaging industry, which accounts for between 10 and 15 per cent of total solid waste and 22 per cent of domestic waste. The Bill is narrowly focused on packaging waste and does not look into some of the bigger components that go into creating waste for landfill.

I want to look at particular types of packaging and their recycling rates in Victoria because the record of Victorians in recycling is a pretty good one, as has been admitted by members of the government. Certainly we will improve those recycling rates over the years but we do not need the heavy-handed, punitive approach being suggested by the Bill as it currently stands.

The first area I want to examine is glass packaging. It is estimated by the EPA that glass packaging comprises 6.5 per cent of domestic garbage in Victoria, and the current recycling rate is 58 per cent. The second-reading speech admits that those figures are encouraging, and we are certainly ahead of some of the other States in the amount of glass packaging we recycle.

We are all well aware of the extensive kerbside collection programs that already exist across the State. Certainly we do not have kerbside collection for 4 million households but it is a significant number.

Hon. B. T. Pullen — It is 95 per cent of the population. It would be close to 4 million.

Hon. P. R. HALL — That many, you say, would have kerbside collections for recyclable material? I talked about the 32 000 farmers in my electorate. Certainly many of my farming communities, as well as many municipalities within the wider community, do not have kerbside collection schemes.

Hon. B. W. Mier — Why don't you move back into a civilised area?

Hon. R. A. Best (to Hon. B. W. Mier) — Are you saying there's a difference between constituents in metropolitan areas and constituents in country areas?

Hon. B. W. Mier (to Hon. R. A. Best) — He is referring to isolated areas — pockets.

Hon. P. R. HALL — Those schemes do not operate in most of those smaller communities. I did not mention the figure of 95 per cent, Mr Mier; the

Minister mentioned that figure. I suggested that the number of kerbside collections in this State is far less than 95 per cent because many country municipalities do not have the schemes available to them, yet despite that they are achieving a 58 per cent recycling recovery rate with glass packaging, which is not too bad at all. The Minister knows that is a pretty good figure for Victoria.

The target for glass recycling has been set at 75 per cent. I have no objection to that target, but I suggest it would be achieved without any of these punitive measures being imposed on the glass industry. We are well on the way to that rate and we do not need the heavy-handed approach that is proposed in the Bill to increase the recycling rate of glass products to 75 per cent.

Aluminium packaging accounts for only 0.6 per cent of total domestic garbage; and Environment Protection Authority figures show that the recycling rate for aluminium packaging is 61.9 per cent, a commendable result, which puts Victoria way ahead of other States.

Hon. B. T. Pullen — Did you say that the target rate for glass is 75 per cent?

Hon. P. R. HALL — Yes.

Hon. B. T. Pullen — Mr Birrell said it's 45 per cent.

Hon. M. A. Birrell (to Hon. B. T. Pullen) — I used national figures.

Hon. B. T. Pullen — You're saying 75 per cent.

Hon. P. R. HALL — The recycling rate for aluminium packaging is already 61.9 per cent, which is pleasing. Industry is committed to using recycled aluminium, and the coalition is pleased with the success and direction of current aluminium recycling programs, a feeling that is shared by Ms Kokocinski.

Environment Protection Authority figures show that paper packaging accounts for 5.1 per cent of domestic garbage, while the figure for other paper is 18.8 per cent. The Melbourne recovery rate for paper packaging is again more than 60 per cent; and schemes to collect waste newspaper have also been successful. Industry has given a commitment not only to set up waste paper recycling schemes but also to use recycled products. For example, a great

deal of recycled paper is used in the production of further paper and for packaging.

I commend Australian Paper Manufacturers for the many paper recycling projects it has established in Gippsland. APM uses the waste paper it collects to develop new products. The company's Maryvale plant produces Rewrite, a high-quality product that is selling well. To impose a 1 per cent levy on the products produced by a company that already collects an enormous amount of waste paper would be unjust.

Much has been said about the de-inking plant to be established by Australian Newsprint Mills Ltd at Albury. That major initiative will assist not only Victoria but all States to increase already high levels of waste paper recycling. A publication, *Facts about Newspapers and the Environment*, sent to me by the National Environment Bureau, refers to the proposed de-inking plant at Albury:

... ANM has plans to open Australia's first such recycling plant in Albury at the end of 1993. The new plant will use 90 000 tonnes of old newspapers and 40 000 tonnes of old magazines — or most of the available old newspapers from Sydney, Melbourne, Brisbane and Adelaide. Australia's recycling rate will leap to nearly 50 per cent, well up with the world leaders, Japan and West Germany.

The Minister for Conservation and Environment has been critical of liquid paperboard manufacturers. I point out to the Minister that liquid paperboard accounts for only 0.25 per cent, or less than one-quarter of 1 per cent, of total solid wastes. The recycling rate for the product is very low, which is admitted by all concerned. Nevertheless the industry is undertaking voluntary research to find uses for the recycled paperboard. To impose a 1 per cent levy on liquid paperboard manufacturers would jeopardise the success of that research.

A recent EPA newsletter states that, among others, the municipalities of Waverley and Oakleigh have commenced liquid paperboard collection schemes. I point out to the House that the introduction of liquid paperboard to replace glass was an environmentally sound move. A 1-litre bottle of milk weighs approximately 400 grams, whereas a 1-litre carton of milk weighs only 30 grams. The introduction of liquid paperboard has reduced not only the weight but also the volume of waste going to landfill.

According to the Environment Protection Authority plastic packaging accounts for 7.7 per cent of

Victorian domestic garbage; and the national recycling rate for plastics is 6 per cent. Recycling rates for some plastics are better than others — for example, the recycling rate for PET plastic is 27 per cent.

Twelve months ago I had the opportunity of visiting the Smorgon Plastics recycling plant in Melbourne, where PET plastic is recycled and converted to a product called Syntal. Anyone who has seen the process would have been impressed by the products produced. Syntal is made up into lengths of up to 2.4 metres in any shape or size. It is weather and rot proof, and is suitable for such things as temporary kerbing, speed humps, signage, outdoor table and chair settings, park benches, rubbish bins, garden edgings and roadside posts. Another advantage of Syntal is that it can be worked with the tools usually found in domestic workshops. In other words, it can be sawn, drilled, planed or bolted. Nevertheless Smorgon Plastics has found it difficult to obtain orders for the finished product — which highlights one of the problems associated with recycling schemes. Recycling is of little use if the products that are produced cannot be sold. How stupid it would be to collect and process waste only to see the recycled products end up on rubbish tips!

Food waste makes up 31.2 per cent of domestic garbage, and the figure for garden waste is 20 per cent. In other words, food and garden waste account for more than 50 per cent of all domestic garbage. Approximately half the domestic garbage going to landfill sites comprises food and garbage waste and packaging material going to landfill sites accounts for 21.9 per cent. The Bill is narrowly focused because it concentrates on packaging material — 21.9 per cent of the garbage — and pays little attention to the food and garbage waste component, which represents more than 50 per cent.

The imposition of the landfill levy will help deter the amount of food and garbage waste going to tips, but I do not believe the Bill contains positive measures to reduce food and garbage waste. The government should have examined issues such as local councils promoting compost bins. I know some councils encourage their ratepayers to dispose of their garbage waste in that way. Mulching services are another positive measure the government could promote through local government. Some municipalities provide mulching services, and if we are serious about reducing the amount of waste going to landfill sites we should concentrate on the food and garbage waste sector and introduce

positive initiatives such as those to which I have referred.

I have read some criticism about the introduction of the 240-litre plastic domestic garbage bins claiming they have lead to an increase in the amount of domestic garbage going to landfill sites. I do not dispute that the amount of garbage has increased and that it may have coincided with the introduction of those bins, but at the same time the people making those criticisms should consider that there is now little incineration of waste. Not so long ago the majority of households had incinerators in their backyards and it was common for incinerators to be used to burn domestic waste. I am not advocating a return to that era because I believe the local government by-laws are sensible; but the use of incinerators was a means for people to dispose of their waste.

I am surprised that in referring to a reduction in the amount of waste sent to landfill sites the proposed legislation does not consider incineration as a means of reducing waste. Sweden is reducing the amount of waste going to landfill sites by 90 per cent because it is burning some of that waste.

I have received considerable correspondence about this Bill, as have other honourable members. Most organisations express concern about certain provisions in the Bill and the constraints they impose on industry. Typical of the correspondence I have received is a paper from the Litter and Recycling Research Association of Victoria, which expresses some valid concerns. In part it states that the Bill:

could add disposal charges of 1 to 2 cents per item on many goods sold and manufactured in Victoria;

could add deposit costs of 20 per cent to such basic household items as refrigerators and other white goods;

allows the government to raise undisclosed sums from industry for programs that have not been identified;

focuses on packaging which is a minor part of the waste problem; and

allows the government to ban products on narrow and subjective grounds.

I have referred to all those issues during the debate. The association states in conclusion:

All this is happening at a time when a national kerbside recycling scheme is being developed. It is only logical to ask why the State government is pushing its own legislation through when a national program, which would work for all Australians, is just around the corner.

Mr Birrell referred to that issue in his contribution to the debate. It is ludicrous that this is occurring when a national program is about to be introduced.

The coalition wholeheartedly supports the objectives of the Bill. It feels strongly about the recycling of waste, but it believes the mechanisms set out in the provisions of the Bill are unjust, biased against industry and regulatory in approach. Those objectives can be better achieved by the adoption of the coalition's well-considered proposed amendments.

Hon. JEAN McLEAN (Boronia) — I am glad to support the Bill, which has the support of the community, the Municipal Association of Victoria and the Australian Conservation Foundation, which all want to ensure that Victoria is a better place in which to live. In fact, the coalition said that in the main it also supports the Bill.

More support is required to improve kerbside collection of waste, and the Bill is designed to provide that support. The glass and metal industries have embraced recycling, but the liquid paperboard industries have not. Perhaps the community should reduce its consumption of products of industries that are not involved in recycling. Mr Hall said that waste liquid paperboard does not take up much room in landfill sites, but it is part of the waste component and is one of the reasons for the Bill.

On 18 May this year the packaging and newsprint industries authorised newspaper advertisements setting out criticisms of the Bill. Obviously the legislation has upset those industries that cause pollution problems not just in this country but the entire planet. If those industries did not produce the volume of products they now produce the world would not be so concerned about its environment.

One of the objectives of the Bill is to reduce waste by 50 per cent by the year 2000. The industries that object to the Bill are concerned because they may be forced to enter into an agreement with the Environment Protection Authority to reduce their waste output. The Bill will ensure that industries accept the responsibility for the products they produce and that they participate in recycling and

the reduction of waste. The Bill also provides for industries to be held accountable for the products they produce and ensures that environmentally damaging goods will not be sold.

Hon. M. A. Birrell — Such as?

Hon. JEAN McLEAN — Most of their goods, actually. The ones that cannot be recycled and cannot be disposed of in any other way should not be produced. That argument is reasonable.

This debate is very timely because it coincides with the United Nations Conference on Environment and Development, known as the Earth Summit, which is to be held in Rio de Janeiro, and about which I am sure all honourable members will be aware. I am sure Mr Birrell does not think it is part of the same problem but I assure the House that it is. I also assure him that the summit, which commenced with such great hope to try to solve the ecological problems of the world, has been all but destroyed by the very industries listed in the advertisement to which I referred, which says the government's Bill is undermining their great capacity to recycle.

It is interesting to note the amount of money and effort expended by industry to discredit the ecological movement. It has done so ever since the movement managed to alert the world to the devastation that was occurring. It started the sorts of debates that have led us to the stage where at last we agree that it is necessary to start recycling.

One must remember that it is 20 years since scientists first sounded the warning about what we were doing to our environment. The Rio Earth Summit is trying to find global solutions to what is seemingly an intractable problem. It has been subjected to the same attack in Rio as this Bill has here. The industries are now asking us to trust them. But they did not take up the challenge 20 years ago; they picked up the jargon but not the problem.

Now, two decades later, and with the planet obviously facing destruction, with the earth destroying its own climate and agricultural production, we have decided it is time to move. We are told it is unreasonable to ask industry to enter into agreements to ensure that the recycling of waste products is a priority. After 20 years of industry doing nothing we cannot help but be sceptical about its motives. Why should we believe industry will continue to recycle waste if the legislation is not passed? We should remember that the companies that are behind the industry groups paying for the

advertisements here and overseas are the same companies that find it very profitable to continue polluting the earth. I shall read what Lenore Taylor had to say in an article in the *Weekend Australian*:

For example, the United States, the world's largest producer of greenhouse gases, would abide no mention of anything resembling targets or timetables for the slowing of their release, and succeeded in torpedoing all attempts for their inclusion. The US government maintains that it knows how to deal with its own problems and needs no international yardsticks to do so.

Industry in Victoria is telling us that. The Bill has been designed to heighten awareness of the benefits of reducing our waste and recycling the waste we cannot reduce. The Bill is responsible legislation. It helps us play our part in getting rid of the huge problem faced by this planet. The Bill details the creation of Recycle 2000 — a body that has functioned to publicise and promote these articles to the public and to local government bodies that have to plan for these ever increasing problems.

To say that waste is a problem is something of an understatement. Some European countries are faced with what appear to be terrifying solutions. Some have built rafts of garbage off the coastline, as has happened in Holland; they look like flyblown icebergs.

Hon. R. S. de Fegely — Do they have flies over there?

Hon. JEAN McLEAN — Maybe or maybe not. It is not pleasant. If we run out of places to put our rubbish we may have to do the same.

After reading the newspaper advertisements published on 18 May one would believe those industries had invented recycling when the truth is they considered the concept only after they saw they could make a profit from it. When people talk about newspapers now being de-inked and recycled, we must remember that the paper being produced leads to a profit — otherwise it would not be done. I do not think the public are being fooled by the advertisements. The companies have not yet acknowledged that they affect the health of all those who live in industrial cities.

One must also remember what happens to people who live in industrial cities where plastic products are manufactured. Those people are more likely to get cancer and other diseases by living in an

industrially polluted neighbourhood. Everyone has a vested interest in recycling and perhaps making less of the polluting materials.

The headline from the packaging, plastics and aluminium industries' advertisement makes it clear that they believe we have to trust them. They suggest they are doing everything possible to help recycling and are beyond reproach. Nor do they want to be told what to do. Unfortunately, history has shown that they do only what they are forced to do — and preferably what they can make a profit from. If they were the good corporate citizens that the advertisements imply they are, the planet would not be in its present state and we would not need this Bill.

Most honourable members would remember when garbage was not a problem. We used to bury the vegetable waste and feed our scraps to the chooks and the dogs; we used to take our bottles to the shops for the deposit refunds and then place a little garbage in rubbish tins that we put out for collection once a week.

Hon. G. R. Craigie — Do you remember that?

Hon. JEAN McLEAN — It would still be possible if we tried. Now we have bins full of plastic and disposable nappies that take hundreds of years to break down. The industries that gave us the problem have reaped hundreds of millions of dollars in annual profits. They must be encouraged to take some of the responsibility for the recycling of their products. Industry says it produces what the customers demand. We have not been given the chance to choose.

Try to buy one hook or screw at your hardware store. Instead of one, you have to buy a plastic or cardboard packet of 10! Recycling would not be necessary if such packaging were not pushed on us!

Hon. G. R. Craigie — What are you using those notes for?

Hon. JEAN McLEAN — To keep the paper manufacturers in work. Manufacturers must be part of the solution. The Smorgon company has made products that may be useful. Perhaps we could persuade people to cut down fewer trees and use recycled plastic.

We must regard the Environment Protection (Resource Recovery) Bill as a vital step in moving towards a cleaner future for our children. The

complaints I have heard echo advertisements and letters I have received, and do not coincide with what this Bill seeks to achieve. The industry waste reduction agreement states:

Industry waste reduction agreements are in the form of a deed between industry manufacturing, importing or selling products, listed in schedule B, and the Environment Protection Authority. An agreement will contain undertakings by industry on measures to reduce wastes, minimise impact of its products on waste disposal facilities and reduce litter. Where an item cannot be recycled, the industry may enter into an agreement to pay up to 1 cent per item towards reducing other kinds of wastes.

Agreements will be required to be entered into by industries which contribute significantly to either the waste or litter stream.

Before the authority enters into an agreement it must consult with Recycle 2000.

With regard to funding it states:

The recycling and waste reduction program will be funded principally by contributions from industry, a charge on waste creators, unredeemed deposits, charges on consumable goods and landfill levy. This will ensure that industries that produce products that can become wastes take "cradle to grave" responsibility for their products and contribute to recycling and re-use. The landfill levy is both an incentive to reduce waste and a source of funds for waste reduction programs.

Local government will take the lead for program delivery in the area of waste management. Funding to councils from levies, charges and industry contributions will exceed contributions councils make through the landfill levy.

Having visited the Werribee tip a couple of weeks ago, I have no doubts that councils can deliver their part of the bargain. All we ask is that industry does the same. The advantages of the successful passage of this Bill will include the creation of better health outlooks for the community, increased job opportunities and profits for participating industries. The Bill should be supported by all honourable members in this House. I look forward to its passage.

Hon. R. A. MACKENZIE (Geelong) — I support the Bill, which is supported by all honourable members in this House. It has been interesting to

listen to the debate. I have taken an interest in what the opposition and government members have said. It seems to me, as an unbiased observer, that while there is general agreement with the basic principles contained in the proposed legislation, nevertheless, there are a couple of principles that are at variance.

Mr Birrell and other members of the opposition support the Bill in principle, but they differ with the government in regard to the way the levy is fixed and whether the contribution from industry should be on a voluntary or mandatory basis. The opposition believes that industry will act responsibly, that it can be relied upon to self-regulate and make its contribution on a voluntary basis. The government does not agree with that. It takes a more cynical view that industries will not do that voluntarily. The opposition plans to move amendments to bring the Bill into line with its way of thinking.

Mr President, we have to take urgent steps regarding the disposal of our waste and by-products. While we think we are doing a reasonable job in Victoria and in Australia, we realise we are not doing very well when we look at the world statistics. Each member of an Australian family contributes 800 kilograms of waste and the whole family generates something like 3 tonnes of rubbish a year. We dispose of approximately 15 million tonnes of waste annually. The only country that exceeds Australia in the amount of waste products is the United States of America. While we think we are doing reasonably well, we still have a long way to go.

This Bill provides some ideas and methods by which we can set about reducing the enormous waste problem. The idea of reducing landfill by 50 per cent by the year 2000 is an admirable target that can be achieved. However, it will not be achieved by the passage of this Bill; it will require other methods as well. Society has to examine its attitude to its way of life. We, as politicians — and I have been guilty of this — are anxious to promote growth. The policies of the major parties, especially in the Federal sphere, are designed to achieve growth in manufacturing industry and farm production so that we can create employment. Growth is advocated as part of our religion.

We are advocating economic policies that will lead to the expansion of industry and growth and increased consumerism, which will create jobs. Tonight we are debating a Bill that is trying to cope with the present problem without trying to cope

with the problems we will create through growth. We have to look hard at what we are doing and at the anomalies of our thinking. While this Bill is important, we should look at where we are going and listen to people like Dr Suzuki who is a great advocate of non-growth. We have to look at achieving a better society without growth.

We have resources that are finite. We can never have a glut of oil, gas or any finite resource because it is expendable. The more population increases and countries develop the more we are going to rapidly use up these finite resources. When we talk about recycling and disposal of waste products, we need to look at our whole philosophy and where we are going as a society.

I am proud to say that the Geelong community has been used by the government for a number of years in a pilot program for a kerbside collection and recycling project. Last year 74 per cent of the Geelong population was involved in kerbside collection, the highest rate in Victoria. I am proud that the people of Geelong are thinking along those lines. The Geelong district led the field in successful landfill operations, particularly the Shire of Corio. It has carried out magnificent programs and reclaims many awful tip sites that were developed in the 1950s. Many honourable members would remember those sites in the 1950s, particularly at Dudley Flats.

I recall travelling back to Geelong after the football and noticing the big pall of smoke and huge piles of rubbish along the road. To its credit the Shire of Corio has been one of the leaders in the field and many municipalities have followed that lead. Some excellent landfill programs are under way in Victoria. However that approach is limited because municipalities and communities cannot continue taking up landfill sites. That is one reason why the proposed legislation is so important.

As Mr Hall pointed out, honourable members have received significant amounts of literature from industry, expressing grave concern about the proposed legislation and its effects. Like government members I am sceptical about the genuineness of that concern. Although we are in a recession and many companies are just holding their heads above water, I wonder whether a further impost on companies will lead to further reductions in employment.

Perhaps this is an opportunity for the opposition to modify its amendments by calling industry's bluff. The House should consider introducing a sunset

provision, which will clearly say to industry, "Parliament will let you off the hook for two or three years so that you can do all you claim you will do voluntarily. You can voluntarily recycle materials while the proposed legislation is held over your head. If you do not perform the necessary functions, the provisions relating to the compulsory industry levy and contribution will be introduced." I suggest that may be a sensible approach to take and would be a compromise between the two views. Honourable members would then know whether industry is fair dinkum. They would know whether industry is genuine in its claims about the impost causing a reduction in jobs.

As Mrs McLean said, the Bill has the support of the Municipal Association of Victoria, municipalities, the Australian Conservation Foundation and many environmental groups. I suggest it has the general support of the community. The Shire of Corio has led the way in this field. The council has carried out a significant recycling program and its landfill program has been first class. In response to the Environment Protection Authority's request for its opinion on the Bill, the council states:

Council welcomes the opportunity to comment on the draft Environment Protection (Resource Recovery) Bill, which was considered at its meeting on 10 July 1991.

The establishment of a recycling and waste reduction council, and the four key principles and objectives as outlined in the Bill, has merit in developing an overall coordinated State strategy to achieve meaningful waste minimisation.

However, it is difficult to justify the collection, in Corio's instance, of an estimated \$260 000 a year (from current Corio landfill site) for use by a central authority.

That is what would be collected on a \$2 a tonne levy from this municipality's landfill site. The shire is concerned that those funds will be used by a central authority. It continues:

A regional charge would support the substantial minimisation efforts already achieved by Geelong municipalities working together, and still meet the overall objectives of the State strategy.

Geelong councils share the one landfill area at the Shire of Corio. The Geelong West and South Barwon municipalities use the Corio landfill site. Although the shire appreciates what the government is saying, it believes the levy would be better spent in the

Geelong region rather than going into a central fund. The letter continues:

The Geelong Waste Management Committee (formed in 1978), and comprising representatives from all councils in the Geelong area, continues to function and operate as an effective forum for the development of waste management strategies in the region.

This council, being an active member of this committee, equally supports the view that a regional charge (vs. State levy), could be effectively applied in Geelong, which would ensure that moneys raised would continue to be readily applied to further enhance the waste minimisation strategy that continues to gain strong acceptance from the Geelong community.

Continuation of this program is essential, and council clearly maintains that this can be successfully achieved from within the Geelong area ...

With a local charge applying within the Geelong area, by arrangement a negotiated percentage could be provided to the proposed recycling and waste reduction council, to cover the broader issues of:

- Strategic community education/publicity;
- Coordination with key industry groups;
- Locating and establishing markets;
- Coordinated research and development.

In summary, with reference to the draft resource recovery Bill, the council of the Shire of Corio:

- (1) Supports the principles of the Bill, but is opposed to the introduction of a levy administered from Melbourne;
- (2) Supports that autonomy and responsibility for the program be maintained by the regions, for regions such as Geelong; and
- (3) Maintains that the proposed levy be replaced by regulations, which provide for voluntary municipal contribution to the proposed recycling and recovery waste reduction council.

The Shire of Corio has placed an interesting view before the House. Instead of a Statewide strategy the government should be applying its strategy on a regional basis. Instead of putting a Statewide levy into a central Melbourne-based authority, the regions should be the contributors. The shire believes the levy should be voluntary.

I suggest the proposed legislation is worthy of support. Whichever way it proceeds, funds will be provided to the Environment Protection Authority

to provide education and publicity needed to persuade members of the community that they must reduce their waste products. Although we often talk about industry and local government, it gets back to the fact that we, as individuals, have a responsibility. That is the message members of Parliament must get through to the community. Each and every one of us is responsible for bringing about a reduction of garbage disposal in landfill by 50 per cent by the year 2000. Honourable members can do a great deal in their respective areas.

We must examine why Australians each dispose of 800 kilograms of rubbish a year. We must ask why that is so. We must not only use legislation such as this but also ensure that the public participates even more in this program. The Minister spoke about councils that had only an 11 per cent participation rate in recycling as compared with the participation rate in Geelong of 74 per cent. Until we reach that figure in every council, through education programs and so forth, we will not make inroads into the problem.

The legislation will go a long way towards establishing a structure in which funds will be made available for the provision of education programs. The only bone of contention in the legislation is the matter of industry contribution. I believe there is a compromise there and that we should perhaps accept the amendments that will be moved by the opposition with the proviso that there be a sunset clause and that industry be told that it has three years to indicate whether it will carry out what it says it will do voluntarily and if it does not act in that way that legislation will come into force to make the contribution compulsory. I support the legislation and will listen with interest to the amendments moved by the opposition in the Committee stage.

**Debate adjourned on motion of
Hon. G. B. ASHMAN (Boronia).**

Debate adjourned until later this day.

BUSINESS OF THE HOUSE

Sessional Orders

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I move:

That so much of the Sessional Orders be suspended as would prevent the consideration of the Supply (1992-93, No. 1) Bill and the Works and Services

(Ancillary Provisions, 1992-93, No. 1) Bill being taken after 10 p.m. during the sitting of the Council this day.

Motion agreed to.

ENVIRONMENT PROTECTION (RESOURCE RECOVERY) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. B. T. PULLEN (Minister for Conservation and Environment).

Hon. G. B. ASHMAN (Boronia) — I support the coalition's position on the Bill. Victorians have an enviable record on recycling. Over the years their attitudes to recycling have been positive. Through the 1960s and early 1970s there was little perception in the community of the need to recycle products, let alone consider the proper disposal of packaging. Through the 1980s and into the 1990s those attitudes changed and Victorians are now actively engaged in recycling and the appropriate disposal of a large number of products.

The object of the Bill is to reduce the amount of waste going to landfill. That object is not in question. We all concede that there is too much waste material going to landfill and that we need to reduce it. The question is the method that is adopted by the government. Without legislation a great deal has been achieved. Victoria leads the way in recycling. Approximately 60 per cent of beverage containers are recycled; most councils provide recycling services for aluminium, glass, paper and PET products. In 1991-92, 70 per cent of all PET products were recycled. Victoria has an enviable record when compared with New South Wales, which has achieved a recycling rate of only 16 per cent. The Victorian community has achieved this rate on a voluntary basis.

Mr Van Buren commended the City of Knox for its recycling programs. They are now separating recyclable material from material that needs to go to landfill. That system was introduced some weeks ago and it is already widely accepted by residents in that municipality. That was achieved without legislation because the residents were prepared to take part in the program. Knox also has a mulching service that is available to residents. It is interesting to note that as fast as the material is mulched there are people to take it away to compost their gardens. That experience shows that the community is prepared to enter into recycling on a voluntary basis

and it brings into question the need for the provisions contained in the Bill, which I believe are draconian in terms of the costs that will be imposed on communities — not only on residents but also on industry.

In recent years a number of municipalities were forced to curtail the recycling of newspapers not because the community was not prepared to recycle newspapers but because there was such a stockpile of paper awaiting recycling that it led to a major storage problem. That problem was exacerbated because there was not a market available for the recycled material. We need to be conscious of that situation. There is no point sending material off to be recycled if there is not a use for the recycled material.

Victoria has approximately 35 per cent of the national manufacturing base. The legislation provides for the imposition of an additional cost on Victorian industry, at a time when there is economic decline and when many industries are having difficulties keeping their heads above water. It is proposed that substantial deposits will be imposed on products manufactured within Victoria. It is unclear whether those deposits will also be imposed on products imported from other States and overseas. It has been estimated in some quarters that the deposit cost impact on products manufactured in Victoria could add approximately 1 per cent to Victoria's inflation rate. If our manufacturers are carrying that burden they could lose their market share to manufacturers from other States. If one takes that to the extreme, manufacturers in some instances may choose to curtail their expansion programs in Victoria and expand their factories in Western Australia, South Australia, Queensland or New South Wales where they will not suffer the same costs.

In my view the target should not be industry; it should be consumers. To date, consumers in Victoria have responded positively to recycling programs. They are conscious of packaging and deliberately choose products that are not over-packaged, but all marketed products require some form of packaging. None of us is prepared to go to the supermarket and purchase products in loose form. The primary purpose of packaging is to contain and protect the product through the warehousing and retailing process to its transportation to the home. Its secondary function is to provide product information to the consumer.

None of us would be prepared to purchase a dozen eggs without some packaging. They would be

difficult to handle. None of us would be prepared to purchase a computer or a piece of scientific equipment unless it was appropriately packaged for transportation to the home. Packaging is not bad. It is an essential part of presenting, storing and protecting a product from the point of manufacture to the point of consumption.

The government targets for recycling are, in my view, somewhat over-ambitious. The government suggests that a target of 75 per cent will be achieved for PET products. That goes against what I understand is a 60 per cent collection rate within the industry. The government's proposed penalty of 75 per cent is not appropriate. The Bill's target of an overall reduction in industry of 50 per cent is significant but it should be recognised when setting the target that industry is responsible for only some 10 to 15 per cent of waste. Industry does not have the benefit residents have in the disposal of waste material. Industry is required to dispose of material through a contractor who may take it to a landfill or take it to be recycled whereas the residential ratepayer has the benefit of the local government authority disposing of the waste.

I refer to a fax I received from the Eastern Regional Refuse Disposal Group, which is a collection of outer-eastern municipalities. The group informs the opposition that it will run advertisements suggesting that the opposition is not acting responsibly in this matter. I suggest that the group is acting irresponsibly in seeking to blackmail the opposition and force on it a point of view that is inappropriate. The proposed advertisement shows a complete lack of understanding of the requirements of the group's own ratepayers. In the proposed advertisement it suggests that ratepayers, through their councils, bear all the cost of recycling while industry gets away scot-free. It fails to recognise that ratepayers pay for recycling when they pay their rates, and not when they purchase a product. If the burden is transferred to industry the cost will still be paid for by the ratepayer. It will be a cost in production. If it is a 1 cent levy on the manufacturer, by the time the product gets through the retail network there could well be a 2 or 3 cent levy to the consumer. Mark-ups will be applied all the way through.

Why should councils be forced to pay a 2-tonne levy to dispose of their own municipal tips while manufacturers make only voluntary contributions? Manufacturers pay rates in the same way as residential ratepayers, except that in most cases industry and commerce pay substantially higher

rates than the average householder, so manufacturers pay for recycling.

The other difference between the residential ratepayer and industry and commerce is that the residential ratepayer gets a garbage collection service whereas the vast majority of industries in a municipality are required to dispose of their own waste material. They do not have the weekly service from the local council. It is quite clear that the Eastern Regional Refuse Disposal Group, the Municipal Association of Victoria and the Metropolitan Municipal Association support this view but have not considered the industries operating in their areas. Indeed, they see industry as another source of revenue to support local government activity. They are doing this at a time when industry is under great pressure and is not being supported by local government.

There is no doubt that there is support for recycling. It is the way we go about achieving the recycling that is important. I believe that the legislation in its unamended form is inappropriate for today's economic conditions. I believe it substantially disadvantages Victorian industry and Victorians and has the potential to reduce job opportunities in Victoria. With the amendments the opposition proposes to move I believe the legislation will become far more workable and effective and more appropriate to today's economic times.

Hon. G. R. CRAIGE (Central Highlands) — In speaking briefly on the Bill I wish to mention some concerns I have. In our day-to-day lives we play a role in what happens to the environment. It is interesting to note that the Minister is wearing a badge that says "State schools are great schools" which is made of plastic. This is a government initiative but the Minister and other members of the government are wearing large badges made of plastic.

The point is that we all must play a role in respect of the environment. We cannot walk away from that role. I note that the Minister is now looking at his badge and I hope he considers what he will do with the piece of plastic that covers that badge.

Hon. B. T. Pullen — Don't tempt me.

Hon. G. R. CRAIGE — It would not fit. If the Minister were serious about this issue he would know that those are the sorts of things we should take note of every day in everything we do. I have received reams and reams of paper about this Bill.

Hon. D. M. Evans — Did you recycle it?

Hon. G. R. CRAIGE — Some was recycled and some was not. My fax was running hot. The paper also came in envelopes — there were literally piles of paper! We are debating a Bill about resource recovery and protection of the environment but where is the conscious effort by those involved in the argument to examine the issue further? What steps are we all taking to view the bigger picture of the environment? Everyone must decide that now is the time to be involved in an issue that we cannot walk away from.

The environment belongs to the people and the protection of the environment is a people issue — it is the responsibility of everyone in the world! The responsibility of protecting the environment must be dealt with in a way that achieves a constructive outcome for us and for our children, and it must be dealt with now. It is the responsibility of everyone on the planet. Some countries are taking significant steps to address the issue and we in Australia must address it as an Australian issue — it must be addressed by all Australians getting together and examining the long-term results of their actions!

The environment is fragile. Australia's waterways and seas are polluted each day. Some years ago a Bill which dealt with oil and noxious substances and which made provisions in line with Federal legislation came before Parliament. At the time I proposed solutions to the problems that would be involved if an oil tanker broke up off our coast, as subsequently happened off the coast of Western Australia — what a disaster it would be if something like that happened near the Great Barrier Reef!

Australia can lead the world if it will bite the bullet on this issue — not the plastic or plasticine bullet, but the hard bullet! Australia can dictate to the rest of the world and insist that ships using our waters and carrying cargoes of dangerous or polluting substances should have double hulls. Australia leads the world in aviation surveillance equipment technology and yet with our huge coastline we have no sophisticated equipment to identify ships carrying cargoes of oil or noxious substances. Ships sailing at night without identification discharge their cargoes, which pollute our shores, yet it takes us weeks to identify those ships. That should not be the case. Australia can and must lead the world in this area. There should be consensus between all governments in Australia on this issue.

There is a general feeling in the community that there is a need to reduce waste. Every day we all see the physical signs of the waste problem and it should be easy for us to attack the issue. Recycling and removal of waste is occurring, with collections of glass and plastic taking place weekly in Victorian municipalities, but at times I feel as though nothing is happening. I hear arguments from the government that seem to indicate that nothing is happening. Things are happening but perhaps not as quickly as some people would like. I always argue for the need to do things in a slow and constructive way so that they are done properly and the desired outcome is achieved. If things are done with too much speed there is always a chance that at the end of the day you will not achieve the desired results.

Everyone in the community can play a significant role in protecting the environment. Recyclers, manufacturers, consumers, and State, Federal and local governments should all be players in this area. In the township of Broadford in my electorate a very successful enterprise turns waste paper into cardboard and has done so for a number of years. That is not an illusion on my part, it is a physical reality — things are happening!

Projects to deal with waste minimisation and recycling involve people feeling they have a role to play; it is a matter of putting the issue back into the grasp of the community and making people feel responsible for what is happening. For any program to work it must have credibility and those involved must have an understanding of not only the environmental but also the economic and social issues involved. Those issues must be considered as a total package.

Waste minimisation and recycling must be well planned and addressed as long-term issues. Recycling must not be done for the sake of recycling. The world is gripped by recycling fever and determining a future for that fever requires a great deal of work on diagnosis, prognosis and successful treatment.

There must be an objective not only in Victoria but also in Australia and throughout the world for the long-term survival of our future and our children's future. There is much opposition to the Bill and many questions have been left unanswered. It is a national issue, one which should be addressed in the national forum so that we do not drive business out of the State and lose valuable jobs. It must be an issue we can look at with a larger vision than down our own street.

The Bill takes a heavy-handed approach that does not lead to general consensus. If it did, I would not have reams of paper in my file complaining about the failures in the Bill. If general consensus were reached we would not be debating the Bill and foreshadowing amendments in the Committee stage.

A significant player is the Environment Protection Authority (EPA). In reality it has carried out significant work but has failed in other areas, and until it can address those areas I would not give it any more authority or responsibility. A matter of grave concern is the authority's inability to clean up the Yarra River which is heavily polluted. It is devastating to see daily the amount of sewage and sillage pouring into the river.

Hon. M. A. Birrell — They tell us it is cleaner.

Hon. G. R. CRAIGE — It is not cleaner, it is absolutely polluted and the statistics show that. Are people being charged for the pollution that is taking place? No. Where is the environmental watchdog? It is silent. It has to perform to have some credibility. Once people see that the EPA has some credibility they will accept its role in society. We have not seen that.

The areas of which I speak along the Yarra River are Yarra Junction, Woori Yallock and Wesburn. The river flows through magnificent valleys in which magnificent trees grow. It is an absolute picture and a beautiful part of Australia, one which we should all idolise: yet our river is dying every day of the week. E.Coli levels are so high that nothing else has any hope of existing; it is a disaster, yet nothing is being done by the EPA to rectify the problem. Clearly it has a role to play in that area and its credentials are being tested. I will not support any legislation that gives the authority one more inch until it proves its worth; until its credibility is tested in the public arena. It has the power but does not use it. It is time it is tested.

I want my children to grow up in a better place; I want them to feel proud about what we have done for our country, our State and our world. My 15 and 16-year-old children know a lot more than I ever did about the environment; they have taught me so much. They passionately believe in what they are on about. We should all learn from our children. I ask other honourable members to speak to 15 and 16-year-olds to get a clear understanding of their vision for a better world environment. They have no grey areas — none at all; they are clearly dedicated

to the long-term survival of the environment of the world.

There is and must be a united approach on this matter. The coalition is dedicated and determined. The purpose of the Bill is to encourage recycling and reduce waste. Everybody in Victoria, Australia and the world would agree with that. It is the way we are going about it that will determine whether we win or lose in the long term. The Bill is about the government telling everyone that it knows better than everyone else. It is creating regulation that will cripple the small steps already taken.

Mr Birrell has foreshadowed a number of practical amendments that deserve government support.

Motion agreed to.

Read second time.

Ordered to be committed next day.

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

Second reading

**Debate resumed from 21 May; motions of
Hon. D. R. WHITE (Minister for Manufacturing
and Industry Development).**

Hon. R. M. HALLAM (Western) — The standard practice in this Parliament is to use the Supply debate to comment generally upon the financial practice and performance of government. What I have attempted to do each year is to demonstrate how the Supply Bill becomes an integral component of the financial deception and subterfuge practised by both the Cain and Kirner governments.

The case I have brought before this House on a number of occasions is based upon the most elementary factor and it relies on nothing more sophisticated than the protocol that underpins the central Supply. The same protocol is mentioned in the explanatory memorandum attached to the Bill:

In calculating the Supply provision included in the Bill for each program, no new policy initiatives involving additional expenditure have been included. Amounts included have been calculated on the basis of unchanged policies...

In simple terms that means that, given that Supply will cover expenditure authority from 1 July until 31 October this year — in other words, a period of four months — the amount sought in respect of Supply should be approximately one-third of the 1991-92 Budget. That is the protocol that underpins Supply and it is the basis on which I have on each occasion attempted to demonstrate the inherent inconsistency in the Supply Bills presented to the House.

Each year I have carried out a basic test and produced some startling results. On the basis of that simple test I have concluded that we have seen a consistent prostitution of the protocol of Supply and the tradition I have outlined. I have demonstrated that the rules have been totally ignored by Labor governments, that the results have been consistently manipulated on a grand scale and that taxpayers have been misled. What is worse, they have been misled deliberately.

The schemes that have been perpetrated to provide that misleading information are intricate, in some instances ingenious but without exception absolutely dodgy. I make clear the charge I level against the government: the schemes undertaken by the Cain government and latterly by the Kirner government have been undertaken for the specific purpose of understating the true extent of consecutive budgetary deficits and as a result have been undertaken to hide the true situation of Victoria's crumbling finances.

The deferral of expenditure that has been consistently undertaken and its corollary of bringing forward revenue each year would be hard to rationalise in any circumstances. It would be hard to come to the House with any rational excuse if the results had been reported. However, as I have demonstrated, on each occasion those results have been unreported. That makes the exercise that has been followed consistently by this government inexcusable. There is no defence to the system this government has used to hide the true situation of Victoria's finances.

The most basic and satisfactory test of any government's fiduciary reform is the standard of that reporting, and this government has failed every single test. The doctrine of disclosure has been totally and fundamentally ignored. The financial results of the public sector have been consistently manipulated specifically to delude the taxpayers of this State. More specifically they have been manipulated to bolster Labor's flagging support.

As I have said on many occasions, that practice cannot go undetected indefinitely. Eventually the government must understand it will be caught out and it will ultimately reap its reward at the election. I suspect the real reward is about to be levied at the next election when Labor will be unceremoniously dumped for its sins.

I intend to base my comments on the Bill on that most fundamental test that I have outlined: the basis of comparison of the Supply Bill with its parent, the current Appropriation Bill, and the examination of the expenditure authority sought as compared with the Budget. However before I do that I want to outline some qualifications I must acknowledge. The first relates to that component of expenditure which is classified as capital: the works and services sector. I understand and acknowledge that we cannot make the same sort of simple test in respect of capital expenditure because it is less strictly related to time and it can become lumpy due to many factors, some as fundamental as weather conditions.

The comparison of Supply with Budget components of capital expenditure is less meaningful. For the purpose of this exercise I have put aside the capital component of the Supply Bill and I do not challenge the level of expenditure. However, I put it aside not simply because the works and services expenditure authority sought under the Bill happens to represent about 35 per cent of the 1991-92 Budget; it is coincidental that the Supply expenditure is consistent with the pro rata tests I have described.

Hon. R. S. Ives — Why shouldn't revenue and expenditure also be lumpy?

Hon. R. M. HALLAM — I am delighted with the interjection because I shall come back to that. The second qualification is that there are some complicating factors on the revenue side in the pro rata test, as has been suggested by interjection. In the first place there are some machinery-of-government changes, in other words, the boundaries are changed, and I acknowledge that. That affects the departmental comparisons. Obviously they have to be allowed for if we make internal comparisons at a departmental level but they do not affect the comparison with aggregates. I make it clear that one of the issues put forward by Treasury as a basis upon which we cannot do the simplistic test I have outlined is that there are some machinery changes. I put that to one side because in aggregate terms that is not a valid explanation.

The second issue is that we are told that costs can be expected to rise during the financial year and that the Supply computation is based upon cost levels applying at a particular time in the exercise. In this case we are given the date upon which that computation is based and it happens to be 6 March 1992. It follows that an allowance for the first third of the next financial year, that is, the Supply period, should be higher than a one-third comparison of the total expense for the current Budget year, depending of course upon the rate of the consumer price index increase particularly the rate of increase in the salary component.

If we apply a rule of thumb I am about to suggest we should be able to obtain the factor which goes beyond the simple pro rata test and it should be about two-thirds of the ruling consumer price index (CPI) rate. Before I am challenged on that by the government benches — and I admit there is only one source I am likely to get it from — I acknowledge that that rule of thumb is pretty rough. However, if the CPI in any given year is 3 per cent, the standard Supply should be 33.3 per cent of the Budget plus two-thirds of the CPI component, that is about 35.3 per cent.

If on the other hand the CPI is running at 6 per cent, then the rule of thumb would take the standard Supply appropriation to about 37.3 per cent of the Budget upon which it is based. Any variation beyond that factor indicates the need for further investigation. That is the rule of thumb we should be entitled to apply to the elementary test I am suggesting.

We are told that recurrent expenditure is not always made on a regular basis. That is the point Mr Ives was wanting me to come to, and I acknowledge that point. We are told in the explanatory memorandum attached to the Bill that when making the comparison that I have just outlined to the House allowance must be made for recurrent payments which are not made on a regular or even basis during the year, for example, subsidies which may be paid quarterly or half-yearly or payments of a seasonal nature. I acknowledge that they exist.

In addition we are told that such variations have been taken into account in calculating the Supply provision and that where such variations occur and where the amount to be provided is significant an explanation is provided. This is what the explanatory memorandum to the Bill says. If we are to take on board the concerns that Mr Ives has just

indicated by interjection, we should be able to rely upon the explanation attached to the Bill.

The Bill tells us that we are entitled to an explanation, so we should be able to discard the comments made by Mr Ives. Although I acknowledge that some revenue expense is lumpy, those lumpy components, where they are substantial, have been taken into account. I acknowledge the explanation, and I believe I understand it a little better than Mr Ives does.

The explanation does not console me; in fact it put me on alert that here at least is an opportunity for the government to again manipulate the data. If recurrent expenditure is able to be lumpy, we are faced with the same old chestnut from the past. If it is able to be lumpy and subject to manipulation, I am suspicious enough almost to presume that the government has manipulated that expenditure to its own advantage. As I said, I am not consoled by the explanation at all.

Hon. R. A. Mackenzie — You have a suspicious mind.

Hon. R. M. HALLAM — I agree wholeheartedly that I have a suspicious mind and it has been developed by experience based on the rotten rules and standards employed by this government.

I shall turn now to the test I have outlined. The recurrent expenditure authority contained in his Bill is \$4310 million. If we compare that with the 1991-92 Budget we see that recurrent expenditure anticipated in the Budget to conclude on 30 June is \$10 965 million. The conclusion I draw from that is that Supply is, therefore, the equivalent of 39.3 per cent of the Budget appropriation; in other words, something like 6 per cent above the standard pro rata that we should expect. The equivalent of that in dollar terms is about \$660 million. That is not chickenfeed.

Even if we allow the 2 per cent for the CPI, which is generous — I would be delighted for Mr Ives to take on my rule of thumb and dispute it — it would appear that something like \$440 million of expenditure is deferred beyond the end of the financial year and therefore just happens to fall within the Supply period.

Hon. R. A. Mackenzie interjected.

Hon. R. M. HALLAM — I hear the interjection from Mr Mackenzie that I am unnecessarily

suspicious. I say that is with good reason. There is \$440 million of expenditure within this Supply Bill which should have everyone in this Chamber on alert because it does not fit within the protocol of Supply and it is not justified or explained by the memorandum attached to the Bill. That is the conclusion I come to.

That demonstrates the continuing pattern of deferral of expenditure. I ask the simple question: why should the Supply figure in pro rata terms always be larger than the appropriation period? If the payment date fluctuations are as innocuous as the honourable member for Eumemmerring infers, at least by interjection, if they are as normal as he suggests, then why do not the swings and merry-go-rounds cancel out one another? Why is the shift to the Supply period consistent with regard to particular expenses? Why is Supply always blowing out instead of coming back in terms of comparison? They are a few questions that I think —

Hon. R. S. Ives — Is the 4 per cent figure uniform year after year?

Hon. R. M. HALLAM — No, it is not, and that is part of the problem. That is why I become very suspicious. I have seen what your mob has done in the past. What gives us the best clue as to what this government has been up to —

Hon. R. A. Mackenzie interjected.

Hon. R. M. HALLAM — I would not keep referring to this government as a mob if it were not such an appropriate description. The fact that the Supply period allocation continues to expand in terms of the raw comparison gives us a clue as to what this government has been up to.

The purpose behind this practice is to allow the government to defer its obligations into the future on an ongoing basis and to understate the true accrued deficit of the Consolidated Fund. I do not say that lightly, and I would be delighted to have that statement challenged. However, it appears to be a statement of fact. That accrual is accomplished by a number of means, including the deferral of payments to third parties, as was done two years ago in respect of payments to libraries and I shall refer to that as a specific example.

The deferral of payments to libraries is one of the reasons why the arts portfolio allocation in this Bill is almost two-thirds of the annual Budget: 65.5 per cent of the arts allocation has to fall within the first

four months of the new year. That comes about because of past manipulation. Similar deferrals were carried out in respect of payments to non-government schools, bus proprietors, and the list goes on and on.

As the practice of rescheduling those payments to have them fall within the first four months of the financial year continues to be demonstrated, even though the benefit is achieved only in the first year of deferral, the benefit is continuing because the rate of rollover continues to expand. The fact that the past deferral continues to be carried forward demonstrates the extent to which this government has been prepared to bend the rules and shows the desperation of this administration.

By far the most significant item in the deferral process relates to financing charges associated with our mountainous State debt and I refer now specifically to that issue. It was the basic test I outlined earlier in respect of the Supply Bill that first alerted me to the practice of deferring interest charges and colouring the true position. I have had to fight tooth and nail to have the government produce an estimate of the interest accrued but unpaid at the end of each year. I recall that a previous Treasurer — who shall remain unnamed — was prepared to argue it was not possible to calculate the expected deferred interest in any one year. That is, we actually had a Minister of the Crown arguing that it was not possible to identify how much interest would be due but unpaid at the end of any financial year!

I did not swallow the line given to me then; my response was that he had framed a Budget. I leave aside my assessment of the Budget, but my point was that he had framed a Budget that included an interest component, so if someone had worked out how much interest was going to be included in the Budget, someone must also have worked out how much was going to be left out of the Budget. Therefore, the component of interest to be deferred would have been simply the reciprocal of the first computation.

If we have a Treasurer who knows how much the debt of the State is — and that is not a bad question — what rate of interest had been incurred on each component of debt, and how much interest he intended to declare in the Budget projections, by definition, he must know what is to be deferred at the end of the year.

The proof of the pudding is in the eating — and now we have the figures disclosed in the Budget documents. By this deception, the government was able to understate the interest costs of our debt. We had not one but two former Treasurers of this State walking around the town and talking up the cost of interest paid — I underline the word “paid” — and in both instances they had conveniently omitted to mention the great slabs of interest that had been quite artificially dodged into July of the next year and not counted.

After many years of trying and with additional pressure from the Auditor-General and the Estimates Subcommittee of the Economic and Budget Review Committee, accrued interest is now included in the Budget Papers, which allows us to see how the debt service is understated.

I seek leave to incorporate in *Hansard* the table taken from page 82 of the 1991-92 Budget Papers.

Leave granted; table as follows:

TABLE 5.10
BUDGET SECTOR INTEREST PAID AND INCURRED (a)
(£ million)

	1987-88	1988-89	1989-90	1990-91	1991-92
Budget Sector Debt as at 30 June	11 517	12 762	14 533	15 638	16 835
Interest Paid	1 175	1 266	1 442	1 573	1 804
<i>plus</i>					
Closing Accrual	393	426	608	810	984
<i>less</i>					
Opening Accrual	299	393	426	608	810
Interest Incurred	1 269	1 299	1 624	1 775	1 978
Paid as % Average Debt ..	10.6	10.4	10.4	10.0	10.2
Incurred as % Average Debt	11.4	10.7	11.7	11.6	11.2

(a) Accrued interest prior to 1987 not calculated as records are unavailable.

Source: Treasury estimates

Hon. R. M. HALLAM — The chart shows that at 30 June this year, six weeks down the track, we can expect to have interest accrued or incurred but not paid amounting to \$984 million, or almost \$1 billion! That represents the total amount of interest rolled over in some form into the Supply period. It represents a real additional liability and there is no room to argue that it is not part of our State debt. No such argument could be put forward because this is interest that is acknowledged as being due on 30 June but, for a variety of reasons, is not paid on that date.

The State debt is understated to that extent, given that the interest accrued is not included. I defy the most recently appointed Treasurer to challenge that, if he can. If he is prepared to challenge my contention that that should be added to the State debt, I ask him to do so in the context of his statements in which he supports the notion of accrual accounting. He says that accrual accounting is the greatest thing since sliced bread — or that is the inference that one can take from what he is heard to say. I say: if he is prepared to run that line he must by definition concede that he has understated our State debt by almost \$1 billion, because of that simple trick played at the end of the year.

A consistent and most significant feature of the table is the comparison of the closing accruals in each year. In 1987-88 the closing accrual of interest due but not paid was \$393 million. In four short years under a Labor administration that \$393 million has blown out to \$984 million, representing an average increase of some \$150 million per year. So it is not chickenfeed; it is a big expenditure.

What that tells us is that by and large each year this government finds some way of hiding a further \$150 million of interest expenditure. The bottom line is that the only continuing advantage — and I use the word "advantage" advisedly — to the government is to ensure that more is tipped over the balance day each year. To gain any impact there must be a continuation of the process of deferral.

To get an idea of the impact in a year, we need simply to deduct the opening accrual from the closing accrual. In the current year, 1991-92, we see that discloses a figure of \$174 million that has not been included in the figures for this year as an expense. That is, \$174 million should be added to the 1991-92 Consolidated Fund cash deficit to give the true deficit for the year.

I say that as a statement of fact. I say that the deficit for this year has been understated by that figure. I defy any government member to challenge that statement.

Let me establish another fact. The projected cash deficit is the sum of the borrowings from three major slush funds: the State Development Account, the Cash Management Account, and the Works and Services Account. Therefore the cash deficit, as I established in the debate on last year's Budget, is the sum of \$2032 million. We simply take the projected borrowings from the three accounts and add them to get the figure of \$2032 million. I say that we should now add to that figure the estimate for accrued interest and thereby arrive at the true deficit for 1991-92 of \$2205 million.

I suggest there is no trick to it; it is simple. It is taken from the government's own figures. I acknowledge that that is a figure based on projections rather than outcomes, and I want to come back and give my version of the progress report on where we are with that deficit today.

We now know one of the major means the government has been employing to roll over interest charges. We consistently come across the description of zero interest coupon swaps. It rolls off the tongue, but I suggest it is as shonky as it sounds. That new device was discovered and highlighted by the Auditor-General in his report for the year 1989-90. He refused to acquit the \$35 million of expenditure and said that in his view the expenditure was illegal.

The \$35 million interest swap involved the exchanging of coupons requiring a particular interest payment stream with another requiring a higher interest rate stream, the bonus for the government being that it received a cash receipt up front which happened to be \$35 million.

That was bad enough, and I do not think the government could ever have come up with a plausible explanation. But to add insult to injury the shylocks in Treasury netted off that payment against the interest due for that period; so the \$35 million receipt went absolutely unreported. What a fantastic story!

Here we have a government prepared to arrange a deal in such a way that an up-front payment of \$35 million was received but not disclosed and no-one has been able to challenge the detail of the deal. I understand the government does not like

being reminded of that deal, and I happen to understand why it does not like being reminded of it.

If the government had one ounce of soul it would be incredibly embarrassed about that rotten deal, but the government had better get used to it because I intend to bring it up on every occasion on which I have the opportunity. I intend to remind every Victorian of the dreadful standards employed by the government; the charge of skulduggery simply cannot be answered.

I have heard the protestations of the government and the claims that zero interest swaps are natural, rational and supportable. The authority I quote on this subject is the Economic and Budget Review Committee of Parliament, which I remind the House has a membership drawn from all sides of the political spectrum. It is an all-party Parliamentary committee. This month's report *Parliamentary Accountability and Debt Management* concludes in finding 3.2:

The committee finds that the rationale provided by Treasury officials for the zero swaps as part of a debt management strategy is unconvincing; and believes that the need to receive receipts during 1989-90 and 1990-91 was a major factor in entering in the transactions.

I could actually leave the challenge at that point. An all-party Parliamentary committee is effectively saying, "You are a bunch of crooks". I consider finding 5.1, which relates to the practice of netting off the receipts, to be particularly objectionable:

The committee finds that although the legality of the Treasury's actions was supported by legal opinion, the practice of offsetting payments with receipts from the zero swaps reduces substantially the level of Parliamentary accountability.

I shall make a number of points about that finding. Firstly, I convey my sincere congratulations to the members of the committee because on this occasion the investigation and findings go way beyond any challenge of partisanship. The committee has done this Parliament proud.

My second comment goes to the issues uncovered by that finding. The committee is saying that, apart from the deferral of expenditure, apart from the extent to which the government has been able to understate the deficit and apart from the government's deliberately writing down the reported debt of the State, the committee actually

concludes that the entire base of our Westminster system is at threat.

The committee says the swaps reduce substantially the level of Parliamentary accountability. There is the challenge, and it is extremely significant that a committee that has a majority of government members could come to that finding. If nothing else it indicates the enormity of the charge against the government's standards of stewardship. To rub it in even more, to its credit even the *Age* has taken issue with the government. The editorial of 11 May refers to the Economic and Budget Review Committee's report and concludes:

The committee's main concern is that such transactions reduce government accountability to Parliament, but it also pointed out that the strategy of rolling over debt would cost the State almost \$1 billion in extra debt over five years. If that is what is meant by debt management then it's time for a change of policy — or Treasurer.

That is what the *Age* editorial had to say, and I agree wholeheartedly with its sentiments. It then states:

So much for the Treasurer's much vaunted debt management strategy!

Mr Sheehan can jump up and down as much as he likes. I can demonstrate my case with nothing more than the most fundamental comparison: from year to year the deferral in the Supply Bill is getting worse. The rate and size of the manipulation is expanding. The rate of deferral of liability into the future is actually increasing. If there is a fallacy in my rationale, I should be delighted to have the Treasurer say that that is so and reveal the fallacy.

It is significant to establish whether the deferral is increasing. Whatever notional or illusory benefit is derived by the government each year — and I suggest it is a con anyway — the benefit is restricted to that year unless there is a year-to-year structured deferral program, in which case the understatement of the deficit is ongoing and growing. Of itself that understatement is a dangerous practice and, given the fact that it goes unreported, it is simply indefensible.

It is a bit like being caught on a merry-go-round and consistently turning it faster, knowing all the time that there will be a calamity when you try to get off. You know you are going to get flattened when the day of reckoning comes; but the government is consistently turning up the pace of the merry-go-round.

A most elementary analysis of the appropriation source in the Supply Bill and a comparison with the annual appropriation reveals a ratio that is able to be compared from year to year. If that ratio were climbing consistently we could conclude that ongoing and sustained deferrals had been taking place and that an advantage had been gained by the government at the expense of a future administration — and, I might add, at the expense of the taxpayers of this State. After making a close examination of the Supply Bill I note that the Treasurer's appropriation accounts for 43.7 per cent of the annual appropriation, nearly all of which is due to Program No. 727, which happens to include interest payments.

I have an advantage over other honourable members when it comes to talking about Supply Bills: although I started out as a cynic I have become a committed sceptic. Experience has taught me to expect the government to continually bend the rules. As a result, I do not believe anything the government says or does. Certainly after reading the Treasury programs I believe my scepticism is well founded. In the narrative of the Bill we are given this gem of an explanation:

This provision reflects the natural growth in interest payments that results from the payment of six months interest payments due in the Supply period.

There is nothing at all natural about what has taken place. The government has concentrated interest payments in the months of January and July instead of the traditional months of June and December. The shift is advantageous to the government simply because of the fact that July falls not in the appropriation period but in the Supply period. Therefore the government does not have to report those interest payments made in the year ended 30 June. As a result the equivalent of six months of interest payments is compressed into four months appropriation.

A number of problems arise when one attempts to compare such payments from one year to the next. Firstly, when comparing one year with another we must contend with the fact that the goal posts have been shifted once again and the content of programs

has changed. The items in my old whipping boy, Program No. 726 — "Transfer and Other Payments" — have been distributed to other programs. Some expenditure items have now been allocated to Program No. 727, "Debt Liability and Financial Asset Management"; some items remain in Program No. 726; and the rest have been scattered throughout the Department of Treasury and the Ministry of Finance.

I have had to resort to a comparison of the past two years' Budget Papers in a desperate attempt to discover what has gone where. I could have asked the Treasurer for the figures, as I did last year, but this year we have a new Treasurer and a new head of department. I note with some concern that Bruce Rasmussen, the former head of the finance division of the Department of Treasury, who probably knows better than anyone else where the bodies are buried in the department, has moved to greener pastures. I am not saying that he has deserted the sinking ship, simply that he no longer occupies that position.

Now that he has gone I do not believe anyone in either the Department of Treasury or the Ministry of Finance has a handle on the government's funny-money deals. Bearing that in mind, I decided to plough on with my own reconstruction of the figures. The first step in the reconstruction was to carry out the base adjustments that were required for items that had been relocated from Program No. 726. The second step was to carry out an adjustment for the one-off items that appeared in last year's Supply Bill — and, as an aside, those one-off items were a saga in their own right.

The third step involved calculating the standard Supply appropriation assuming pro rata rates for the period. The fourth step involved deducting the standard from the actual Supply figure to produce the dimension of the deferral; and the fifth step was to compare one year's deferral with the other to establish the direction of deferrals.

I produce a chart that shows the result of those five steps, which I seek leave to have incorporated in *Hansard*.

Leave granted; chart as follows:

IMPLIED DEFERRAL OF FINANCE CHARGES (CALCULATION):

(\$ million)	1990-91 (projected)	1991-92 (projected)
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Program 726, 1990-91 "Transfer and Other Payments":

A.	Annual Appropriation:	1211
B.	Supply Period:	802

Program 727, 1991-92 "Debt, Liability and Financial Asset Management":

C.	Annual Appropriation:	1886
D.	Supply Period:	832

Step One: Place programs on common basis (Note 1):

E.	Annual Appropriation:	1013	1886
F.	Supply Period:	736	832

Step Two: Adjust for effect of one-off factors in the 1991 Supply Bill (Note 2):

G.	Annual Appropriation:	1013	1886
H.	Supply Period:	482	832

Step Three: Calculate supply period payments applicable if they were truly calculated on a pro-rata basis (G ÷ 3):

I.	Pro rata Supply:	338	629
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Step Four: Compare I. with H. to establish the size of the deferral of the financing charges past the end of the financial year:

J.	Deferral:	144	203
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Note 1: This allows for those line items from the erstwhile Program 726 which do not form part of the new Program 727. The estimates for these line items (from the 1990-91 Budget Papers) were subtracted from the total estimated appropriation for Program 726, and one-third of the sum of line items was subtracted from the Supply appropriation on the assumption that they can be allocated on a pro-rata basis during the fully year. The assumption is kind to the Government on the grounds that if the payments were in fact concentrated in the budget year proper, then the amount of the deferral of the financing charges (the residual) would be even greater. The relevant programs were: 3469, 3471, 3474, 3475, 3476, 3479, 3480, 3482, 3484, 3485, 3486, 3489, 3490, 3493, 3507, 3509, 3510, 3519, 3527, 3528, 3532, 3541, 3542, 3548, 3574, 3583, 3618, 3678, 3681, 3684, 3688, 3689, 3690, 3697, 3719, 3723, 3726, 3740, 3741. It is assumed that 3550, 3551, 3552, 3553, 3554, 3555, 3557, 3558, 3560, 3566, and 3578 (all financing charges) were absorbed into 3610 in the 1991-92 Budget as they do not appear in that year's budget papers.

Note 2: This mainly involved appropriations being made for certain debt arrangements with the Commonwealth which had previously been funded from special appropriations. There was an additional amount resulting from the final transfer from Works and Services to Recurrent funding for Transport financing charges.

Hon. R. M. HALLAM — The chart, which is headed "Implied Deferral of Finance Charges" relies on the estimated appropriations for last year because, although we have a record of the final annual appropriations in the Treasurer's annual finance statement, we have no record of the final appropriations for the Supply period. Therefore I have been forced to rely on projections and estimates. Given the consistent use of the Treasurer's Advance to top off finance charges over the past few years, I would be loath to compare actual annual figures with budgeted Supply appropriations.

The bottom line shows the discrepancy between the appropriation we would expect if the Supply Bill truly represented a pro rata amount and the amount that is actually sought. That difference now amounts to \$203 million, which compares with \$144 million last year and shows that in the first year of the reign of the new Treasurer the amount of fooling around with our debt servicing has actually increased.

Further work would be needed to reconcile those figures with the figures for accrued interest published in the Budget Papers, but trying to get information from the Treasury can be a bit like trying to pull teeth, so I have not bothered. It is a component of the practice of deferring interest payments, but it is a major component. It demonstrates why the Supply Bill is fraudulent because it does not even do what it claims to do. The chart also establishes that the practice of deferring interest to mislead the people of Victoria is continuing. If the efforts to avoid disclosure require this process I wonder at the extent of the desperation driving the government.

As the Supply Bill is a continuation of the Budget program, it is timely to examine the Budget to ascertain how it is progressing. During my contribution to the debate on the Appropriation Bill I highlighted the fact that the government's so-called debt management program was a black joke. The Budget provided for a massive deficit despite continuing large increases in taxation and other forms of revenue. I instanced that taxes, fees and fines were expected to increase by 10.4 per cent, that the public authority dividend was expected to increase by 26.6 per cent and that payroll tax was to increase by 5.1 per cent. The Budget increase in current outlays was set at 10.2 per cent and, more importantly, honourable members made the point that any reduction in the Budget was not within

recurrent expenditure outlays but was within that component of the Budget relating to the investment in infrastructure.

The projected deficit in the Consolidated Fund was \$2032 million, and I explained a moment ago how that was derived. It is the deficit in cash terms and does not include the deferral of interest to which I have referred. The true deficit is the reported difference between the expected revenue and the planned expenditure, in other words, \$2032 million plus the deferred interest.

I would be delighted if Mr Ives or any other government member explained why the difference between revenue and expenditure is not the true test of the deficit. Any housewife can tell you that. In other words, no-one who claims to have training in accounting or business could possibly claim that one should add the borrowings onto the income side of the Budget, but that is what the government has been doing for many years. I could put up with that because I can see through the government's arguments, but after going through that process and counting borrowings as a revenue item the government still has the gall to claim it will have a balanced Budget!

The government uses the euphemism of finance transaction to refer to the figure that will account for the difference between the income and expenditure figures in the Budget. I understand that to be borrowings. I went to some lengths to explain the difference between the Consolidated Fund format and what the Treasurer refers to as the government finance statistics format, which is now used by the government in the Niemeyer statements and was previously referred to as the national accounting format.

One of the major differences between the two formats is asset sales. In the finance statistics format asset sales are recorded as a negative outlay. Given the scale of asset sales, it follows that highly misleading figures and comparisons will be made by the government. Confusion still exists, so I want to nail down once and for all the difference between the deficit as outlined in the Consolidated Fund format and the government finance statistics format. I seek leave to have incorporated in *Hansard* a reconciliation provided by the Department of Treasury.

Leave granted; document as follows:

BUDGET SECTOR

FINANCING TRANSACTIONS

The National Accounting Format presentation included in Budget Paper No. 2 at Table 3.6 Page 47 comprehensively describes the Financing Transactions of the Budget Sector.

In calculating the net financing transactions from Consolidated Fund transactions, adjustments need to be made to gross borrowings of the Works and Services Account to take account of expenditure included in Appropriations to repay debt, as well as non Consolidated Fund financing transactions including changes in investments.

Adjustments to the Consolidated Fund approach are as follows:

Works and Services Transfer (including \$12.7 m of carry forward cash)	1,145.6
State Development Account	100.0
Cash Management Account	786.1

FINANCING TRANSACTIONS	2,031.7
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LESS APPROPRIATIONS FOR REPAYMENT OF BORROWINGS

727.3614 Debt Retirement Fund Contribution	110.0
727.3610 Financing Charges - Principal Repayments	58.9
727.3776 FTMUT contribution (Principal Repayment)	40.0
Special Appropriations CMA repayment of borrowings in lieu of asset sales	59.0
Sinking Fund contribution made directly by Commonwealth on behalf of the State	10.6

LESS OTHER (NET)

Investment in Farrow Distributions	195.0
Changes in cash balances and other investments and Non Public Account transactions (eg. Director of Housing, VDRA)	64.2

FINANCING TRANSACTIONS	1,494.0
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There are no changes in provisions for the Budget Sector.

DEPARTMENT OF THE TREASURY

24 October 1991

Hon. R. M. HALLAM — The document states in part:

... adjustments need to be made to gross borrowings of the Works and Services Account to take account of expenditure included in appropriations to repay debt, as well as non-Consolidated Fund financing transactions including changes in investments.

The projected Budget deficit within the Consolidated Fund is \$2032 million; that much is clear and I hope it is not disputed. The computations for that figure are shown in the document. The Auditor-General's report for the nine months ending March 1992 indicates that the Budget deficit is \$2038 million. I hope that figure is not disputed. In other words, the Auditor-General is saying that the projected deficit figure is outdated even after nine months!

I know what the former Treasurer, the Minister for Employment, Post-Secondary Education and Training, would say if he were confronted with that Budget deficit; he would argue that it was under control and that it would come in on Budget in the last quarter. That never transpired, but the former Treasurer stuck to his guns. The current Treasurer does not even pretend that the Budget will come in on target. The evidence now before the House is that the Budget is a disaster and so is the Treasurer.

My aim in referring to this Treasury document is to demonstrate that the Budget figures cannot possibly come from the March Niemeyer statement, which discloses a deficit of \$1279 million. What is the correct deficit? Is it the figure that is grasped by the Treasurer and touted far and wide or is the deficit \$2038 million as stated by the Auditor-General? After all, that represents a difference of \$768 million. The Treasurer put the difference down as a difference arising from an accounting treatment. Apparently \$768 million is said to be nothing more than an accounting difference but, with the greatest respect to all concerned, I suggest it was certainly some difference!

The Treasurer did not explain what the difference was; we were never informed what the accounting difference was which apparently accounted for nearly \$770 million. However, finally the current Treasurer admitted that the difference arose because his figures did not include short-term borrowings which had been treated as a revenue item. That is what the Treasurer tells us: short-term borrowings are really revenue! He says we have been wrong all

this time and we did not understand the fundamentals of accounting.

It has taken many years of consistent pressure to have the government admit it was not merely a revenue item, but now the Treasurer has taken a step backwards and said that some borrowings are revenue items, and some are not. What is the difference between a short-term borrowing as opposed to a long-term borrowing? There must be a fundamental difference if the Treasurer says you must count one as a borrowing and the other as revenue. The answer is that the long-term borrowing is one where you cannot find the cash to pay back the borrowing come balance day — that is the difference!

After muddying the water for all his worth the Treasurer has admitted that the final figure for net financing transactions will come in at about \$130 million over the estimate of \$1494 million, which is included in the balance sheet. He says, "It is within \$130 million, or thereabouts, give or take a bit. What's \$130 million?"

There is only one forum in which the government is even remotely honest, namely, the Premiers Conference. We have been fed the line that the government has a three-year debt management plan and that everything is under control. However, in the next breath our Premier goes to a Canberra Premiers Conference and cries poor in front of the television cameras.

On 28 April the *Australian Financial Review* ran the story on the figures from the last Premiers Conference which predicted a combined national deficit or an aggregate deficit across the States of \$8.8 billion by 1993-94.

It is clear that figure was released simply to add pressure in an effort to screw a little more from the Federal government, but it was presented as a realistic and accurate figure. Victoria is the second-largest State; we can but assume Victoria represents at least a major part of the joint deficit. At the same time, we in Melbourne are reassured there is no problem. Again we get the mushroom treatment.

At page 10 of last year's Budget speech it is claimed that financing transactions are expected to fall markedly in each of the following two years. I am told the government tried desperately to back away from the estimates provided at the Premiers Conference but the Treasurer can hardly run the line

that those figures were not accurate when they were included in the communique released at the end of the Premiers Conference.

Of course the first excuse cited for the explosion in the level of the deficit is that we are in a recession and that the recession has caused, among other things, a collapse in the State's revenue base. I do not accept that explanation. If the Treasurer who framed the Budget did not know we were in a recession at the time he undertook that task he must have been the only Australian who was unaware of it. He must have been living in dreamland!

In last year's Budget speech the Treasurer admitted he had been too optimistic in the previous year. He then proceeded to table a Budget based on yet even more wildly optimistic projections for revenue and growth. The Treasurer may be right; he may yet achieve the new revised target deficit. It may be within \$130 million of the earlier figure forecast but that \$130 million over and above the original forecast will be achieved only with greater financial skulduggery than we have seen in the past.

Some examples are now coming to light. Firstly, this year the government has admitted it is placing a large number of central business district properties on a dead property market for urgent sale and lease-back. I do not know how many hundreds of millions of dollars are involved in that deal but I know that any short-term advantage gathered by the government will be to the massive long-term cost of Victoria.

Secondly, it has been admitted that the deciding factor in making Mission Energy the preferred bidder in the Loy Yang B sale was its ability to come up with an up-front payment to be received by 30 June. The minute I heard that part of the deal I felt the hairs rise on the back of my neck because I have seen the government in action so many times. When I learnt that the successful bidder would have to agree as a condition of the deal that a percentage of the money had to be paid up front I knew the government was running true to form.

In the *Sunday Age* last week the Chairman of the Gas and Fuel Corporation, Mr Fitzmaurice, blew the whistle on the government by clearly stating that one of the centrepieces of the so-called debt for equity swap was the capitalisation and deferral of interest payments. It is as simple as that.

Now we have a very senior public servant saying he too has lost respect for any prospect of integrity on the part of the government.

My colleague the shadow Minister for Housing, Mr Knowles, last week revealed that the Urban Land Authority was being forced to purchase surplus land, whether or not it so wished. That could be worth up to \$50 million for the government. Again that is a short-term money grab and ignores the long-term cost to the State.

We should not be surprised at any of this. The government's track record is clear. In 1989-90 it sold and leased-back about \$250 million worth of railway rolling stock. Again the cheque fortuitously happened to be received by the government on 29 June. That is one way to balance the Budget! The truth is that all Victorians are now paying the price for that manoeuvre.

My concern is that they are examples of the vices we know about; we have heard about those because we have been able to ferret them out. I wonder how many more lie undetected beneath the surface? How many others have the same intent: to deceive Victorians and disguise the extent of Labor's financial ineptitude? One thing gives me satisfaction: we now know very clearly that the Labor government is not getting away with those standards and that skulduggery.

Victorians must be the most financially knowledgeable electors in the Western World because little by little through the efforts of many people in this place, the media and people in public office, particularly the Auditor-General, the story is slowly but surely getting out.

Hon. R. A. Best — They want to axe the umpire!

Hon. R. M. HALLAM — We heard about the latest head-high tackle from the Minister for Manufacturing and Industry Development today. It is not just Labor that will suffer. Because of the dreadful standards of this administration, the credibility of government generally has been damaged and it will take a long time for that credibility to be recovered. I personally look forward to being part of that process. I look forward to the task of returning to the truth and to fiscal responsibility.

I give an assurance that under a coalition government there will be no more cash grabs in return for an exploding future liability and no more

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funny-money deals — they will be finished forever. If we cannot pass that first test of honesty how can we hope to lead this great State to recovery?

In conclusion I say this Supply Bill is fundamentally flawed. I do not like the expenditure priorities of this government or the taxing regime on which those priorities have been framed. My basic criticism is that this Bill is not consistent with the basic premise and protocol of Supply.

The government has continued with its manipulation of the balance day adjustments to the extent we have seen perpetrated in the past, notwithstanding the extent to which those practices have been exposed for what they are. The only thing I like about this Bill is that it will be the last Supply Bill presented by a Labor government for many years to come.

**Debate adjourned on motion of
Hon. B. A. E. SKEGGS (Templestowe).**

Debate adjourned until next day.

ROYAL MELBOURNE HOSPITAL (REDEVELOPMENT) BILL

Introduction and first reading

Received from Assembly.

**Read first time on motion of Hon. M. A. LYSTER
(Minister for Health).**

SWINBURNE UNIVERSITY OF TECHNOLOGY BILL

Introduction and first reading

Received from Assembly.

**Read first time for Hon. B. T. PULLEN (Minister
for Conservation and Environment) on motion of
Hon. D. R. White.**

ADJOURNMENT

**Hon. D. R. WHITE (Minister for Manufacturing
and Industry Development) — I move:**

That the Council, at its rising, adjourn until tomorrow
at 10.30 a.m.

Motion agreed to.

**Hon. D. R. WHITE (Minister for Manufacturing
and Industry Development) — I move:**

That the House do now adjourn.

Moorabbin West Primary School

Hon. G. P. CONNARD (Higinbotham) — The matter I direct to the attention of the Minister for Ethnic, Municipal and Community Affairs is for the attention of the Minister for School Education. A letter has been sent to me from the Moorabbin West Primary School, which has had some difficulties. It is a small school in a disadvantaged area. The difficulties in working at a school such as this have meant that the school has suffered greatly over many years from the constant high turnover of teaching staff. For instance, there have been eight head teacher-principals in the past 10 years.

The children at the school are disadvantaged economically, emotionally and socially. The staffing instability over those years combined with the unsuitability of some staff for working in such a difficult environment has had a very negative impact on the learning outcomes of those children. The school council understands that it has no formal responsibility for the selection of its head teacher-principal because of the size of the school. It argues that children at the school should be given a fair go, but says they are not getting it at the moment. The school council is asking the Department of School Education to support its request by not advertising for the position of head teacher for 1993 so that it can maintain the leadership that the school has had this year, which is having a positive impact on the school community.

It also requests that the classroom teachers' positions not be advertised so that they can retain the current temporary teaching staff during 1993, thus providing a continuity and stability that can only benefit the children. Members of the school council and I think they deserve having this particular request granted at this time. I support the request to the Minister for School Education, Mr Pope, and I trust that the Minister for Ethnic, Municipal and Community Affairs will put this request firmly to the Minister and that he will react accordingly.

Aurora Gold Mine

Hon. P. R. HALL (Gippsland) — I raise a matter for the attention of the Minister for Conservation and Environment on behalf of Mr Wayne Dillon of Bonang, one of my constituents. He has experienced

difficulty in his negotiations with the Department of Conservation and Environment. Bonang is a lovely settlement about 2 hours drive north of Orbost in a most picturesque area of Victoria. As honourable members would appreciate, the area has a great deal to offer in terms of tourist potential.

Mr Dillon runs a tourist venture that involves underground tours of the Aurora gold mine situated 2.5 kilometres north of Bonang. That gold mine dates back to 1857. Until recent years it has been a disused mine. Several years ago Mr Dillon spent close to \$100 000 developing a tourist operation within the Bonang area. That involved scenic flights over the area, but central to his tourism business was a provision for underground tours of the mine, which he brought back to a state where people could go underground and see for themselves where the ores of gold were obtained. People can crush ore and if they are fortunate enough they can find some specs of gold. The mine is on Crown land; it is not in a national park or wilderness area but on a camping reserve. When Mr Dillon opened the mine in December 1990 the department gave him a one-year lease. Since then he has been negotiating with the department for secure tenure of the site and a lease in the order of 27 years. He requires a long-term lease to borrow funds against his asset to further develop his tourist operation.

Mr Dillon told me he has prepared management plans and submitted all other information requested of him by the department. He has not received any development funds from the government towards establishing his business. This man has attempted to establish a tourism business but has received no help whatsoever from the department for his endeavours. It appears that in some respects the department has been blatantly obstructive.

Hon. R. A. Mackenzie — Why should he get government help?

Hon. P. R. HALL — I am not asking for government help; I am asking for a long-term lease of the site. I ask the Minister to find out why his department has not issued a long-term lease. I suggest that the Minister should be interested in the project because it is a tourism development program in an area of Victoria that should attract greater levels of tourism. I ask the Minister to examine the matter and to provide a response about why a long-term lease has not been issued.

Toorour Forest Lodge

Hon. G. R. CRAIGE (Central Highlands) — I raise for the attention of the Minister for Conservation and Environment the Toorour Forest Lodge currently operated by the Department of Conservation and Environment. The lodge is located 25 kilometres west of Benalla in the Strathbogie Ranges and is extensively used as a camp by school and community groups. Local residents have expressed concern about a proposal to establish a low-security prison at the facility. As equipment has already been moved from the camp they are concerned that a decision has already been made by the department to hand over the facility to the Office of Corrections.

The caretaker of the camp has been notified that his services will no longer be required. The regional office of the department informed some residents in the area that it is losing money in managing the enterprise, but it is difficult to obtain actual figures. If the camp is losing money, why not hand it over to private enterprise to run? Will the Minister advise the House whether a decision was made to transfer the property to the Office of Corrections prior to proper public consultation?

Logging in Shire of Otway

Hon. R. A. MACKENZIE (Geelong) — I raise for the attention of the Minister for Conservation and Environment an issue involving his department and the Department of Planning and Housing. I refer to Victree Timber Products Pty Ltd and its activities in the Shire of Otway and the Gellibrand River system.

I refer the Minister to the decision of Administrative Appeals Tribunal (AAT) hearing No. OPS 91-111-82, at which the Victree company was granted a permit to clear native forests for pine plantations under a number of conditions. Since that determination Victree has continuously breached a significant number of those conditions: the company is continuing to clear during the winter months; its logging operations are taking place on slopes in excess of 20 degrees; it is clearing right up to the edges of streams; it has felled timber directly onto watercourses; watercourse crossings have been constructed so that they obstruct stream flows in the catchment area; the blading of traps and hillsides has resulted in extensive soil erosion; windrows have been formed across watercourses; gullies have been filled with logging rubbish; pines have been planted across watercourses; and herbicide poisons have been applied directly onto watercourses.

The AAT ruled in favour of 25 conditions concerning land care and environmental protection to apply across all 76 Victree permits. To date little has been done. Recent site inspections show that extensive soil erosion and other problems are occurring.

At a recent meeting a Victree employee said the company had no intention of following the AAT recommendations as it is a private company operating on private land, and therefore the rulings do not apply.

I ask the Minister to investigate the matter because I believe the company is thumbing its nose not only at the determinations of the Administrative Appeals Tribunal but also at the Code of Forest Practices. It is also contravening soil conservation requirements. As a matter of urgency I ask the Minister to investigate the matter with a view to making the company conform to the correct procedures when it is clearing native forests for pine plantations.

Department of Conservation and Environment staff

Hon. R. M. HALLAM (Western) — I raise with the Minister for Conservation and Environment the policy followed by his department in recruiting staff, a policy that, on the basis of my experience, appears to be naive, impractical and unfair. I cite the example of a constituent of mine, a young man who for some years has had the objective of gaining a ranger-type position in the field service of the Department of Conservation and Environment. On applying to the department he was told that to have any chance of winning such a position he would need a diploma in applied science and resource management, which he ultimately pursued and achieved. Because the young man could not get the job he wanted at the time, rather than sit on his backside he took a labourer's job with a factory in Hamilton.

In recent weeks several jobs have become available under Priority Victoria for construction and maintenance work in the department. My constituent applied for one of the jobs and was not successful. That was bad enough, but he has since been advised — and here's the rub — that he was unsuccessful because he already has a job. What sort of rationale is that? Surely the success of applicants should depend on whether they are suitable for jobs and not on whether they already have jobs.

Hon. B. T. Pullen — This is Priority Victoria?

Hon. R. M. HALLAM — It is. The position is that of a construction and maintenance worker in your department. The man is devastated by the outcome. He is doing well in his current position — and knowing him and his family I would expect him to do so. But should he languish in a job he does not like? More importantly, should he be disadvantaged for seeking alternative employment while awaiting the opportunity of following his chosen career?

I ask the Minister to review the government's policy to ensure that the best applicants are chosen for any future employment in his department and that applicants are not disadvantaged by the fact they have taken up interim employment rather than languishing on the dole.

Livestock Market Reporting Service

Hon. B. A. CHAMBERLAIN (Western) — I direct to the attention of the Minister for Conservation and Environment who represents the Minister for Food and Agriculture in this place the Livestock Market Reporting Service. The service was instituted at the time the Honourable Ian Smith in another place was Minister for Agriculture. It has proven to be one of the most valuable services offered by the Department of Food and Agriculture to the rural community. Information about livestock sales and trends in those sales is important information for farmers who must decide whether to take stock to market. I have been advised by the Shire of Grenville that at a recent meeting mayors and presidents from the councils in the Ballarat region objected to the fact that the department would charge \$15 a week for making this information available to the media.

Currently radio station 3BA and the *Ballarat Courier* no longer provide the report to the farmers of that district and as a result they are being deprived of this important information. I am sure the newspaper would be happy to supply the information as a service but I do not understand why it should have to pay for it. The mayors and presidents of the district have asked that the policy be examined to see whether this information can be made available free, as it was before. I ask the Minister to take up this matter with his colleague.

Rural Water Commission

Hon. D. M. EVANS (North Eastern) — I direct to the attention of the Minister for Conservation and Environment who represents the Minister for Water Resources a matter raised by the Shire of Waranga

about the intention of the Rural Water Commission to take over the revenue derived from marginal lands and currently paid to the Waranga Basin Committee of Management and other committees. These funds are currently used for maintenance and improvement works in the public recreational areas on the perimeter of the Waranga Basin and other areas throughout Victoria.

I refer the Minister to a background paper that the shire has provided to me, which I understand is a report to the Rural Water Commission dated 7 November 1991. It has a file number 80/33986. The paper backgrounds the change in attitude by the Rural Water Commission and it refers to 15 committees which currently control recreational areas at 12 storages in Victoria. It refers to the fact that less than 2 per cent of total revenue of those committees is generated by committee-only activity; 98 per cent comes from the rental of the adjoining lands.

I acknowledge that there is genuine concern about the way funds are generated and expended, the disparity of revenue bases of committees, the inadequate reporting arrangements and the lack of development planning by committees. Currently \$479 000 a year is raised by rentals. The funds held in committee trust accounts at July 1990 totalled \$577 000. I am concerned that the real reason for the exercise is that the department wants to get its hands on the \$1 million this represents. The background notes refer to the fact that committees are to be encouraged to seek new revenue sources within their areas with the objective of eventual financial self-sufficiency. Emphasis is to be placed on the user-pays approach to recreational facilities.

The DEPUTY PRESIDENT

(Hon. K. I. M. Wright) — Order! Mr Evans has gone into more detail than is necessary. I believe the Minister has a fair idea of what he wants.

Hon. D. R. White — It is longer than a Minister's answer to a question and it would be deemed to be a Ministerial statement!

Hon. D. M. EVANS — I look to the Minister for tram rides to help me on this occasion! I ask the Minister, firstly, whether recreational committees have adequate funds to develop the facilities that are available on recreational water areas, particularly in northern Victoria given the importance of tourism in that part of the world, and, secondly, whether it is intended that this new system be in operation in the 1992-93 financial year? Is it the intention to have a

more equitable distribution of funds and that it will not simply be an attempt by the government to divert \$1 million into revenue to be used for a purpose other than that for which it has been currently used?

Planning amendment No. RL141

Hon. B. A. E. SKEGGS (Templestowe) — I direct to the attention of the Minister for Conservation and Environment, who is the representative in this place of the Minister for Planning and Housing, the current independent panel tribunal hearing objections to planning amendment No. RL141. A number of people are concerned about the effect of the amendment because the hearing has not received sufficient publicity. They are worried that people who may be affected are not sufficiently aware of the hearing. The hearing was advertised locally in January when it went on public display but of course at that time a lot of people were away on holiday. The panel is sitting this week and some constituents who have attended that meeting have said that because of the far-reaching effect of the proposed amendment they are surprised that more citizens have not been in attendance.

Five local councils are involved; Diamond Valley, Eltham, Doncaster-Templestowe, Bulla and Springvale. The citizens of those areas have expressed grave concerns about the effects of the retrospective provisions of amendment No. RL141 back to 1 December 1971. The proposed amendment to the planning scheme is of concern in the Plenty area of the Shire of Diamond Valley. I ask the Minister to give consideration to extending the hearings or making provision to advertise them to ensure that citizens have a chance of attending them.

Responses

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — The matter raised by Mr Connard about the Moorabbin West Primary School is an interesting question that has a precedent. I will certainly draw those remarks, which I believe are complicated in their implications, to the attention of the Minister for School Education and ask him to consider them in light of general remarks that have been made by the school. The Minister will reply directly to Mr Connard.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Mr Hall raised a question about a difficulty a constituent appears to be having securing a long-term lease for a tourist activity he is

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developing. I understand the point he is making. I will need to have the situation examined to see what the difficulties might be. On the face of it, the case warrants some worthwhile attention. I will look into the matter and provide Mr Hall with a response.

Mr Craige raised a question about the economics and future of Toorour Forest Lodge. No decision has been made by me about that. I shall be examining any process or development in terms of the future of that lodge. Mr Craige mentioned that it was a difficulty of income versus the upkeep of the lodge. I shall examine the circumstances and inform him of the situation.

Mr Mackenzie raised an issue about Victree Timber Products Pty Ltd and made a number of assertions about the way it is operating. I regard the assertions as he described them as very serious, but until I have the opportunity to get some evidence from people in my department or others who might have knowledge of it I can regard them only as assertions at this stage. If true, their environmental impact appears to be serious. I make it clear that I do not accept them but I accept the seriousness of investigating them and their relationship to the directions of the Administrative Appeals Tribunal. When I have examined the matter and obtained information I will let Mr Mackenzie know the outcome.

Mr Hallam raised the question of staff recruiting practices and a case he knows personally. I understand his point but I am not sure that he understands the way Priority Victoria works. It is really a job creation program that provides employment for people for a minimum of 12 months for State-funded jobs and six months for Commonwealth-funded jobs. The intention is to direct them towards people who have been unemployed, and two criteria are being applied: the person is not in employment and the person is fit to carry out the work.

As I tried to explain before, based on my own experience of how the schemes have worked in the past, it is important that there is a balance of the people who are employed. An analogy would be that if 10 apprentices are trying to build a house it is a slow process but if there is a mix of skilled tradesmen and apprentices the job gets done. I have tried to apply criteria that allow for such a mixture

so that people who have been unemployed for a considerable period and may not have basic levels of skills and others who have been unemployed because there has not been a demand for their particular skills are appointed to positions and can demonstrate leadership. The basic criterion is that they have been unemployed; that is the basis of the scheme.

I cannot see an employment creation scheme getting around that. Given that somebody else would have been involved who, I assume, could do the work, it is not to the discredit of the person Mr Hallam mentioned. Basically it is directed towards people who are unemployed.

Hon. R. M. Hallam — Do you understand his point? If he stayed at home and did not accept the interim job he would qualify for the position that is advertised.

Hon. B. T. PULLEN — I appreciate that but in order to operate a scheme of this kind you have to give people basic criteria; positions cannot be decided without criteria. There has been considerable demand for positions and on the whole very good people have been appointed. That is the answer to Mr Hallam's question.

Mr Chamberlain raised a matter for the Minister for Food and Agriculture regarding the Livestock Market Reporting Service. A policy of charging has been introduced. I shall refer the matter to the Minister for a response.

Mr Evans raised a question for the Minister for Water Resources on how certain committees will provide adequate funding. I shall refer the matter and his description of the circumstances to the Minister.

Mr Skeggs raised planning amendment No. RL141 and the publicity to promote it. I shall pass on the matter to the Minister for Planning and Housing with a request that he provide an answer to Mr Skeggs.

Motion agreed to.

House adjourned 12.6 a.m. (Wednesday).

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The PRESIDENT (Hon. A. J. Hunt) took the chair at 10.32 a.m. and read the prayer.

ROYAL MELBOURNE INSTITUTE OF TECHNOLOGY BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. B. T. PULLEN (Minister for Conservation and Environment).

QUESTIONS WITHOUT NOTICE

HOSPITAL FUNDING

Hon. M. T. TEHAN (Central Highlands) — My question is addressed to the Minister for Health. What is the basis for the recurrent funding for the proposed new 300-bed hospital at Cooper Street, Epping, and is it dependent on a redirection of recurrent funding from the Preston and Northcote Community Hospital to the new hospital?

Hon. M. A. LYSTER (Minister for Health) — Mrs Tehan is referring to the government's commitment to the provision of high quality public hospital services to the people of the northern suburbs.

Hon. M. T. Tehan — I did not ask that at all.

Hon. M. A. LYSTER — This has been raised on a number of occasions in recent times. I reiterate the government's commitment to the provision of those services to the people of the northern suburbs. It is going to be essential that that hospital meet the needs, not just the identified needs now but also the needs of the growth corridor in the north-west of the metropolitan area and in the Plenty corridor.

Capital works and recurrent funding will be addressed in the coming Budget. I am confident that the people of the northern suburbs will be very happy with the outcome of the government's examination of their needs —

Hon. M. T. Tehan — Is the funding coming from PANCH?

Hon. M. A. LYSTER — That examination will be based on very detailed health planning grounds, and I look forward to the community's ongoing delight with the way in which the government responds to its needs as they are identified.

Hon. M. T. Tehan — What about honouring your promises?

ROLE OF AUDITOR-GENERAL

Hon. R. M. HALLAM (Western) — I address my question to the Leader of the Government. In April 1990 the House passed a motion requesting the Auditor-General to inquire into the financial affairs of the State Bank group, and I remind the Minister that he opposed that motion. I also remind him that the government gave no assistance to the Auditor-General in that task and denied him access to the minute book of State Bank Victoria.

Against those recorded facts, how can the Minister sustain his extraordinary comment yesterday that it is a reflection on the Auditor-General that he did not anticipate the losses incurred by State Bank Victoria?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — I make it clear, and I repeat for the third time, that the history of the operation of the Victorian Auditor-General's office shows clearly that no evidence of any problems with the housing industry was brought forward by that office prior to the Gowans inquiry.

Hon. R. M. Hallam — I didn't ask you about that.

Hon. D. R. WHITE — Secondly, no material was presented to the Frost Royal Commission by the Auditor-General's office about any problems associated with the operations of the Housing Commission, as it then was.

In relation to the State Bank and Tricontinental, it is quite clear that, as a consequence of the existence of a guarantee — a guarantee that was also available to Tricontinental — there was a \$2.7 billion adverse impact on the finances of the State government. That was because of the activities of Tricontinental and individuals connected with Tricontinental who were the beneficiaries of that \$2.7 billion. None of them is connected with the Labor Party but many of them are connected with the Liberal Party, starting with the Krogers.

It is quite clear that at no time did the Auditor-General draw the government's or Parliament's attention to any matter affecting Tricontinental. As a consequence it is quite clear that one has to draw the conclusion that the Auditor-General's office is quite good at finding incidental information, as it did when it was looking at the Alfred Hospital, and putting unsubstantiated discussions that occurred in the medical staff room in the Auditor-General's report, but at no time over the past 20 years has it fulfilled its responsibilities to the Parliament in respect of substantial financial transactions.

GAMING MACHINES

Hon. JEAN McLEAN (Boronia) — Will the Minister for Manufacturing and Industry Development detail to the House the likely benefits to industry of the State government's decision to introduce gaming machines?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — Victoria's home-grown gaming machine industry will do more than simply halt the export of some \$400 million of Victorian gaming dollars over the River Murray; it will do more than significantly enhance the services offered by our club and hotel industry — it will build a new manufacturing capability for this State.

It is a new start for Victoria, providing contracts for local manufacturers and job training for Victorians. I am pleased to say that this is already taking place. We are seeing the benefits of the government's decision to adopt a gaming machines policy coming to fruition. Contracts worth a combined total of \$40 million have already been let to two Victorian companies. The Neo group of companies and Victorian Gaming Systems — a subsidiary of Kambrook Distributing Pty Ltd — have been awarded contracts to build 2000 machines each. The machines will be supplied to the Totalizator Agency Board, one of the licensed operators appointed by the Victorian Gaming Commission.

An Honourable Member — This is last week's press release.

Hon. D. R. WHITE — It is clear this new industry will mean jobs for Victorians. Neo and Kambrook each expect to have up to 300 new jobs created as a result of the contracts. I am pleased to see Frank Bannigan of Kambrook, which employs some 500 people, has predicted its gaming machine contract will return Kambrook to the manufacturing levels it

enjoyed a couple of years ago. TAB and Tattersalls have both agreed to achieve 80 per cent Australian content in the manufacture of gaming machines within 18 months. This will enhance the prospects of further job creation in local industry.

Not only will gaming machines provide access and confidence in the financial viability of clubs, they will also provide a first-class opportunity for the manufacturing industry in Victoria.

In addition special training courses for gaming employees have been in progress under the guidance of the Australian Hotels Association and licensed clubs. Some 1094 people have gone through courses that cover all aspects of the industry, including basic operation of the machines and other facets of the hospitality industry. The latest figures show 16 courses were run in April, enhancing the skills of more than 162 people in anticipation of this initiative, which will also have a beneficial effect on the building industry. I am pleased to report that the machines will become available and will be installed in June.

BANS AT TOYOTA PLANT

Hon. B. A. CHAMBERLAIN (Western) — I refer the Minister for Manufacturing and Industry Development to the problems occasioned by the Electrical Trades Union's bans on the new \$420 million Toyota Motor Corporation Australia Ltd factory. What action will the Minister take to honour his government's guarantee to Toyota that industrial problems on the site will be solved by a greenfields site, one-union agreement?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — Some form of bans in respect of high voltage construction activities were in existence at the Toyota site. The government remains committed, as do the Australian Council of Trade Unions (ACTU) and the trade union movement, to the commitment given to Toyota and the chief executive of Toyota for a one-union site with the Vehicle Builders Employees Federation of Australia having the coverage of that plant. We have reaffirmed our commitment to Toyota about what should occur.

Toyota has taken up the matter of the construction site with both the Industrial Relations Commission and the ACTU. We will be supporting both parties to produce an expeditious resolution of the current dispute on the construction site with a view to ensuring that Toyota remains a one-union site.

ALBURY-WODONGA DEVELOPMENT CORPORATION

Hon. W. R. BAXTER (North Eastern) — As Victoria's representative on the Albury-Wodonga Ministerial Council, the Minister for Manufacturing and Industry Development will recall that many months ago applications closed for the positions of Deputy Chairman and Victorian Community Representative of the Albury-Wodonga Development Corporation. When will those appointments be made and, in particular, when will the community representative be appointed to fill the vacancy that is now of many months standing, particularly since the corporation is experiencing such instability and turmoil at present?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — On 6 May Mr Baxter asked a similar question about the Albury-Wodonga Development Corporation: whether the Ministerial Council meeting could be brought forward. That matter has been taken up with the Federal government, but, unfortunately, the Federal Minister is unavailable prior to 2 July because of other commitments so that date will not be able to be changed.

The Commonwealth has appointed an acting chairperson, Mr Peter Gifford, who will hold the position until the Ministerial Council has decided on the future structure of the corporation and appointed a replacement chairperson. The current deputy chairperson is an officer of the Department of Manufacturing and Industry Development and I am of the view that following the meeting on 2 July we will move expeditiously to fill the community-based appointment.

I have sympathy for the view expressed by Mr Baxter in that regard. I shall seek the support of the Commonwealth in filling the chairperson position and we will move to appoint a community representative as soon as possible.

PUBLIC HOSPITAL CAPITAL WORKS

Hon. C. F. VAN BUREN (Eumemmerring) — The State government has shown a degree of rigour and compassion in setting the health priorities for the current financial year.

Hon. B. A. Chamberlain — It must be some other government!

Hon. C. F. VAN BUREN — I ask the Minister for Health to inform the House what capital works projects have been commenced in the past three months and how many jobs those new projects will create, along with stimulating the Victorian economy?

Hon. M. A. LYSTER (Minister for Health) — I reflect on two interjections, one which was made as I was answering the previous question about promises and one by Mr Chamberlain just now. I am about to talk about real things, things that are happening. I am surprised at Mr Chamberlain's interjection. One of the projects I wish to talk about is the \$5.7 million rehabilitation unit development at the Warrnambool and District Base Hospital. I am sure Mr Chamberlain is pleased to attest to the House that it is real and that the money for it is there. It is not the only one.

Hon. B. A. Chamberlain — But the next government will be paying for it!

Hon. M. A. LYSTER — The total end price for the hospital construction works that have started in the past three months is \$163 million. That includes stage 1 of the Royal Melbourne Hospital redevelopment, the \$63 million Peter MacCallum Cancer Institute relocation, stage 2 of the Moorabbin campus of the Monash Medical Centre and the south block redevelopment at Preston and Northcote Community Hospital (PANCH). One would suggest that a sensible government would not be spending money on PANCH if, as was implied in an earlier question, it had plans to downgrade that hospital. We are improving PANCH's theatres, and they certainly need improving.

A new rehabilitation unit will be built at the Austin Talbot and there is the Warrnambool project to which I have referred, as well as the greatly needed upgrade to accident and emergency facilities at the Box Hill Hospital. I am sorry Mrs Varty is not here. I know she is keen to see that project go ahead. We are already talking about what a future Liberal government would do about capital works but I would be interested to hear what it will do about Warrnambool, PANCH and the Peter MacCallum Institute. The construction jobs involved in these projects are extremely significant because, as Mr Van Buren said in his question, they will provide significant stimulus to the Victorian economy. Those projects involve a total of 1560 construction jobs — real jobs of significant length — and an additional 200 jobs will come on-stream when progress begins on the car park project of the Royal Melbourne

Hospital. When you add to that the predicted 1064 jobs that will come on-stream as part of the Priority Victoria hospital and health construction project that will commence in the next three months I believe you have, as Mr Van Buren said in his question, a health construction program that is a combination of rigour in that these are real jobs with money to support them, and compassion in that they will provide health services of a high quality where they are needed.

TOBACCO USE BY YOUNG PEOPLE

Hon. B. A. E. SKEGGS (Templestowe) — Will the Minister for Health inform the House of any action her Ministry is taking to reduce the incidence of illegal sales of cigarettes to teenagers who are below the age at which the purchase of tobacco products is permitted; and will she consider raising the legal age from 16 to 18 years?

Hon. M. A. LYSTER (Minister for Health) — I thank Mr Skeggs for his question. I hesitate to call it a dorothy dixer but I believe I can say that of all the governments of Victoria and Australia no government has ever done more to target young people in an endeavour to stop them taking up cigarette smoking than this government. That has been the No. 1 target of everything the government has done. It began with the work of my predecessor, David White, and his courageous worldwide initiative of putting a new tax on tobacco. The new tax was welcomed by the community because the money raised went into health promotion. It was specifically dedicated to activities that would ensure that the government, Parliament and the Victorian community were at the forefront of world action in the battle against the use of tobacco by young people.

At the last health Ministers conference I had the honour of leading the debate about the way in which health Ministers and governments across the country could continue with the next stage of the campaign. The Ministers were particularly concerned at the report that despite all the action that has been taken some 200 000 young people still use tobacco. Concerted action on the issue needs to be taken across the country, and that is why I am particularly delighted that the Victorian proposal to increase the level of health warnings on cigarette packets was adopted enthusiastically by all health Ministers.

I was also honoured to chair the Ministerial subcommittee that will work through the issue with the tobacco industry, which obviously realises this is

going to be — it sounds like a cliché — the last nail in the coffin for the industry. In three weeks time I will be convening a meeting in Melbourne, which will be attended by health Ministers from South Australia, Queensland and, I would like to think, New South Wales, so that we can ensure that by July next year the regulations will be put into place, not just in Victoria — although it is the proponent of the scheme — but across the country.

The government will certainly not let up in any way on the campaign to reduce the use of tobacco by young people and looks forward to the continuing support of the community in that fight.

FLORA AND FAUNA STUDIES

Hon. D. M. EVANS (North Eastern) — Will the Minister for Conservation and Environment advise whether it is a fact that pre-logging flora and fauna studies are costing \$150 000 per block? If so, how can the Minister justify that expenditure when the same sum of money expended on the control of feral cats, foxes and rabbits would be far more effective in protecting native flora and fauna? I direct his attention to his answer to a question on the subject asked yesterday by Mr Walker.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — As I said earlier, to protect endangered species it is necessary to do at least two things well: firstly, protect the habitats of particular species; and secondly, reduce the impact of predators and feral animals, in particular, on our small marsupials — but you must do both. We are well past the point where we can leave areas alone and expect natural processes to handle it.

Hon. D. M. Evans — Isn't that what you do with wilderness?

Hon. B. T. PULLEN — We have intervened in this country to some extent — although, unfortunately, that is no longer possible. It is true that in wilderness areas and national parks it is necessary to have a management policy. It is not possible to rely upon nature alone because in most instances we do not have large enough areas where the ecological systems can reasonably maintain themselves. A management policy must respect the wilderness areas — and members will have an opportunity of debating that issue. Management must also be as light-handed as possible.

In response to the point of the question, for actions to be effective it is necessary to have a

comprehensive body of research and knowledge. Many things have been done with good intentions and have later turned out not to be cost effective or have been ineffective in preserving species, particularly endangered species. Research is necessary and it is important that expenditure be made available for it. I make no apology for the efforts being made by the government to preserve precious species and habitats.

GOODS AND SERVICES TAX

Hon. G. A. SGRO (Melbourne North) — Will the Minister for Small Business inform the House of his department's research into how a 15 per cent consumption tax will affect small business?

Hon. T. C. THEOPHANOUS (Minister for Small Business) — Because it is part of my responsibility to advise small business people on proposals that may affect their businesses they have expressed concern and sought information from me about the proposed 15 per cent consumption tax.

I asked my department to prepare a report on the issue. The report focused on five specific issues. The first was compliance costs. It is clear that with the introduction of a consumption tax small business would face a dramatic increase in paperwork and accounting responsibilities. The report found that approximately 138 000 Victorian small businesses, or 76 per cent, would not directly benefit from a compliance cost perspective with the abolition of existing indirect taxes.

Hon. M. A. Birrell — Who was the report done by?

Hon. T. C. THEOPHANOUS — It was done by my department.

Hon. M. A. Birrell — Oh, that must be independent!

Hon. T. C. THEOPHANOUS — For such businesses, a 15 per cent consumption tax would involve additional administrative costs. The vast majority — 76 per cent — would suffer additional compliance costs.

The second area I asked the department to investigate was the loss of competitive advantage. It was found that small business currently enjoys a competitive advantage over large businesses because of thresholds associated with payroll tax, the training levy and the limited voluntary

exemption provisions from wholesale sales taxes. If those levies were to be abolished and a consumption tax imposed, the vast majority of small businesses would suffer competitive disadvantages against large businesses.

The third area I asked to be examined was the inflationary effects of a consumption tax. Far from a consumption tax resulting in an increase in inflation of about 4 or 5 per cent, the findings were that the inflationary impact would be close to 10 per cent as retailers reacted to the increases in costs of petrol, postal charges, advertising, service charges, including public authority charges —

Hon. M. A. Birrell — You know that's not true! Propaganda from the Labor Party!

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — The fourth area of concern to the community is the effects on business turnover and cash flow from small businesses. It was found that overall sales would be down because the net cash flow would have to increase and profit margins would decline. Those cash flow problems would be worse for businesses that are offering credit facilities as the tax would have to be paid on the inputs before the consumer paid the bill, so there would be a significant cash flow problem for small business.

Hon. Haddon Storey — That is not true, either.

Hon. T. C. THEOPHANOUS — Finally, increased running costs are of concern. Small businesses will be affected by general price increases, which will mean that they will have to pay increased amounts of postage, advertising and so on, as well as increased costs for services such as electricity, gas and water. The overall effect of a consumption tax, therefore, would be quite devastating for small businesses. That has been the finding of my department's report. When the message gets out small business people will be the first to completely reject any idea of a consumption tax.

CONSUMER TRIBUNALS

Hon. G. H. COX (Nunawading) — The Minister for Consumer Affairs will be aware that to comply with the law orders for hearings before consumer tribunals have to be served within seven days. I ask whether it is a fact that at any given time there are between 2000 and 3000 orders waiting to be typed,

which is putting his department constantly in breach of the Act? If that is correct, will the Minister inform the House what action he will take immediately to rectify this breach of the Act?

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I do not know from where Mr Cox obtains the constant misinformation that he brings before the House but it is quite clear that at all times when he has brought these matters before the House he has been shown to be incorrect.

The consumer affairs portfolio operates very efficiently. Its efficiency and effectiveness was examined by the Auditor-General. As a result of that examination the Auditor-General gave my department a clean bill of health. Since the opposition has such a high regard for the Auditor-General, I shall be happy to give it that information. The department deals with consumer issues very efficiently and they are processed within a very short roll-over period.

At present I am not able to reply precisely to the specific issue Mr Cox raised about whether there is any overlap of the seven days and whether that is always being strictly adhered to, but I shall investigate the matter and inform him.

RIVER MURRAY

Hon. R. S. IVES (Eumemmerring) — As the Minister for Conservation and Environment is aware, there has been a great deal of concern about the outbreak of blue-green algae in the River Murray and its consequences for the residents of towns along the river. Will the Minister advise what action the government is taking to deal with these algal blooms?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I thank the honourable member for his question and his interest in the important subject of the environment, particularly algal blooms in the River Murray. As many honourable members know, the Echuca area has recently been affected so it was necessary to set up a regional response group, which comprised the Rural Water Commission, the Environment Protection Authority, the Echuca Water Board and the Shepparton Water Board.

Remedies have been taken whereby Echuca pumps water from the River Murray when the algae count is low and stops pumping when the count is high. By and large the water is kept safe at all times. The

overall issue is of considerable concern and goes beyond our State borders. It was one of the major topics discussed a fortnight ago at the Murray-Darling Basin Ministerial Council in Canberra, which I attended.

Hon. D. M. Evans — Did you learn anything?

Hon. B. T. PULLEN — Everybody is learning, and it is important that we all do. Unfortunately there is not one simple answer, there are a number. I should have thought honourable members who represent country electorates would be interested in this issue because their constituents are concerned. The Murray-Darling Basin Commission recently released a consultants' report on nutrient pollution in the Murray-Darling Basin. Victoria will be represented on the relevant technical advisory groups that are to meet later this year to prepare management options for the nutrient management strategy.

The issues involve managing not only nutrients but the whole catchment approach. A number of environmental factors contribute to the outbreak of algae, including the addition of nutrients, particularly phosphorus and nitrogen, to the water. The nutrients come from a number of sources, such as sewage treatment plants and from the run-off of fertilisers and contaminants from crops, pastures, forests and urban areas.

Additional factors contributing to outbreaks include reduced flows in the rivers and streams as a result of drought and the siphoning off of water for irrigation and industry. In many cases the basic demand on rivers from all those factors are beyond the capacity of the normal flows. Victoria has the advantage of the Decade of LandCare Plan. Landholders are making important contributions through LandCare. That is an important ingredient.

The community is aware of the problem, and the government can work with the community to tackle it because the solution of the problem will depend not only on overall government but on the contributions of every landholder. In particular cases we know the products used by sewerage schemes, such as high levels of phosphorus, which are important in times of low flow, have been contributing factors. Overall the contributions from all sources in the catchments have to be addressed.

I was pleased that the problem was given attention at my first meeting of the Murray-Darling Basin Commission. That is an indicator of the health of the

river system. I look forward to Victoria's continued contribution in this area.

RESTRUCTURING OF DEPARTMENT OF CONSERVATION AND ENVIRONMENT

Hon. M. A. BIRRELL (East Yarra) — The Minister for Conservation and Environment will be aware of the failed restructuring program implemented by his predecessor. What plan or policy does the government now have to restructure the Department of Conservation and Environment?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I do not have any plans for restructuring. I believe it is an important issue. This was reinforced in discussions I had recently at a well-attended meeting of departmental staff, which is looking for stability and leadership. That is important. I take Mr Birrell's question seriously. My experience is that a lot of dedicated people work in the Department of Conservation and Environment. They often work in that field because they are interested in the subject and wish to bring their skills to it.

In many cases people have continued to pursue work they are interested in within the department when they could have received promotions or taken up other opportunities. That resource cannot be measured in dollar terms, and it is important that we keep it. My view is that it is important to support those people.

At the same meeting, prior to my arrival, the opposition spokesperson, Mr Coleman, floated ideas of splitting up the department and separating the resource area from the conservation area, comments that were not received with pleasure by many people in attendance.

Hon. M. A. Birrell — It is not what he promised!

Hon. B. T. PULLEN — As they saw it, it would result in the department embarking on a period of instability; the department would be divided and its staff would experience instability in their professions. It would replace the approach we have at the moment where staff address issues of development and conservation together in an atmosphere of sustainable development with a structure where those issues are split up and one group is set against the other.

The meeting as a whole rejected that way forward and supported the current situation. I point out that I was not at the meeting when the issue was discussed, so I was not involved in the decision.

Hon. M. A. Birrell — They are very happy, are they?

Hon. B. T. PULLEN — You talk to them!

Hon. M. A. Birrell — I have!

Hon. B. T. PULLEN — I suggest Mr Birrell avail himself of a copy of the resolution passed almost unanimously at the meeting, which criticised and condemned the direction taken by the opposition spokesman.

YOUTH ENTERPRISE PROGRAM

Hon. D. E. HENSHAW (Geelong) — The question I direct to the Minister for Ethnic, Municipal and Community Affairs relates to her responsibilities for youth affairs. Will the Minister advise the House of progress with the youth enterprise program, as detailed in the Priority Victoria statement?

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I am pleased to be able to inform the House that the youth enterprise program is about to start. It is based on a very solid three-month feasibility study that was begun in December and has since been assessed. The study sought to develop directions to help overcome some of the factors that disadvantage young people as they look for employment.

Extensive consultations were held across the State, including the metropolitan area, the outer suburbs, and rural Victoria. The consultations were held with young people aged 16 to 24 years, with people who work with that age group, and with community leaders.

The consultation undertaken by the Office of Youth Affairs indicated that an enterprise program should be based on proposals from organisations that provide a facilitating role in local enterprise creation and employment generation, such as specialised training, and employment generating enterprises that take into consideration local origin, support and control. They are the three key factors: local origin, local support and local control.

The study also indicated that where there was a strong partnership with the three levels of government working together for a program it was more likely to be viable and successful.

The Office of Youth Affairs youth enterprise program will assist young people to develop skills, knowledge and experience that could lead to the creation of jobs and income security and increase their eventual options for placement in the workplace. It will assist young people to avoid enterprise pitfalls by providing advice on planning, financial management and the sorts of networks they may need for support. It will create opportunities for increased independence, autonomy and confidence. It will enable the community to support and take on greater responsibility for its young people.

The Office of Youth Affairs will provide the program with financial support; links to mainstream organisations that have expertise in business planning, business development, training and enterprise generally; assistance with seeking in-kind support for the provision of services such as administration and accountancy; and ongoing facilitation from the Office of Youth Affairs.

There is no doubt that a lot of young people have good ideas that could take off as small businesses or could at least be steps towards careers in business or small business later on. Young people believe there are many impediments. They lack confidence and this is one way in which we may be able to provide the right atmosphere and stimulation, and help to engender a bit of confidence for this particular age group.

PETITION

Human embryos

Hon. B. A. CHAMBERLAIN (Western) — I present a petition from certain citizens of Victoria praying that legislation be passed to prohibit harmful and destructive experimentation on human embryos. I desire the petition to be read.

Standing Orders suspended and petition read:

To the Honourable the President and the Honourable the members of the Legislative Council in Parliament assembled.

The humble petition of certain citizens of the State of Victoria respectfully sheweth:

That from their beginning at the initiation of fertilisation, human embryos deserve legal protection from all experimentation which is destructive or harmful to them.

Your petitioners therefore pray that the Legislative Council, in Parliament assembled, should pass legislation to prohibit harmful and destructive experimentation on human life.

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

Laid on table.

Hon. B. A. CHAMBERLAIN (Western) (*By leave*) — I question the form this House uses for petitions, and I remind the House that it is extremely archaic in its terms. One of the phrases is "respectfully sheweth". The dictionary on the table in this Chamber shows that that term is chiefly archaic.

The petition finishes with the words, "And your petitioners, as in duty bound, will ever pray". I am not sure what that means.

The PRESIDENT — I'm not sure what that means, either!

Hon. B. A. CHAMBERLAIN — However, I suggest that that form of petition be referred to the Standing Orders Committee for consideration. I should be happy to provide a draft form of petition that reflects modern English usage.

HEALTH SERVICES COMMISSIONER

Hon. M. A. LYSTER (Minister for Health), *by leave*, presented report of Health Services Commissioner for year 1991 (incorporating report of Health Services Review Council for year 1990-91).

Laid on table.

Ordered to be considered next day on motion of Hon. HADDON STOREY (East Yarra).

PAPERS

Laid on table by Clerk:

Statutory Rules under the following Acts of Parliament:

Drugs, Poisons and Controlled Substances Act 1981 — Nos 73 and 74.

Public Records Act 1973 — No. 71.

Market Court Act 1978 — No. 72.

MINERAL RESOURCES (HEALTH AND SAFETY) REGULATIONS

Hon. D. M. EVANS (North Eastern) — It is not my intention to proceed with Business to Take Precedence, Notice of Motion No. 1, and I will give a short explanation. When the Mineral Resources (Health and Safety) Regulations were referred to the Subordinate Legislation Subcommittee of the Legal and Constitutional Committee for investigation and report concerns were expressed that there may have been some legal lack of power to make the regulations.

Those issues were raised with the Minister and his department, and I understand that the Minister sought legal advice from a Mr Finkelstein. Because of his concern about some of the issues raised in that advice, the Minister has said that the most prudent course would be to amend the Act, and he has undertaken to do so. Those remarks are contained in a letter from the Minister to my colleague, Mr Jasper, the honourable member for Murray Valley in the other place, who is the Chairman of the Subordinate Legislation Subcommittee of the Legal and Constitutional Committee.

Both the committee and the subcommittee appreciate the cooperation and assistance given by the Minister and his department. It is extremely important that all regulations under various Acts are made properly and are seen to be within power. The matter arose because of a concern expressed by an officer of the Legal and Constitutional Committee that the regulations may not have been within power under the regulation-making provisions of the Mineral Resources Development Act, which is why it was referred to the Minister and his department.

Because the Minister has given an assurance that the Act will be amended to remove any concerns about whether the regulations are within power it would seem proper to withdraw my motion. In doing so I thank the Minister for his cooperation and I commend the subordinate legislation subcommittee for its diligence.

URBAN LAND AUTHORITY

Debate resumed from 20 May; motion of Hon. R. I. KNOWLES (Ballarat):

That this House condemns the government for threatening the future viability of the Urban Land Authority by forcing the authority to purchase government land over and above those sites the authority has already determined to purchase, and further calls on the board of the authority to vigorously resist all such attempts.

Hon. M. A. BIRRELL (East Yarra) — I move:

That the following words be added to the motion "and calls on the government to immediately withdraw the specific proposal involved in selling leased Public Transport Corporation land to the authority".

Hon. R. I. KNOWLES (Ballarat) — I strongly support the amendment moved by Mr Birrell. Since moving the motion last week it has become clear that the issue is solely about the Public Transport Corporation (PTC) land which has been declared surplus and which has been transferred to the Ministry of Finance. The government has now proposed that the Urban Land Authority (ULA) purchase the land, which the coalition understands to comprise some 600 leases with an estimated value of \$50 million.

Information that has emerged makes it clear that the government is using the practices of Bond, Skase and Connell to manage the finances of the State. The arrangement has nothing to do with proper processes for the disposal of assets; it has nothing to do with either furthering the interests of the taxpayers of this State or the management of the Public Transport Corporation. The deal is about nothing more or less than trying to make this year's financial result appear better than it is.

Some time ago the government set up an asset disposals program. For a number of years the PTC and its predecessors have sought to dispose of land that has been surplus to their requirements. Honourable members will recall similar debates in 1988 when the government and, in particular, Mr Roper, the then Minister for Transport, attempted to dispose of leased V/Line land. At that stage the government had a policy of selling such land at public auction. Honourable members will recall the outrage in the community when lessees were not given the first right of refusal to purchase the blocks of land concerned. Following pressure from the opposition and the community the government changed its policy and agreed to examine each case on its merits.

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Since July 1991 the Public Transport Corporation has transferred land surplus to requirements to the Ministry of Finance for disposal. When that transfer occurred 18 officers from the corporation were transferred to the Ministry of Finance to manage the leased land and to arrange for its dispersal.

The Auditor-General was critical of the management of the corporation; in his latest report he said that it was slow and that there was no systematic examination of the management of lease areas or the identification of land as surplus to requirements. In response to those criticisms the Director-General of the Ministry of Transport at page 385 of the report states:

The Ministry of Finance is responsible for the disposal of corporation property following the transfer of that function in July 1991. The Ministry currently has more than \$125 million of surplus corporation land to be administered under the asset renewal system.

Since the motion was first moved information has come to light which demonstrates that the government has no hope of achieving its asset disposal program target and it has been examining shonky deals to make the program look better than it is.

The government proposal is that the Urban Land Authority purchase 600 individual leases for \$50 million. On 21 May I wrote to the Chairman of the ULA seeking information about the proposal and the authority's response to the government request. My letter states:

... when was the matter first raised with any member or officer of the authority;

when was a written request first forwarded to the authority;

is the authority prepared to release all material provided to it by the government;

has independent legal advice been sought by the authority on this matter; and

what decision has been made by the authority on the government's request.

I received a letter dated 25 May from the Chairman of the ULA, Mr Gerry Griffin, which is revealing because it states:

The matter was first raised by staff from the Department of Finance in a meeting with the chief executive officer and me in a preliminary and conceptual way on 4 March 1992.

The first written request to the authority was a letter from my Minister to me dated 19 May 1992.

The only material provided by the government is the above-mentioned letter. As it is a letter from the Minister to me I do not believe it is appropriate that I release it.

The copy of the chairman's response to me has been forwarded to the Minister for Planning and Housing, but I am unable to obtain a copy of his letter to the authority. The letter continues:

Independent legal advice is being sought on the form of any agreement which the authority should enter.

To ask the chief executive officer to examine the lands involved in the parcel and to seek legal advice referred to above.

That quotation tells us a number of things. This matter was considered as long ago as March this year but no written material was provided to the ULA until after a motion was introduced into the House last week. Then a letter was sent to the ULA even though the government had known a board meeting was to be held the following morning.

Hon. B. A. Chamberlain — It was not delivered?

Hon. R. I. KNOWLES — It was, Mr Chamberlain. My understanding is that the letter was delivered after the motion was introduced in this place. Last week we had information that the material, together with the Solicitor-General's opinion, was sitting on the Minister's desk.

The ULA is being asked to consider a proposal to purchase \$50 million worth of land on the basis of a two-page letter, despite the fact that it was first raised with the authority as long ago as March. The purchase of an area of land for \$50 million is well and truly above any other deal the ULA has ever been involved in. Never before has the ULA had to deal with 600 lease arrangements.

An explanation for the government's requesting the authority to consider this proposal is that the leases and the titles are not readily available and that there is some difficulty with the leases, including the fact that many still have some time to run. As long ago

as 1988 the government gave a commitment that the lessees would be secure. If the ULA proceeds with the arrangement it will be expected to operate as a leasing landlord for a number of years. The government's explanation is that the ULA has the expertise.

There is no reason for the ULA to purchase the land just because the government wants expertise. The authority can be employed as a consultant just as other consultants are being employed by the government to look at the future of the Janefield site, which is being considered under the Better Cities program. There is no need for the ULA to be forced to purchase the land. The telling issue is that the authority is being asked to purchase and pay for the land by 30 June next. The issue was first raised in March; the first written request is dated 16 May; and the ULA is expected to investigate and make a decision to purchase by 30 June. Neither the opposition nor the ULA knows from what date the valuations apply. Are the valuations recent or are they from some time ago? Public announcements have been made by Westpac Banking Corporation; that bank has reassessed its lending program and has downgraded property valuations by 40 per cent. Most commercial operations have been forced to review the level of valuations set.

The so-called \$50 million may be a high valuation. The board of the ULA would be expected to ensure that the valuations were current and correct. Also, it would be expected that the ULA would receive a commercial report on each lease because much of the land has no value unless the lessees are able to continue to meet their lease payments. The Auditor-General has already been critical of the poor management of the Public Transport Corporation, and the fact that many of the leases have been valued too low.

The real crunch is what the government has said. I refer to the *Age* article of 23 May:

The Treasurer, Mr Sheehan, wrote to the authority's chairman, Mr Gerry Griffin, on Wednesday asking it to buy, before 30 June, 600 blocks of land owned and leased by the Public Transport Corporation.

The State government has promised to pay the interest Bill on a \$50 million government land purchase by the Urban Land Authority if it pays the money before the 30 June State Budget deadline.

Honourable members should bear in mind that the last time the ULA refused a request from the

government, the executive chairman was sacked. Here we have a classic case of the carrot and the stick. The carrot is: "If you buy and pay for the land before 30 June the government will meet the interest bill on the loan funds needed to effect the purchase. If you do not, remember what happened the last time you refused a request from the government?"

It is an outrageous and shonky deal. It is totally unrelated to good management of public transport surplus assets or the finances of the State. If the ULA falls for the swindle it will have a \$50 million loan, the interest on which will have to be met by the Victorian taxpayer. For what price will that occur? It will be for the price of the government saying that the asset sales program is \$50 million closer to the target set than it would otherwise have been. Not \$1 has been raised from outside the public sector. It is a classic paper-shuffling exercise, the sort of exercise that has been exposed as being undertaken during the 1980s by the Bonds, the Skases and the Connells.

The deal has nothing to do with sound management practices. I make it abundantly clear that the opposition is not opposed to the sale of land that is surplus to the requirements of the PTC. Since 1987 the opposition has been on the public record as saying that when sales are proposed the lessees should have the first right of refusal at current market values set by the Valuer-General. That has been its clear and unequivocal policy since that year and, after public pressure, that policy was reluctantly embraced by the government. The government could continue to implement that policy under the existing structure, as the Ministry of Finance has been doing. There is no reason why it cannot continue to do that in respect of land declared surplus to PTC requirements. That would occur if the government were fair dinkum.

Any messy titles can be worked through and resolved within the existing management structure. Any problems associated with buildings across leases can also be worked through within existing systems. If the ULA has some expertise in the area — and I must say it is questionable whether that is the case — the expertise can be purchased by way of a consultancy arrangement such as already exists in a number of other areas.

Hon. B. T. Pullen — That is not what you said about Janefield before.

Hon. R. I. KNOWLES — Had you listened, Minister, I have already acknowledged that the

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information I had last week on Janefield is not correct.

Hon. B. T. Pullen — You made a big point about that.

Hon. R. I. KNOWLES — I know, because I was working on information that had come to us that it was a deal encompassing \$50 million and the only documentation we had from the Ministry of Finance was a list of 325 leases totalling \$28 million.

Hon. B. T. Pullen — You were caught.

Hon. R. I. KNOWLES — Minister, we were not caught; the government was caught because there was no way we could get the information we requested. Even since exposing it a scarcity of information has been provided on this arrangement, even to the Urban Land Authority, which was expected to agree to purchase this land.

Yesterday when the opposition asked whether the staff have the expertise to manage as a leasing landlord, the Minister for Planning and Housing in another place acknowledged the transfer of staff from the Ministry of Finance to the Urban Land Authority. So it is questionable whether the ULA has the so-called expertise.

It is also interesting that in answer to a question yesterday the Minister for Planning and Housing said:

That request is being considered by the ULA board. It does not consider that activity to be outside the authority's legislative responsibility but it is giving the request the normal consideration and will probably get back to me before the next board meeting.

Time is running out for the government because the ULA has had its May meeting — it normally meets once a month — yet the government is telling it to make a decision to purchase the land and pay for it by 30 June. As I said, we have called on the board of the authority to resist this shonky deal, and I strongly support the amendment moved by Mr Birrell asking the government to withdraw the proposal.

We will not be satisfied that the government has not applied pressure to the ULA unless the board rejects the application and the government takes no further action. The government's dealings with the ULA are a matter of history. As I said, the last time the ULA said no the then Minister, now the Treasurer who in

fact proposed this deal, sacked the executive chairman of the board.

We want to expose this issue for the sham it is and we will hold the government to account in this one small area although we know it is occurring in a whole range of other areas. The government is trying to fudge the books to prevent the public fully appreciating the dire financial situation this government has got the State into. We will hold the government to account. I call on the House to support Mr Birrell's amendment and I ask the government to act on it, to call off this sham proposal and to allow the ULA to continue to successfully undertake its current role rather than threatening its position by giving it activities in which it has no interest and which it has no expertise to undertake.

Hon. B. A. CHAMBERLAIN (Western) — I wish to speak on the motion and the amendment moved to it. The debate is all about accountability; it is about whether an agency of government with a specific charter, which it has carried out in a beneficial way over some 10 or 12 years, is allowed to continue that important role.

The proposal was put to the Urban Land Authority by the Public Transport Corporation, which has been publicly discredited and publicly criticised by a committee of this House and which is headed by a Minister who is equally discredited and who has been shown to be incompetent in everything he touches.

Time and again he has shown his inability to adhere to Budget controls on his administration. He is desperately seeking to add \$50 million to the coffers by the end of June. The unseemly haste of the pressure on the ULA is an indication of the desperation of the government. The fact that the authority is given literally days to consider a project involving 600 different leases and \$50 million is a clear indication of the financial mismanagement of the State.

The objects of the Urban Land Authority Act show that in technical terms the authority does have the right to be involved in a project such as this. The objects are:

to provide developed and development allotments as directed by the Minister;

to facilitate the disposal of surplus lands held by the Crown and public statutory bodies; and

to assist in the implementation of State urban planning policies and major State projects at the direction of the Minister through the acquisition development and sale of land.

Only one of those objects could be relevant in this case where the ULA has been called upon to exercise its power to facilitate the disposal of surplus land held by the Crown and other public statutory bodies. How has that been done? Has it been done in the past by telling the ULA that it must buy these parcels of land and then leaving it up to the authority to make what arrangements it likes about the sale of them? The contrary is the case, and the authority spells out the situation in its latest annual report.

Although it has the facility to assist other agencies in the disposal of land, it is not the principal but an agent. The ULA is the agent for another authority which owns the land. The notes forming part of the accounts refer to public lands; that is, lands that are included in the balance sheet and vested lands. It describes vested lands as:

... lands which are not included in the balance sheet as the authority only holds these as agents for other bodies. Profits from the eventual sale of these lands are not included in the profit and loss statement as they are payable to the respective other bodies.

It also states:

Lands owned by other government bodies and councils can be transferred into the name of the Urban Land Authority for no consideration; this is called vesting. The transfer of ownership is so that the authority can develop and subdivide these lands and return the net cash proceeds to the particular body.

In other words the ULA acts as an agent. It uses its expertise and, as in this case, it assists the Public Transport Corporation to sell or deal with parcels of land. However, in this case what has been proposed is the unseemly rushing into an arrangement whereby \$50 million goes into the Treasury coffers before the end of June in time for what will be this government's last Budget for at least a decade.

As an example of this, Mr Knowles and I recently did a run around some ULA estates. We looked at a site in Richmond where the land is basically owned by the education department. The arrangement as outlined to us by a representative of the ULA was that the authority would market the land and the education department would get the profits, but that

the ULA was only the agent to put that process in place.

The background to this has been spelt out by Mr Knowles. Late in 1990 when the current Treasurer was the housing Minister he made a desperate grab for \$30 million of ULA funds. It was to be used for so-called infrastructure projects but we know that some of those projects were to be in the Minister's own electorate. The Minister was going to rape and pillage those funds and use them for projects he hoped would help him and some of his colleagues to be re-elected.

The hue and cry resulting from pressure from the coalition made it very clear that that had to be changed. In fact, the concept of the fund was changed remarkably. Funds generated by the Urban Land Authority can now be used only for developments associated with estates developed by the Urban Land Authority. In other words, if the Urban Land Authority develops a 500-lot subdivision, it will provide access roads and make contributions to local playgrounds or kindergartens. Those facilities will be infrastructure flowing from the authority's work.

Mr Sheehan, as the then Minister, did not want those sorts of controls; he wanted the money as his own private slush fund. He was caught out by an honest chairman who, backed up by independent legal opinion and by the Auditor-General, said that money cannot be used for that purpose and that there must be controls relating those funds to the activities of the Urban Land Authority and not just to provide a private slush fund for a desperate Minister.

We all know what happened to Mr John Lawson, who was universally respected. I am sure Mr Walker has great respect for Mr Lawson. He was a senior officer in the Ministry when Mr Walker was the Minister and he was given some key tasks to undertake by the then Minister. Everyone on this side of the House and anyone who had dealings with Mr Lawson — I see that Mr Walker is nodding — has great respect for the work of John Lawson. Despite that, John Lawson got his head chopped off because he got in the way of a greedy Minister. That is what it is all about. Mr Sheehan is no longer the housing Minister and is now the financial supremo of the State. However he still wants to use the Urban Land Authority as a slush fund arrangement to help to prop up his shonky Budget.

As I said, when Mr Knowles and I were recently looking at Urban Land Authority estates we saw a number of infrastructure projects, including divided highways and roundabouts were being carried out.

I shall refer to the annual report of the Urban Land Authority to see how the proposal now put up by the government fits in with what the Urban Land Authority sees as its major work. The report has Mr Andrew McCutcheon's photograph on page 1, and there is then a series of headlines on the different activities of the Urban Land Authority. I shall take the House through those because they will demonstrate that what is being proposed is alien to the activities of the Urban Land Authority, is away from the main game, and is a distraction from the very important work it is doing.

The Urban Land Authority is currently producing more than 25 per cent of the serviced blocks in metropolitan Melbourne. That has caused some heartache among private land developers, but the fact is that it is doing it. The authority was able to buy land when the market was at rock bottom and was able to put itself in that position. Last Saturday there was a successful sale of the land released at the Roxburgh Park estate. On our recent trip Mr Knowles and I saw that development.

In the annual report Mr Griffin, the chairman of the Urban Land Authority, says:

The 1990-91 financial year has been a period of considerable change as government policy has increasingly focused on the need for urban consolidation.

I do not know what dealing with 600 individual railway lots has to do with that. He goes on:

This trend coincides with a particularly difficult economic climate which has seen private land market production plummet to less than half its normal rate. It is pleasing to note that in this environment of uncertainty the authority has been able to achieve its land production and sales targets, with the release of about 2000 blocks this financial year and almost 1500 sold.

That is the chairman's introduction to the annual report. The introduction by the chief executive officer, Mr Garth Greenaway, states:

The ULA seized a number of opportunities provided by a depressed residential land development industry in 1990-91 to pursue its objective of creatively

expanding the supply of affordable housing throughout metropolitan Melbourne.

Mr Greenaway talks about housing stock and says:

For example, in the past 12 months the production rate has fallen to an estimated 7600 lots, almost half the normal average production rate for Melbourne.

When I was involved in the planning portfolio we estimated that Melbourne needed 18 000 serviced blocks a year. The number has dropped since then.

Under the heading "Marketing of Land" the report refers to Homestart projects, the number of Homestart blocks released by the ULA, home ownership, land availability and land disposal and states:

The ULA seeks to purchase raw land on a large scale well ahead of development to enable it to produce and sell residential land at affordable prices.

I cannot see anything there about buying 600 scattered blocks of railway land throughout the State. It is not on the next page because that deals with affordable housing, which has nothing to do with it. The next page deals with urban consolidation. Some very good work is being done by the Urban Land Authority on consolidation and there has been some excellent design work in that area. I am looking forward to the redevelopment of the school site on the corner of Punt Road and Wellington Parade. I am pleased to note that the school building will remain on the site and will be developed into apartments.

The report contains nothing about flogging off 600 blocks of Public Transport Corporation sites. The report refers to the ULA estates of Copperfields, Roxburgh Park, Timbarra, Meadow Heights, Grantham Green, the Range at Williamstown — nice blocks for \$160 000 if one can afford them — and Goonawarra. However, it does not say anything about selling off land for the Public Transport Corporation.

The only possible reference is the section I referred to before which states that the authority acts as an agent for other authorities to sell surplus land. It is quite open for the PTC to go to the Urban Land Authority and say, "We are having difficulties in arranging for the disposal of these blocks. Will you help us out on an agency basis? We will pay you the appropriate management fees and commission? However, we are not going to ask you to spend

\$50 million of your money because that would distract you from your job of providing affordable residential land estates around metropolitan Melbourne". Anyone who tries to convince the public that this action is necessary for the ULA to continue to develop the blocks is kidding themselves because the history is on the board. It is quite open for the Urban Land Authority to manage those areas of land without having to borrow money and without having to be distracted from the very important work it is doing.

Under the Urban Land Authority Act the Minister has the power to direct the Urban Land Authority; he can force it to buy the land. However, the Minister is on public record as saying that he does not intend to do that. He has put up a proposal to the Urban Land Authority and it is up to the authority to decide what it will do. That is important because it now leaves the issue to the discretion of the authority.

On behalf of the incoming government Mr Knowles has indicated to the authority that the opposition believes the development is absolutely inappropriate for it on the basis that has been put up. The Urban Land Authority ostensibly has guarantees from the government about extra borrowing capacity and about recovery for interest charges on this extra borrowing. I say to the Urban Land Authority: do not believe this government; it is a proven liar on these sorts of issues.

Last night Mr Hallam eloquently exposed the various shonky deals made by this government when it comes to financial matters. We do not believe the government because it has been caught out too often by the Auditor-General and just about any other independent commentator. The opposition does not believe it and the Urban Land Authority should not believe it, either. The authority will be totally gullible if it believes the government will look after it. The Urban Land Authority will be letting down the people of Victoria if it gets sucked into this deal.

I urge the government to use its discretion. I have respect for the chairman, Mr Griffin, whom I have known for a number of years. I have respect for his board. I ask the board to forget about the interests of a dying government and to think of the interests of Victorians and reject the shonky deal that has been proposed by the Treasurer and other Ministers.

Hon. K. M. SMITH (South Eastern) — It gives me displeasure to join a debate about the deals the

government is prepared to make in its dying days. We should not have to be debating this issue. I support the motion moved by Mr Knowles and the amendment to the motion moved by Mr Birrell. They have assisted the public to see exactly how bereft of ideas, credibility or moral fibre the government is. It has nothing to offer the people of Victoria. After ten years the government should go out of office as quickly as possible, but it is hanging on by its fingernails.

This deal is an indication of how far the government is prepared to go to ruin the future of Victoria. It is doing shonky deals and is raping and plundering any government body that has any funds. The Urban Land Authority is just one of the authorities with money. It has expertise and a good board that is prepared to work hard; it has done so over many years.

The annual reports of the ULA give an indication of how things started to go wrong. The government realised the board of the ULA was making a profit on the sale of residential land around Melbourne. Over a period the government has endeavoured to take the assets that have been built up by the authority. I find it hard to believe that the government would be so desperate as to do this to the ULA. I do not believe it wants to put the future of Victorians in jeopardy. As the incoming government after the next election, we will have more than enough problems to solve as we try to get Victoria back on track after the disasters caused by the government's financial mismanagement.

By the grace of some people who were not prepared to put up with the situation any longer and who supplied Mr Knowles with information, in addition to the information we were able to collect ourselves, Mr Knowles has revealed the government as being desperate, poor, sick and disgusting. It is led by 18 Ministers who will go to any lengths to ensure that the future coalition government will not have any financial assets with which to get the State going again. It is laying financial time bombs for when the coalition comes to government.

When Mr Knowles revealed those facts, an article in the *Age* of 23 May stated:

A spokesman for the housing Minister, Mr McCutcheon, denied that the government was merely interested in quick cash from the sale. "The Urban Land Authority is the State government's land developer, with the expertise to carry this out."

Those two statements are not right. Firstly, the government is interested in quick cash from the sale. The Budget this year has blown out by \$2 billion and the \$50 million involved will go a little way to making the Budget appear in good shape. We are talking about \$50 million out of \$2 billion. The article says:

The Urban Land Authority is the State government's land developer, with the expertise to carry this out.

It is not, as my friend Mr Chamberlain explained, the normal sort of deal the ULA is involved in. It is involved in purchasing land, holding it for some time while it plans for Melbourne's future development and then putting blocks of land on the market at reasonable prices so that Victorians will have the opportunity of building their own homes. The ULA should not be a financial arm of a government that is endeavouring to recover \$50 million to make the Budget look better. The article continues:

He said the government was not "strong arming" them, but putting a proposal. "The Treasurer has ensured that the authority will not incur any losses, and he'll also reassess its borrowing limits to cover loans needed to buy the land."

What is the government up to? How far is it prepared to go? How many changes is it prepared to undertake to make a quick grab for \$50 million? The government is the pits; it cannot be trusted! I am sorry that Victoria has reached a stage where the snivelling, slimy government is prepared to go to these lengths and plunge Victoria into financial disaster for years to come.

Mr Knowles has already spoken about what occurred when the motion was first debated. Those details are on the public record; the motion got the government moving in an endeavour to cover up what has happened. The government has been caught out. The government should drop the whole deal; it should not put the ULA in this financial position. Let the ULA go on doing what it has done well. Mr Griffin is prepared to stand up and be counted. His board is competent and it is running the organisation well. He can rest assured that the opposition will stand behind him in his move. We cannot allow this to happen. We will not allow the government to start selling off the land.

Hon. B. T. Pullen — I wouldn't want you to stand behind me. I might get something between my shoulder blades.

Hon. K. M. SMITH — What a stupid thing to say! This man sitting opposite me was the Minister in charge when things started to go downhill. When one looks at the assets of the organisation, one can track the financial disaster to the time when he was in control. He will not be able to do much of a job answering the criticisms that have been made.

Hon. B. T. Pullen — You haven't lost your place, I hope!

Hon. R. I. Knowles — It is indefensible!

Hon. M. T. Tehan — The public won't take it any longer!

Hon. K. M. SMITH — You are right, Mrs Tehan. We have all seen the front pages of the newspapers. This has been going on for only a week, but there have been articles in the newspaper every day. The press has been prepared to pick this up, and the press represents the public. The newspapers are telling the government to resign because of the shifty deals that are going on. The Treasurer, who is in charge of this matter, took on Mr John Lawson and sacked him because he was prepared to stand up and be counted. Mr Lawson said, "You are not going to get our assets". We have seen the shifty deals concerning the infrastructure funding. Who is presenting the cheques? Who is there getting all the glory? Who is getting his picture in the newspapers week after week? The Minister for Planning and Housing! He is always there handing out the ULA's money for no good reason.

Have a look at the assets! Last year he gave away \$8 million for projects that are not wanted by the estate communities or by the people of Cranbourne. One estate was given \$450 000 to build a community house! Where was that on the list of the Shire of Cranbourne's priorities? Cranbourne has not had a good go under this government. A community house was not on the list of priorities but the government saw that there might be a few votes in Cranbourne so it gave away more than \$400 000 of the ULA's money.

The same thing happened in Pakenham, another marginal seat, if I can put it that way. I was at the opening of the Lily Pond House when the Minister for Planning and Housing jumped up in front of the camera to get publicity for what he was giving away. There are not enough houses around the place now, let alone having people use the Lily Pond House. It looks beautiful; it is located right by a lily pond. The Shire of Pakenham has other needs but

this was a great opportunity for the Minister to get his picture in the newspaper handing over the cheque and saying how wonderful it all was. It is a disgrace that the government is prepared to do these things and that it has brought the ULA into a racket like this. The government and its co-conspirators — the bureaucrats who have been prepared to write this up — should be ashamed of themselves.

Hon. R. I. Knowles — They were operating under instructions and the instructions really came from the Treasurer!

Hon. K. M. SMITH — From the Treasurer! He is the man described on television as being shifty! It is an apt description. Mr Harrowfield is worthy of being included in the guilty party file that is shown on television, except that he has not done enough to put him there. There are many shifty people in the government. Mr Walker was probably pleased he got off the front bench.

Hon. E. H. Walker — I thought you were going to put me in the shifty crowd!

Hon. R. I. Knowles — Never!

Hon. K. M. SMITH — You were part of it. Nobody escapes our advertising! At some stage we could probably use the advertisement the Premier has found it necessary to use.

Hon. R. I. Knowles — We pay for our own advertising!

Hon. K. M. SMITH — I wonder where the \$700 000 for that little gesture came from. It was an effort to try to get some credibility back. Vaseline was put on the lens of the camera but unfortunately it is not thick enough because we can see through what the Premier is saying. We can see through deals such as those Mr Knowles has exposed. They are an effort to try to claw a few dollars into the coffers so the government will not look so bad. Through you, Mr President, I can only say to the government that it will have to do a lot better than that. It will never claw back the credibility a government should have. A government should have credibility with the public, but this government does not deserve it. This government has lost it. What it is doing with the ULA is a disgrace. You have been exposed, Minister! You and the government should back off as quickly as possible and get out now. Why don't you do the right thing by the people of Victoria? Go to Government House and resign! We will all be pleased. It will be the best

thing you could do and everybody in Victoria will support you. The quicker you do it the better. You are the guilty party! You have been exposed, and we will continue to expose the frauds you visit upon the people of Victoria!

Hon. B. T. PULLEN (Minister for Conservation and Environment) — After listening to the ranting and raving of Mr Smith I should like to direct the attention of the House to the substance of the motion and the more valuable remarks made. So far only Mr Knowles has directed himself to the matter at hand. I should like to pick up a point made by two other speakers. Mr Smith outlined how opposed he is to the use of funds for community houses. Obviously he is opposed to the government responding to submissions to provide community houses in Cranbourne and Pakenham. He does not realise the process follows submissions from the community and the government's delivery of services through community houses.

Mr Smith and Mr Chamberlain used the word "lies" a great deal, which was unfortunate. That is not the way I would have referred to the matter, but if any misleading has been done it has been done by Mr Knowles. He has a record of integrity in addressing such questions but in this case he got it totally wrong. I would not have used the word "lying" in this context but unfortunately in trying to build up a case Mr Knowles has made misleading remarks. He made allegations that are clearly reported in *Hansard* of 20 May 1992. The first one states:

One site is the TAFE college in Richmond, which is currently being developed by the Urban Land Authority (ULA) for the Department of School Education.

Further he states:

Suddenly the government has said it cannot afford to wait until the site is developed and it wants the Urban Land Authority to purchase the site today at a cost of \$5 million so that it will immediately get the cash.

That is totally inaccurate. It is no excuse to say, as he has said, that we also got things wrong in respect of the Janefield hospital site. It is not good enough.

Hon. R. I. Knowles — Are you denying that the government has asked the ULA to purchase the Richmond TAFE site?

Hon. B. T. PULLEN — It has been vested in the ULA and profits from the development will go back to the Department of School Education. There is no element of compulsion in the arrangement. The government and the ULA have cooperated on those types of partnerships before. There is no need for the ULA to purchase a property outright, and it is under no pressure to do so. Mr Knowles has tried to introduce that into the debate to fabricate a case that is not there. He has also been forced to admit today that he was totally wrong in relation to Janefield. The honourable member continues:

Secondly, the government, without reference to the board of the Urban Land Authority, has determined that the Janefield Hospital site with an estimated value of about \$9 million should be sold to the authority. I understand that some of the land must be rezoned before it can be developed.

The second allegation is totally wrong. I was not going to introduce the matter in that tone because I accepted that if the honourable member introduced something like that it would have been an honest mistake, but the honourable member's colleagues have tried to introduce "lies" into the debate and have tried to suggest they were mislead, and it has rebounded on them. The only person who can be shown to have introduced into the debate anything that is clearly wrong is Mr Knowles. The tone the opposition has introduced into the debate has really backfired. In fact, the ULA is acting as a consultant on the development of Janefield —

Hon. R. I. Knowles — I acknowledged that!

Hon. B. T. PULLEN — You did not acknowledge that.

Hon. R. I. Knowles — I acknowledged that today.

Hon. B. T. PULLEN — Janefield has been identified under the Better Cities program as a site with considerable urban consolidation potential. The government is committed to the redevelopment of Janefield for housing, but that redevelopment must take account of legitimate environmental concerns. In its capacity as consultant, the ULA has produced a land capability assessment highlighting the environmental sensitivity of the areas around the Janefield site. In response to that assessment the government has set up a steering committee to identify appropriate boundaries between any new residential and fragile environmental areas. The City of Whittlesea, Shire of Diamond Valley, Melbourne Water, the Victorian government, the

Commonwealth's Better Cities project team, local conservation groups and interested individuals will be represented on the steering committee.

The findings of the steering committee will be reflected in legislation to be introduced in the spring sessional period to remove Crown land reservations around Janefield. We really have a perfectly reasonable and fair process, which the honourable member in his previous contribution to the debate on 20 May tried to call shonky; he tried to use that as one of his building blocks in raising this matter and he has been totally found out.

The honourable member also linked the Janefield site to Mont Park. In 1987 the ULA conditionally purchased the Mont Park site in Bundoora with an initial outlay of \$5 million. The land was to be transferred after rezoning and revocation of the Crown grant. There were environmental concerns about the scale of any future development and, after extensive local consultation, a planning scheme amendment was prepared for reduced development.

That was when the opposition chose to demonstrate its commitment to the commercial viability of the ULA by using this House as a de facto planning appeals tribunal in overturning the planning scheme amendment. The opposition is now repeatedly doing that. The opposition got it totally wrong with the F2 freeway and had to come back and show that it had got it wrong, when it discovered that using this House in that way was totally inappropriate. That was an example of the opposition claiming to support the commercial viability of the ULA yet, in that particular case, using its numbers in this House to overturn a planning amendment, which reduced the viability of the ULA.

The ULA is now in the process of buying the three reduced Mont Park sites and preparing plans for their development. The government will make up for the land the ULA has lost at Mont Park with suitable sites elsewhere, so that there will be no reduction in the supply of affordable land and housing overall. The Mont Park episode indicated —

Hon. K. M. Smith — Where did you get the land?

Hon. B. T. PULLEN — You do not want to hear this. The Mont Park episode indicated that there is no level to which the opposition will not stoop to undermine the development of the State.

I return to a point that has already been raised but did not seem to be understood: one of the ULA's principal statutory responsibilities is to facilitate the disposal of surplus land held by the Crown and public statutory bodies. Section 4(1)(c) of the Act spells out how that is to be achieved. Section 4(2) states that the authority may:

- (b) With the approval of the Minister purchase or sell land or take land on lease.

The meaning of the Act is absolutely clear: disposal of government land is one of the ULA's primary functions. The current opposition spokesman on transport in another place, Mr Alan Brown, actually said as much in the debate on the Urban Land Authority Bill in 1984. Mr Brown is recorded at page 3712 of *Hansard* of 3 April 1984 as saying in another place:

It is not the aim of the opposition to stand in the path of the Minister, who wishes to extend the role of the authority to sell land owned by public statutory bodies.

In line with its responsibility, the authority has been acquiring and disposing of government land for more than a decade and maintains a list of government sites that it may be interested in. So much for the authority being used for an indirect purpose!

I refer now to the Public Transport Corporation (PTC) leaseholds. The third allegation of Mr Knowles is that the government is foisting on to the ULA government land leaseholds. Once again he has it wrong. The honourable member tries to paint a picture of phone calls and so on leading up to something. Those things are really part of the development of a process to ascertain whether there was merit in the ULA's being involved.

Hon. K. M. Smith — Shifty deals!

Hon. B. T. PULLEN — It is nothing like that. The government has the power to direct the ULA but the Minister is not proceeding on that basis; he is proceeding to put a proposal before the ULA, which the authority can assess and make a decision on. The proposal to acquire various PTC leaseholds has been put to the ULA in writing. It is quite clearly set down and a letter has been sent to the chairman to that effect. The authority is capable of assessing that and providing a response. There is absolutely nothing wrong with that approach.

The Minister has made it clear to me that he has nothing to hide and is prepared to make that letter

publicly available. There is no secrecy in doing that; it is a process that recognises the skills of the authority in handling these leases and that the PTC does not have the power to do it.

In trying to suggest that this is improper Mr Knowles has become quite muddled. It is right, as he says, that the Ministry of Finance has established a list of sites that are leased from the PTC and that lessees have been asked if they are willing to purchase those sites. In fact, the Ministry of Finance has written twice to the lessees, once asking them whether they were interested in buying and the second time acknowledging those who responded and notifying those who expressed a wish to buy that they would be advised in due course of the sale price.

The honourable member went on to suggest that the PTC told the lessees it was not ready to proceed with the sale. The simple truth is that the PTC no longer has an asset sales function. The two bodies that are equipped to dispose of government land are the Ministry of Finance and the ULA. It is government policy to offer the PTC leaseholds in question to the lessees, many of whom have occupied the properties for years. That is only fair and reasonable. However, fairness and equity did not seem to be words much used by the opposition in the debate. The only question from the government's point of view is which of the two relevant authorities is most appropriate to manage the disposal of those leases.

Mr Knowles claims that the government does not want to use the Ministry of Finance because new titles would have to be issued and the sites would need to be surveyed. That claim can be found at page 44 of *Hansard* of 20 May. Again that is wrong. The reality is that the new titles will have to be issued and the sites will have to be surveyed no matter who manages the disposal of the sites.

Anyone familiar with the legislation will know that under the Land Act the Ministry of Finance can only sell Crown leases. The PTC leases are not Crown leases and if they were to be sold by the Ministry of Finance, as Mr Knowles believes they should, each and every one of those leases would have to be renegotiated and restructured to conform with the Crown lease requirements. That would have to be done on a lease-by-lease basis. The whole process would be a waste of time and money for both the government and the lessees, yet that seems to be what the opposition is recommending.

Rather than going through that tortuous legal process to convert the PTC leases to Crown leases, the government proposes simply to dispose of them through the ULA. The Urban Land Authority Act is designed to facilitate just that kind of disposal and the opposition spoke on and voted in support of giving the ULA that power in 1984.

In accordance with that power the Minister for Planning and Housing has put a formal proposal to the chairman of the ULA and his board. I have indicated that the Minister is prepared to make the letter publicly available.

Hon. R. I. Knowles — We will take up that offer.

Hon. B. T. PULLEN — The Minister's letter requests that the board consider the proposal on the basis that lease management will be undertaken on an agency basis by the Minister of Finance.

The Minister has also proposed that all Urban Land Authority (ULA) costs associated with the proposal will be met and any additional borrowings requirement will be facilitated by the government. The portfolio of properties identified in the proposal has an estimated value of \$50 million.

The portfolio consists primarily of commercially developed land. It does not include sites occupied by community groups, boy scouts or recreational groups such as bowling clubs. If the lessee elects not to purchase, opting instead for the secure 15-year lease proposed by the government, the property will be offered on the open market. The lessee's interest is protected at all times, while the commercial value of the properties to the Urban Land Authority is preserved. The board considered the proposal on 20 May and asked its chief executive to obtain further advice and information. My understanding is that this is being done and that the board will be considering the matter again shortly.

In conclusion, Mr Knowles has made a series of allegations against the government based on his own garbled understanding of the operations of the ULA and as he has demonstrated a very indifferent commitment to the truth, he should be prepared to admit it in the other cases. It is a matter of public record; it can be clearly shown that his claims are based on totally false premises. In essence, he has accused the government of expediting land sales in order to obtain revenue.

What is the corollary of this absurd complaint; that the government sit indolent and not bring forward

sales of assets which could benefit Victoria? Clearly if the honourable member is saying that the government should not move in an effective and speedy way and that it should procrastinate he would be talking of sabotage. He is on about sabotage and he is trying to prevent due processes from taking place. He does not want to support anything that assists in Victoria's economic activity and development.

The opposition now has moved an amendment calling upon the government to withdraw the proposal. There is no reason to withdraw; the proposal is clearly before the board. The Minister is not hiding anything; he is prepared to have the proposal made public and the board is competent to examine the proposal and return with a decision. That is the appropriate process.

The opposition is in danger of indulging in bullying officers of the board in the way it has raised the matter. It is clear the opposition wants to knobble and sabotage any process through the bureaucracy or government agencies that will benefit Victoria. The opposition does not want to see the government acting in the interests of Victoria and it will use its numbers and its power to knobble that interest. That is what has been exposed in this debate and the government rejects the amendment.

Hon. R. I. KNOWLES (Ballarat) — I make it clear that when I proposed the motion my information was that there was a deal of \$50 million. I had been informed by reliable sources that it had three components. I have acknowledged that one was not as I had put it; the Janefield site. I acknowledge that today. The information I received regarding the Public Transport Corporation (PTC) land was much less than what the government is talking about. I understood it was \$28 million worth of land from the PTC that was being sold to the Urban Land Authority; what we now know is that it is \$50 million.

Hon. B. T. Pullen — You made up the rest.

Hon. R. I. KNOWLES — I did not make up the rest, I used the information that I had available to me. I am interested that the Minister has categorically denied that the government has asked the ULA to buy the Richmond site. That is not the information with which I have been provided. I read the list of sites into *Hansard* that the government had put to the ULA to purchase, and I stand by that claim.

The crunch of this debate is the \$50 million PTC deal.

Hon. B. T. Pullen — You misled the House.

Hon. R. I. KNOWLES — I have not misled the House; I reject that emphatically. The Minister has not come clean on the PTC deal. This is not about a due process that somehow the Minister was trying to convince the House that there would be a different form of title issued by the authority as opposed to the Ministry of Finance; it will be exactly the same sort of title that the purchaser ends up with; the one difference being that the funds this year will not come from the end purchaser, they will come from loan funds borrowed by the ULA.

The Budget figures will show an income of \$50 million from asset sales this financial year, which is a bogus figure; it is \$50 million raised from loan funds by the ULA. That is a new role.

The chairman of the authority, about which the Minister spoke today, is reported in the *Age* on 23 May 1992 as saying:

Mr Griffin said the land represented a big switch in its operations. He said the authority had asked lawyers to check on "how appropriate" the deal was, and to investigate the land blocks to check what was involved in each case. "In the past, we have sold land for residential purposes, because that is the main core of our business. This PTC property is not."

The Minister tries to say that this is due process. It is not the opposition that is trying to sabotage this, it is the government trying to pull a shonky deal. The issue is a \$50 million deal designed to camouflage the true picture of the State's finances. That is the issue and the Minister did not address it. Instead of reflecting on me, the Minister would be well advised to consider the swindle the Treasurer is trying to pull on the taxpayers of the State.

The Minister did not attempt to address that issue; he went around it. If this is such a normal process, why is there a 30 June deadline; why is the chairman of the authority saying, "Unless we agree to buy by 30 June the government has undertaken not to meet interest payments"? Why the 30 June deadline; why did not the Minister address that matter instead of reflecting on me? That is a swindle and the Minister has not answered it.

Hon. B. T. Pullen interjected.

Hon. R. I. KNOWLES — The Minister is accusing the Chairman of the Urban Land Authority of misleading the public. My quotes today are the quotes of the chairman of the authority. I will not let it go unchallenged that the Minister is trying to infer that I am misleading the House on the \$50 million PTC deal. The information has emerged publicly only since the opposition moved the motion. What I have quoted comes from the ULA, the authority the Minister says is being asked to consider the deal. My understanding is that the ULA has expressed concern about the whole concept from the time it was first raised. That has not prevented the government from continuing to raise the issue with the authority. A two-page letter has been written stating that the ULA will buy the land for \$50 million and will have to pay the government by 30 June; if it does not the government will not guarantee that it will meet the interest payments.

The Minister says this is due process. It is a sham and a disgrace. The Minister ought to be persuading his Treasurer to back off rather than to continue this subterfuge, which is designed only to hide the true position of this State's financial mess from the taxpayers of Victoria.

Amendment agreed to.

House divided on amended motion:

Ayes, 21

Ashman, Mr (<i>Teller</i>)	Knowles, Mr
Baxter, Mr	Lawson, Mr
Best, Mr	Macey, Mr
Birrell, Mr	Miles, Mr
Chamberlain, Mr	Skeggs, Mr
Connard, Mr	Smith, Mr
Cox, Mr	Storey, Mr
de Fegely, Mr	Tehan, Mrs
Evans, Mr	Varty, Mrs (<i>Teller</i>)
Guest, Mr	Wright, Mr
Hallam, Mr	

Noes, 15

Coxsedge, Mrs (<i>Teller</i>)	Lyster, Mrs
Crawford, Mr	McLean, Mrs
Davidson, Mr (<i>Teller</i>)	Pullen, Mr
Henshaw, Mr	Sgro, Mr
Hogg, Mrs	Van Buren, Mr
Ives, Mr	Walker, Mr
Kokocinski, Ms	White, Mr
Landeryou, Mr	

Pairs

Craige, Mr	Mier, Mr
Hall, Mr	Kennedy, Mr
Long, Mr	Theophanous, Mr

Amended motion agreed to.**BUSH NURSING HOSPITALS**

Debate resumed from 29 April; motion of Hon. R. I. KNOWLES (Ballarat):

That this House deplores the decline of the bush nursing hospital system as a direct result of government policies over the past 10 years, and calls on the government to immediately address this decline by —

- (a) acknowledging the role of bush nursing hospitals in providing essential health services; and
- (b) undertaking to ensure their ongoing viability by —
 - (i) urging the Federal government to give financial incentives to persons without private health insurance; and
 - (ii) where appropriate, entering into contracts with bush nursing hospitals to provide public beds in their facilities.

Hon. M. T. TEHAN (Central Highlands) — The motion moved by Mr Knowles has my overwhelming support. I remind the House that the majority of the debate has already occurred and I commend the excellent contribution by Mr Knowles who referred to the role that bush nursing hospitals have played in Victoria over the past 100 years. I note also the contribution of Mrs Varty who referred to the Lilydale and District Hospital, which commenced its life as a bush nursing hospital, a hospital in which I have taken a real interest.

Mr Best spoke about a number of bush nursing hospitals in north-western Victoria. My Central Highlands Province colleague, Mr Craige, spoke of bush nursing hospitals in our electorate and in particular gave an interesting history of the bush nursing movement. Mr Chamberlain spoke of bush nursing hospitals in western Victoria.

From their contributions it is obvious that Victoria has an excellent network of bush nursing hospitals. However, over the past 10 years their opportunity to contribute to the health services in Victoria has been seriously curtailed and I shall examine briefly what some of that curtailment has meant. More importantly, the motion proposes at least two solutions to which the government should give serious and immediate consideration.

Honourable members have admitted that a number of the issues raised reflect on Federal government

policies and require a Federal solution. However, that does not mean this Parliament, and especially the Minister for Health and her department, should not be addressing both the problems and the possible solutions.

Firstly, in terms of what the Minister for Health might be able to do in the immediate future, one of the short-term solutions is in the present government's hands. Secondly, the problems and the proposed solutions require the cooperation of the Federal government. There should be a proper working arrangement between State and Federal governments — especially where one party is peculiar to both such as occurs with the current Labor government in Victoria and a Labor government in Canberra — and there should be an even greater opportunity for the solutions outlined in the motion to be addressed provided the State government is willing to accept that these solutions are acceptable.

Mr President, to briefly recap, there are currently 32 bush nursing hospitals throughout mainly country Victoria. I wonder if the Lilydale, Mornington, Pakenham and Berwick bush nursing hospitals are still considered as being in the country. No doubt they were country hospitals when they were first established, but with the growth of metropolitan Melbourne, especially Lilydale, Mornington and Berwick in the growth corridors, they may now be regarded as metropolitan hospitals.

Hon. M. A. Lyster — And Chelsea!

Hon. M. T. TEHAN — And Chelsea, which the Minister has brought to my attention, undoubtedly is a metropolitan hospital.

Hon. M. A. Lyster — It is in my electorate.

Hon. M. T. TEHAN — Let it be said that they are delivering health services across the face of Victoria. As at December 1991, 552 beds were available in the bush nursing hospital system. In that calendar year they were responsible for 36 106 in-patient bed days. Mr President, in the past ten years we have seen a real demise of the excellent bush nursing hospital system. Since 1983 the Corryong, Murrayville, Tongala, Toora and Violet Town bush nursing hospitals have closed. In recent months the Lancefield Bush Nursing Hospital has also closed, and I shall refer to that later, and also to the position of the Yarra Junction Bush Nursing Hospital.

The executive officer of the Victorian Bush Nursing Association says that currently there are eight to ten bush nursing hospitals and centres in severe financial trouble, and many of them have contemplated closure because of insufficient funds. There are a number of reasons for this demise, one of them being a growth in the larger centres of both metropolitan Melbourne and rural Victoria. I have not discovered the historical basis for it, but by some quirk these hospitals are classified as private hospitals, not as community or district hospitals. They are totally dependent on paying patients coming into them.

They are certainly not for-profit hospitals. They are hospitals — probably more than any other — that have developed through community support and funding. It is absurd that they do not get the same classification as district and community hospitals and therefore attract public funding. I am not sure where or why that categorisation took place, but it is a quirk. If you asked any person living in those areas served by bush nursing hospitals just what sort of hospitals they are, they would say they are community hospitals.

These hospitals should have access to public health funding as much as any other hospital in a given area and receive public funding. One has to start from that basis. From there you add the Federal government's accepted funding policy that says there should be a compulsory levy on all persons in receipt of income that would fund the Medicare hospital system. That is a compulsory levy. There is no reference or consideration in that Medicare scheme under which we have operated since 1984 to give consideration or acknowledgment, let alone any funding incentive, to people who want to have private health insurance.

In Victoria there is a network of bush nursing hospitals that, for some reason, have been categorised as non-public hospitals and are therefore totally dependent on paying patients, and 99.9 per cent of the time that means insured patients. In 1984 the Federal Labor government introduced a hospital funding scheme that purported to give public funding to public hospitals but made no provision to assist, help, acknowledge or recognise hospitals dependent on private or insured patients and gave no recognition, acknowledgment, assistance or incentive for people to take out private health insurance.

Since 1984 bush nursing hospitals have worked in intolerable financial circumstances. I propose to

speak briefly on the Yarra Junction and District Hospital.

Sitting suspended 1 p.m. until 2.3 p.m.

Hon. M. T. TEHAN — Prior to the suspension of the sitting, I referred to a number of bush nursing hospitals that are currently suffering severe financial problems. An example of such a hospital is the Yarra Junction and District Hospital. It is a relatively small hospital with 15 acute beds, an operating theatre, a midwifery-delivery room, and a post-operative room. Currently the nursing home has 18 residents; by December 1992 it is hoped that number will increase to 30 residents. Plans exist for building a hostel for 30 residents, including dementia patients.

Yarra Junction and District Hospital is serviced by eight general practitioners, one general surgeon, one orthopaedic surgeon, two colorectal surgeons, and one gynaecologist and obstetrician. In the past financial year, ended June 1991, the hospital has had 150 procedures, 40 births, 5475 bed days, and an occupancy rate of 53.3 per cent. Unfortunately, it is almost certain that the hospital will close, despite a huge amount of effort on the part of the executive director, Mr Neil Jones, and the hospital board.

Two reasons can be given for the current situation having arisen, one of which is a reason to which I referred earlier, that is, the reduction in the number of people who have private health insurance. I acknowledge that the Minister for Health has asked for details of the matter in the past, but apart from referring to the statistics presented by the hospital, I am not able to substantiate the figures any further. The hospital indicates that in recent years, due to the recession, the number of people who have private health insurance has dropped dramatically. It has gone from an estimated 54 per cent in 1988 to the current estimated 25 per cent, which is far below the December 1991 State level of 41 per cent.

All honourable members will be aware of the dramatic decline since 1984 in the number of people with private health insurance across Australia generally and in Victoria particularly. It is not hard to verify that since the beginning of what is a real recession — the one the Prime Minister said we had to have — the number of people taking out private health insurance has further markedly declined. The Yarra Junction area in the Upper Yarra Valley is not populated by high wage earners. I suggest the people in the area are feeling the recession keenly and that a high level of unemployment exists. The result must be a marked decline in the number of

people who have private health insurance, as is pointed out in the notes provided to me by the Yarra Junction and District Hospital.

I shall address the drop in the number of people with private health insurance in a moment as I consider it to be a long-term problem that must be addressed.

I suggest to the Minister for Health that the possibility should be considered of making an arrangement whereby a public-private mix is established in bush nursing hospitals or at least in those bush nursing hospitals that service areas where the need is obvious. I suggest the Yarra Junction area is an area where the need exists because the two hospitals in the immediate vicinity are private hospitals. People can go either north to the Warburton Hospital or south to the Lilydale and District Hospital, both of which are totally private hospitals. People seeking access to public hospital facilities have to go a long way outside the Yarra Junction area to gain that access. They must go to Ferntree Gully, to the William Angliss Knox and Sherbrooke Community Hospital, or across to the Healesville and District Hospital — to which there are no direct public transport routes — or to the Maroondah Hospital to gain access to public hospital facilities. All of those hospitals are a long way from Yarra Junction.

Some opportunity should be provided for the Yarra Junction and District Hospital to be included in a remote category so that it might establish a mix of public and private beds. The suggestion I make is not a landmark suggestion because it has been made before: when the Economic and Budget Review Committee of Parliament considered bush nursing hospitals. The committee's 1987 report, containing a suggestion that the government consider contracting beds, was tabled while David White, now Minister for Manufacturing and Industry Development, was the Minister for Health. He would have had the prescience and been innovative enough to implement the suggestion. It has been implemented on one occasion. Sea Lake Bush Nursing Hospital has two public beds.

Hon. R. I. Knowles interjected.

Hon. M. T. TEHAN — Mr Knowles suggests there might be another hospital.

Hon. M. A. Lyster — Beulah is the other.

Hon. M. T. TEHAN — Thank you, Minister. Two hospitals, Sea Lake Bush Nursing Hospital and Beulah Bush Nursing Hospital, have public beds. The precedent has been set; the recommendation has been made — but the government has not taken it up. I suggest that the Yarra Junction and District Hospital at least as an interim measure — until it gets the nursing home beds or the long-term problem associated with private health insurance has been addressed — could have a two-bed contract to allow it to service the people in the area. I am concerned more about the people in the area than about the hospital. As I said, the people of Yarra Junction do not have reasonable access to a public hospital facility because the nearest public hospitals are a considerable distance away and servicing that outer area will be a real problem, especially if this facility is lost.

It would be worthy of the Minister to consider, as an interim measure following precedents already set, accepting recommendations of the bush nursing hospital review; and to examine the possibility of a short-term contract for four beds, to enable the public to assess the Yarra Junction Bush Nursing Hospital and to enable the hospital to continue to trade, in the hope that it will not have to close. It has been put to me that with a further four patients in those beds it would be able to sustain the ongoing financial arrangements, enter into arrangements with the bank and continue to trade, at least until the nursing home is completed and the hostel to which I referred earlier has been brought on stream.

Flexibility, innovativeness and creativity are needed in solving those problems. We do not have the money to put into a lot of these problems so we really do have to consider more creative solutions, and in that particular instance the duress and the waiting lists at the Maroondah Hospital could be removed, as well as lessening the demands on the William Angliss Hospital, by enabling some of those patients, albeit a small number of them, to be treated at the Yarra Junction Bush Nursing Hospital or at other bush nursing hospitals where a similar arrangement would work.

Lilydale Bush Nursing Hospital is another one that Mrs Varty covered in great detail when this matter was last debated. It is similarly suffering in stringent economic times, and the public is concerned about recent newspaper reports that there are problems in the Lilydale area. As an interim measure, until a longer term approach can be brought into play, there is an opportunity to address the problem creatively.

Another similar example was at the Chiltern Bush Nursing Hospital, which I visited a couple of weeks ago with the honourable member for Murray Valley in another place.

Hon. M. A. Lyster — They were nice pictures in the paper!

Hon. M. T. TEHAN — Were they? I haven't even seen the pictures. That hospital put to me that there might be an opportunity for it to provide palliative care as a step-down function for the Albury-Wodonga area. There are a number of older people in that area, and again it would be an opportunity for increased health services and some public funding for a small hospital that is struggling. It would also be an indication that the government is flexible and creative enough to look at solutions to problems rather than being strangled by processes and ideology. I will leave that viewpoint with the Minister.

I want to raise two other matters. The first is the longer term solution in this motion — that the House urges the Federal government to give financial incentives to persons to take out private health insurance.

I have just come from an interesting seminar held this morning in Melbourne under the auspices of the Australian Hospitals Association and the Australian Private Hospitals Association. A combination of representatives from both public and private hospitals in Australia were present, representing 80 per cent of the hospitals throughout Australia. I was delighted to be there, albeit only for a short time, and at least to have an opportunity of hearing some of the prestigious speakers on the program. I am sorry the Minister was not there; there was not even an apology from the Minister —

Hon. M. A. Lyster — I wasn't invited!

Hon. M. T. TEHAN — I am even more sorry that the Minister was not invited, if that is the case.

Hon. M. A. Lyster — I received a brochure but not an invitation.

Hon. M. T. TEHAN — It would have been appropriate for her to be there to hear the three opening speakers. The seminar was opened by Dame Leonie Kramer, who spoke of the need to break down the centralist system in both health and education, which has had a stranglehold on this country. The seminar today is being chaired by

Professor David Penington, an esteemed academic and medical practitioner in this State. He was dean of the faculty of medicine; he was an adviser to a previous Health Minister, David White, and he is now the Vice-Chancellor of the University of Melbourne. He has had a real and persuasive interest in health services in this State, and in his position as chairman of the seminar he is certainly playing a vital role.

I was able to stay for the presentation by the Honourable John Hannaford, the Minister of Health and Community Services in New South Wales, and for part of the presentation by the Honourable Keith Wilson, the Minister for Health in Western Australia.

Hon. R. I. Knowles — So there was a Labor Minister there?

Hon. M. T. TEHAN — There was, and a Labor Minister of some considerable courage because it was indicated quite clearly that pressure had been put on the Honourable Keith Wilson not to attend the seminar, which basically criticised the current Medicare arrangements and the current blinkered view of the Federal Minister for Health, Housing and Community Services on the whole problem of Medicare. I record now my admiration for the Honourable Keith Wilson for coming to that symposium and speaking as courageously and truthfully as he did, despite real pressure from Minister Howe on both him and the Premier of Western Australia for him not to attend.

Both John Hannaford and Keith Wilson indicated clearly that the present Medicare system is not working, that it promises access and equity but does not deliver the financial wherewithal to enable those promises to be met. John Hannaford set out quite clearly the percentage reduction of the Commonwealth input to hospital funding for the States and, if I remember rightly, the percentage in 1986 to New South Wales was 38 per cent of hospital funding, but in 1991-92 that had been reduced to 30 per cent. I would suggest that the Victorian funding comparison would be basically the same.

They were unequivocal in saying that the State, whose constitutional responsibility it is to deliver health services, cannot continue to deliver those services while they are hamstrung and strapped as is currently the situation. But as importantly — and certainly in terms of this debate as appropriately and relevantly — they indicated that Australia's hospital system is a dual system, that its strength has been as a dual funding system, and that we cannot continue

to have a private health insurance system while there is no recognition by the Federal government of the role that private health insurance plays, and while there is no incentive or possibility of incentive offered by the Federal government to those people who take out private health insurance.

From the statistics John Hannaford provided and the speech Keith Wilson gave it was apparent that the two States they represent are prepared to say publicly and to Minister Howe that, until he addresses the problem of private health insurance and until he indicates that it has to be taken into account in the equation and in the upcoming Medicare agreement, they will not be prepared to sign that agreement and they will not be responsible for the problems of hospitals in their States.

I can see the Minister nodding her head at that, and I would like it placed on the record that she similarly indicates that private hospitals have a role to play; that you do not have private hospitals unless you have private health insurance funding, and that you cannot have private health insurance funding, as has become apparent in the last six or nine years, unless you give financial incentives to those who take out private insurance.

In its Fightback package the Federal coalition has outlined proposals to give tax credits to people earning less than \$30 000 a year who take out private health insurance. Both the Australian Private Hospitals Association and the Australian Hospitals Association have also put forward similar proposals. The best solution may be found in a combination of the proposals. Nevertheless, Brian Howe, the Federal Minister for Health, Housing and Community Services, must be given the loud and clear message that unless Australians are given the incentive to take out private health insurance our hospital system will be in dire straits.

The problems of our bush nursing hospitals will not be solved until their funding needs are properly recognised. If the Medicare levy were removed and Australians were given the incentive to take out private health insurance the people of Yarra Junction and Lilydale would once again have access to the excellent services offered by their bush nursing hospitals. If the proposals outlined in the Fightback package are put in place bush nursing hospitals will once again play a significant role in providing medical treatment to local residents. At present they are being prevented from doing so by the ideologically-based Medicare agreement, which

Brian Howe is desperately clinging to and which is strangling our public and private hospital systems.

The motion clearly identifies the problems being faced by bush nursing hospitals and offers the government the opportunity to address the problem. I endorse the strong arguments that have been put by my colleagues, and I commend the motion to the House.

Hon. K. I. M. WRIGHT (North Western) — I congratulate Mr Knowles for moving the motion, which is timely, because I have no doubt that bush nursing hospitals are in diabolical trouble. I have the highest praise for the original residents of the towns in my province whose hard work, vision and generosity resulted in the establishment of their bush nursing hospitals. I understand that Victoria is the only State in the Commonwealth to have a bush nursing hospital system. I commend the current residents of towns that have supported their bush nursing hospitals over the years; and I also congratulate those honourable members who supported the motion.

Over the years bush nursing hospitals have provided comprehensive health care, including accommodation for the elderly and acute medical services. Most bush nursing hospitals retain the services of first-class medical practitioners and through facilities such as local pharmacies are able to provide high standards of service.

These days the managers of bush nursing hospitals have to work under extreme difficulties. It is nothing short of disgraceful that in order to be treated at bush nursing hospitals residents of country towns are required to pay a Medicare levy of 1.25 per cent and take out private health insurance. The average Medicare levy is approximately \$1250 a person; but it does not mean levy-paying residents can then receive treatment at their bush nursing hospitals without having to pay further fees. Usually they also have to take out private health insurance, which on average costs approximately \$1300 or \$1400 a year. Private health insurance payments should be tax deductible. At least, State and Federal governments should recognise the contributions residents of country towns are making to their hospitals.

The Federal coalition's Fightback package recognises the need to support the residents of country towns. Most of the cash reserves of bush nursing hospitals — some had reserves of up to \$750 000 — have been frittered away because of the drop in the number of people who take out private health

insurance. I understand that 10 years ago 75 per cent of the community was privately insured and that that figure has fallen to approximately 42 or 43 per cent, which has had a detrimental effect on the operations of bush nursing hospitals.

Some years ago my colleagues and I took up the cause of the Rainbow, Sea Lake, Birchip and Beulah bush nursing hospitals with the then Minister for Health, the Honourable Caroline Hogg. To her credit, the Minister was sympathetic to the problems facing the hospitals; and I hope the current Minister will show a similar appreciation of their problems.

In conjunction with my colleagues I arranged and chaired a meeting of bush nursing hospitals at Birchip, with the assistance of the highly respected Cr George Gould. Representatives of all bush nursing hospitals in the State attended the meeting — some from as far away as Mallacoota. The meeting was also attended by the President of the Bush Nursing Hospitals Association and the then Minister for Health.

When the President of the Bush Nursing Hospitals Association was given the opportunity to speak I was disappointed by his spending the first half of his speech attacking me for having had the temerity to call and chair the meeting. The association seemed more interested in protecting the interests of the larger bush nursing hospitals, but by so doing it overlooked the problems facing the smaller hospitals.

The Minister offered to visit bush nursing hospitals. We arranged visits to the Birchip, Beulah and Rainbow bush nursing hospitals, where discussions took place with the boards of the hospitals concerned. The then Minister also visited the Hopetoun Bush Nursing Hospital which, although one of the better financed hospitals, fears for its future unless something is done.

The solution we thrashed out for the Sea Lake Bush Nursing Hospital is an example of the way to proceed. One of the problems facing bush nursing hospitals is the declining population of the towns they service. As the population declines small towns find it difficult to retain the services of competent medical practitioners. One of the effects of such natural attrition is that the remaining residents are forced to travel 50 miles to one of the bigger towns or cities to receive medical treatment.

Action must be taken to retain acute medical care services at bush nursing hospitals, even to the extent of providing two acute beds. I readily admit that, to

its credit, the government agreed to the provision of two acute medical care beds on an agency basis at the Sea Lake Bush Nursing Hospital. The government must show that it is capable of heeding the excellent advice given to it by both Mr Knowles and the shadow spokesperson for health, Mrs Tehan.

The Fightback package will get to the root of the problem and assist bush nursing hospitals to prosper as they did in the past so that they can provide a full range of health services. I commend the motion to the House.

Hon. M. A. LYSTER (Minister for Health) — The debate on the motion is a missed opportunity; it is like a curate's egg — good in parts. I commend the way the committees of management of bush nursing hospitals together with their communities have met the needs of those communities in the past. I did not hear the coalition commend the vision of a number of committees of management of bush nursing hospitals that are seeking to continue to provide health care services to meet the needs of their communities.

I shall share some of the changes that have occurred through local initiatives often in conjunction with neighbouring hospitals and with the facilitation and support of regional health department officers to ensure that bush nursing hospitals continue to be viable providers of health services and so that they retain their relevance to the community for the next decade and beyond.

I shall provide details of some of the visionary action taken by bush nursing hospitals throughout the State, and I commend them on their attitude. I shall seek to clarify, if only for the readers of *Hansard*, why bush nursing hospitals are categorised as private hospitals. They are non-profit, non-sectarian hospitals and do not receive general funding from the State government. They are registered as health service establishments and private hospitals under the Health Services Act. Bush nursing hospitals rely on private health insurance fund rebates and community fund raising, which has been important to their existence.

Hon. R. I. Knowles — You would acknowledge that that is a quirk of history.

Hon. M. A. LYSTER — Yes, it seems to be an historical anomaly for which I can offer no explanation. It is probably lost in the mist of time. Mr Knowles and Mr Chamberlain mentioned what they believed was contradictory advice from the

State and Federal governments about the status of bush nursing hospitals as raised in a letter from the Secretary of the Shire of Dimboola. I put on record how the misinterpretation, which is what it is, arose. The author of the letter from the Federal Department of Health, Housing and Community Services was quite correct when he said that because bush nursing hospitals are private hospitals the Commonwealth government has no control over their operations. All honourable members know that is the reality; and they also know that, in the discussion about the registration of bush nursing hospitals, it was accepted that they were a State responsibility. However, as Mr Knowles well knows, it is not necessarily the case that the level of government that has the registration responsibility also has the funding responsibility.

This issue has been discussed during debates in this House, even as late as yesterday. Honourable members have referred to the anomalies and discrepancies between the role and responsibilities of State and Federal governments. Because bush nursing hospitals are registered as private hospitals their income is derived from fees paid by private patients. It is correct that in a few isolated instances funds from Health Department Victoria are provided to subsidise acute beds in bush nursing hospitals, but they are unique situations. The concerns of the Shire of Dimboola about the contradiction in advice relates to whether one is talking about funding responsibilities or registering responsibilities.

The traditional role of the bush nursing hospital has been to provide medical, surgical and uncomplicated obstetric services for patients living in remote areas of Victoria with a major emphasis on the provision of primary or emergency acute care to patients who have private health insurance.

I have no argument with the evidence put to the House about the declining occupancy rates of acute patients and that one of the major reasons for that declining occupancy is the decline in the level of private insurance holders in rural areas. Equally, other factors have had an impact on the viability of bush nursing hospitals.

Hon. M. T. Tehan — Equally?

Hon. M. A. Lyster — Yes, equally. One factor has been the significant improvement in the quality of and the level of specialised services provided in the larger country public hospitals. I am not just talking of the major base hospitals but also of district

hospitals that have achieved significant improvements in their capacity to handle more complex surgery. Many people in the more remote parts of country Victoria choose to receive their care in either district or base hospitals.

Another factor should be taken into account: the removal of the Commonwealth subsidies for day beds and charges for private nursing homes which, depending on the mix of services at bush nursing hospitals, have had a significant impact on some hospitals.

Honourable members should also examine the type of people who are patients in bush nursing hospitals and recognise that there is a high proportion of long-term nursing home-type patients. It is for that reason that a number of committees of management have recognised that they should change their role from providing acute beds to providing long-term accommodation, whether it is of the hostel or nursing-home type.

During the time I have been the Minister for Health I have supported bush nursing hospitals in changing the mix of services that they offer. I supported the Natimuk Bush Nursing Hospital, which currently has 20 nursing home beds and 4 acute beds. They have approval in principle for 10 hostel beds but they are seeking an additional 10 hostel beds from the Commonwealth government, and another 10 nursing home beds. Through their committee of management the people of Natimuk have been trying for some time to explore ways of securing their ongoing viability. When I inquired into this matter I was pleased to be told that the regional office of Health Department Victoria has been working closely with the people of Natimuk in examining the future of their acute beds and the development of a multipurpose service. It is agreed that the provision of these additional 10 nursing home beds will be extremely important if that centre is to retain its viability. I shall be meeting with the people from Natimuk in the near future when I will again agree to support them in their representations to the Commonwealth government for the additional 10 nursing home beds.

I have referred to that example in some detail because it exemplifies what has been the relationship between Victoria's bush nursing hospitals, Health Department Victoria and the government in recent years; it provides a recognition of a number of factors changing the demand for services and the capacity of the hospitals to meet those demands; and it shows the implications

involved when it is necessary to look to the Federal government for support in achieving that role change, and the ongoing encouragement we are giving individual hospitals to work their way through the change process if, after a proper study, it is agreed that there is a way to preserve that service in the town.

The debate in the House on 29 April was adjourned on my motion because I wanted to seek advice from the Victorian Bush Nursing Association (VBNA) on the matters raised. A meeting had been arranged with the association, but I brought it forward so that the association could comment on matters raised in the debate.

I met with representatives of the association on 8 May, by which time they had had the opportunity of examining the matters raised by honourable members opposite. They were keen to pursue a number of those matters, which came under three major subheadings: bush nursing centres and their role; the hospitals themselves; and what would happen with aged care. I should like to share with the House the outcome of our meeting because the association and I considered it to be a productive time.

The association's first submission to me was about bush nursing centres. A number of honourable members have referred to the conversion of a number of hospitals to bush nursing centres. The association proposed that home and community care (HACC) funding be paid directly to the VBNA for distribution to those bush nursing centres. I have taken that proposal on board and will have it examined; discussions will take place with the Commonwealth as to its viability. However, I pointed out to the VBNA that HACC funding is extremely complex. It is a matter the House has debated. The distribution of funding is now undertaken by a joint officers committee comprising representatives from Health Department Victoria, Community Services Victoria and the Municipal Association of Victoria, as the three major auspicing bodies for the distribution of HACC funds. That process has been approved by the Federal government which, to date, has refused any capacity for the State to allow HACC funds to be distributed through an umbrella body.

Given that position, it is not possible for the State government to consider the proposal of the VBNA to provide HACC funds directly to it, but I am not dismissing the proposal completely. There may well be some way in which we can incorporate the spirit

of what the association seeks but on a project-by-project basis rather than direct funding to the VBNA.

When we reached the issue of hospitals the association put four major points: the first has been dealt with by Mrs Tehan and a number of other speakers, namely, the definition of "remote" as included in the report of the Economic and Budget Review Committee. The association sought that public beds should be available for health card holders in any bush nursing hospital which requested them, and not only in the remote hospitals. Drawing on the investigations of the Economic and Budget Review Committee I had to reject that proposal.

That led to the second part of the association's proposal: a relaxation of the current definition of "remote". Mention has been made of the initiatives taken under the remote hospital situation, namely, the leasing of two beds at Sea Lake and Swan Hill, and two beds at Beulah leased from Warracknabeal Hospital. I must point out that that comes at a cost. At Sea Lake the two beds will cost about \$200 000 a year.

Hon. M. T. Tehan — How much a day per bed?

Hon. M. A. Lyster — I cannot tell you that. It comes from the regional budget. Therefore, the regional priorities have to be taken into account when one makes a decision or examines any proposal for inclusion of a particular bush nursing hospital as falling within the definition of "remote". However, I did not reject out of hand the proposal from the association and I have invited it to return to me if it wishes to make a case for a particular hospital to be classified as falling within a relaxed definition of "remote"; I would then be prepared to consider it.

Since that meeting I have received a letter from the association stating that submissions are being prepared by some agencies for my examination.

The second matter raised by the association was not mentioned in debate in the House. The association sought reimbursement of the cost of treating public patients admitted for genuine emergency treatments. The association particularly mentioned the situation at Heyfield, at Neerim and at Warley Hospital on Phillip Island — the last being because of the motorcycle grand prix when specific assistance was given to enable that hospital to meet any emergency should it arise. Similarly, at the

Neerim Bush Nursing Hospital — a hospital that we are becoming increasingly familiar with —

Hon. W. R. Baxter — That is not in my electorate, but it is a very nice one.

Hon. R. J. Long — Neerim South.

Hon. M. A. Lyster — Yes. That has to deal with emergency accidents occurring in the snowfields in winter and those resulting from bushwalking activities in the summer. Also, occasionally Heyfield has accidents involving the logging industry.

I have asked the association to give me evidence of the incidents of emergency situations in those three areas and I am prepared to look at the possibility of reimbursement of the cost of treating public patients for genuine emergency treatment. However, it was agreed by people from the association that there would have to be a fair presentation of material from those three hospitals or others that believe they could claim to be providing public emergency treatment in genuine cases of need.

Hon. K. I. M. Wright — What would you do with unexpected childbirth?

Hon. M. A. Lyster — Usually one has a little bit of notice, in fact, about eight and a half months! It does not strike one down suddenly. Mrs Tehan knows that even better than I do, but I think we both know what Mr Wright is trying to say.

Hon. M. T. Tehan — Sudden onset of labour.

Hon. M. A. Lyster — I knew Mrs Tehan knew better than any of us. Similarly the association was concerned to have the government consider reimbursement for the cost of ambulance escort for public patients transferred from bush nursing hospitals to public hospitals. Again that is an issue between Neerim South and Warragul. They have been invited to provide evidence of cases of that and certainly I shall consider those.

The four issues I have been asked to consider are under examination. One is the provision of palliative care. I believe Rainbow is one hospital that is providing palliative care services and is receiving a grant to assist with that. The association sought financial support for bush nursing hospitals to provide palliative care services to their respective communities. I have made it a practice of referring any proposals for new palliative care services to the Palliative Care Council to ensure a coherent,

planned approach to palliative care. Therefore, I have referred that proposal to the council for its examination.

Hon. B. A. Chamberlain — Is that chaired by Margaret Ray?

Hon. M. A. Lyster — Yes, and I look forward to receiving the council's advice on the merits of either the general consideration of bush nursing hospitals as providers of palliative care or, as I anticipate, the examination of a particular centre as an appropriate place for such funding to be granted.

I believe, as does the Victorian Bush Nursing Association, that there was significant agreement under the general category of concerns about hospitals. If I read correctly the letter I received after our meeting there was also considerable satisfaction with the response the association received from the government.

The last issue raised concerned the provision of aged care services, the decanting of State nursing home beds and the possible role for bush nursing. That comes back to the point I made earlier in my contribution about commending various hospitals for the way they have approached the challenge of role conversion. A reading of my earlier contribution will make it clear that significant changes have already been made.

Even more heartening are the changes going on at the moment. It is worth putting on record the construction being undertaken in these communities to ensure the appropriate provision of services. They are building on existing services. They have also been examined with an eye to ensuring financial viability of the provision of health care in the towns and also the health needs of the communities. Euroa has a 15-bed nursing home extension and Mirboo North is building a 25-bed nursing home and an additional 15-bed hostel wing.

Hon. Rosemary Varty — That is no good if there is no funding to run them.

Hon. M. A. Lyster — Mrs Varty, these people have done a careful assessment of the health needs of their communities and the funding available for them, and they are convinced and, where they have consulted with us, we agree that there is funding to enable those services to be financially viable. I am not sure whether Mrs Varty is suggesting those committees are building hostels and nursing home beds without having the funds.

Hon. Rosemary Varty — I am not suggesting that but I think you must have done some special deal on the running costs of them.

Hon. M. A. Lyster — No, they have done their figures and believe appropriate funding is available. When work on the 25-bed nursing home and the 15-bed hostel wing is completed at Mirboo North the acute hospital will reopen 5 acute beds. Other provisions are: Nagambie, a 20-bed hostel; Violet Town, a 21-bed hostel; Gisborne, a 30-bed hostel; Natimuk, a 10-bed hostel; Charlton, a 5-bed hostel and Pyramid Hill, a 7-bed hostel. There is a shortage of hostel accommodation across the State but especially in country Victoria and I commend the hospitals that have recognised that as the sort of service being sought by their communities.

Three nursing home extensions are under construction: a 10-bed nursing home extension is being built in my electorate of Chelsea; and 6 new nursing home beds are being provided at Pakenham and also at Neerim South. I am equally pleased to say that we have approval in principle from the Federal government for more hostel provisions, including the most recent one for a 28-bed hostel at Yackandandah. That is another area in which the committee of management has been working closely with the regional office. What will be achieved in Yackandandah is most commendable.

Hon. M. T. Tehan — Yackandandah has 17 beds; yield to date, daily average, 12.7.

Hon. M. A. Lyster — This is a wonderfully cooperative effort in this debate. Yackandandah will have a commendable and interesting mix of services with 7 acute beds, 10 nursing home beds and 28 hostel beds. Obviously it has done its figures and believes it will be financially viable. What is equally as good is that it will provide a range of services appropriate to the needs of that community.

Hon. B. A. Chamberlain — Natimuk lost all its acute beds; it will have to close.

Hon. M. A. Lyster — I certainly hope Mr Chamberlain, the people of Natimuk and I will be successful in our attempts to get the necessary approvals from the Commonwealth —

Hon. B. A. Chamberlain — Unfortunately it is not looking good.

Hon. M. A. Lyster — That is unfortunate. I genuinely regret that, but I do not believe that all is

lost. The role conversions a number of bush nursing hospitals have undertaken is commendable. If I can assist the hospitals at Natimuk, Yackandandah and other areas to work through a role change with their community I shall be pleased to do so. It is not always easy to do because people have been used to having a certain type of service in their town and they become concerned when that is changed. I learned that fact well in the community of Elmore, and it is important that people are assured that any changes will be for the long-term benefit of their communities.

Having gone through the matters that I discussed with the Victorian Bush Nursing Association, I shall give an assurance to individual committees of management that they should feel free at all times not only to talk to their neighbouring hospitals but also to draw on the regional knowledge of officers of Health Department Victoria who will continue to offer whatever assistance they can. That assistance is offered because the government believes the network of health services that is provided is important.

Having said that, I shall now deal with the wording of the motion and, regretfully, I cannot accept it. Although there is significant agreement on a number of issues concerning the future of bush nursing hospitals, some expressions used in the motion mean that the government will not be able to support it.

The first objection I have is that the blame is laid directly on government policies of the past 10 years. The motion reads as though it is solely government policies that have contributed to the decline in occupancy. I have been through a number of factors which I believe have had an impact on the way bush nursing hospitals operate, and I make no apology for the improvement in services available at base hospitals and district hospitals. That improvement means that a lot of people are choosing for a range of reasons, including quality of care, to use the services of district and base hospitals where more specialists operate.

The government cannot accept that the decline in the occupancy of bush nursing hospitals is as a direct result of government policies. I have no argument with the words in the first part of the motion, which seeks acknowledgment of the role of bush nursing hospitals in providing essential health services. I acknowledge the way in which bush nursing hospitals have served the community of Victoria in the past and I commend a number of bush nursing

hospitals and their communities for the way they are looking to the future and I reiterate the value of the link between the public and the private sector.

I agree with Mrs Tehan that we have a dual system of health services and that it must be accepted that the private sector has an important and ongoing role to play. Victoria has an excellent network of essential public health services throughout the State and the network is getting better all the time. I look forward to bush nursing hospitals continuing to play their part in that network.

However, the government has major difficulties when it comes to the second part of the motion. I have addressed the issue of the leasing of public beds and the willingness to examine the reimbursement for public patients in an emergency and the question of the cost of ambulance transfers. However, I take issue with the arguments presented that Federal government financial incentives will answer all the problems. That part of the motion asks the government to urge the Federal government to give financial incentives to people without private health insurance.

A lot has been said over the past six months about the role of private health insurance and the way the Federal government together with the States should approach the new Medicare agreement. As I have said publicly many times in this House, it is no secret that the Federal government has to provide significantly increased funds if it expects the States to efficiently fulfil their constitutional responsibility to provide public hospital services.

The House is aware that at the last health Ministers conference, I was vehement in the belief that the Federal government had to recognise the significant pressures that Victoria and every other State was feeling for a range of reasons. I am most disappointed with the response of the Federal Minister to the things that were said by all State Ministers.

Although I was not invited to be part of the seminar today — as far as I can recall, my only knowledge of it was when I received the brochure advertising it — I would probably have significant sympathy with the health Ministers from Western Australia and New South Wales because we shared similar concerns at the health Ministers conference. We share the belief that the Federal government must respond in a better way than it has to date.

If one can go on what the Federal Minister has been saying in the media since the conference, it appears that he believes all hospitals simply have to improve their productivity. When I have discussed that response from the Federal Minister with the Victorian Hospitals Association and individual hospital management they have been particularly incensed at the implication that there is a great deal of fat in the system. That is no longer the case.

Health agencies, hospitals, hospital management and hospital workers have responded incredibly well, particularly over the past two years, to the demands that have been placed on them. In my Ministerial statement made to the House last week, I acknowledged the tensions that exist in the system and thanked all of those who had worked together to ensure that Victoria could still offer high quality care to its people. However, there has to be an acknowledgment, not just in the new Medicare agreement in the middle of next year but also in the 1992-93 financial year, that State health systems can no longer carry the burden of increased pressure without more generous and appropriate assistance from the Federal government.

The Premier and I will continue to put that view. Certainly it is a view that will again be shared among the Premiers at the Premiers Conference in a few weeks time. What is being talked about here is private health insurance. Private health insurance certainly constitutes one of the pools of funds at which we should be looking. Equally, a pool of funds is available through the Medicare levy and a pool of funds derived from general taxation is available to public hospitals through the Medicare agreement. The levy provides only 25 per cent of funding.

That position was initially put by all health Ministers — until a couple of Ministers said at the end of the conference — when we said that all the available resources had to be examined objectively with a view to finding the most appropriate way to meet the unprecedented demand that the State public hospital systems are facing, and I include the health insurance funds in that. One of the papers on the national health strategy said that it would be foolish to ignore that large amount of money that forms part of the available resources.

Towards the end of her contribution, Mrs Tehan said that the answer may be to examine the Private Hospitals Association proposal, and also the Private Health Insurance Funds proposal. I do not, however, see much hope in the Fightback package. I do not

believe the sums have been done properly. I have a major concern about the proposals that have been put by the Federal coalition in the Fightback package. My interpretation is that it would add enormously to the burden on public hospitals.

Hon. R. I. Knowles — What nonsense!

Hon. M. A. Lyster — If you do the calculations you will find that the level of insurance that people would be required to take out would fund them only for a private bed in a public hospital. It does not provide them with a level of insurance to enable them to seek treatment in a private hospital.

Hon. M. T. Tehan — We are looking at the intermediate and the top table.

Hon. M. A. Lyster — I may pursue that with you, Mrs Tehan, on another occasion, but at the moment I do not see that the Fightback package provides any option at all. We believe the correct answer to the situation that is being faced by the State health system may be to include an examination of the use of health insurance funds. I do not believe there should be a financial incentive to people without private health insurance. On the most general costing it would cost at least \$1 billion to fund a tax incentive to encourage the Australian community to take out private health insurance. The impact may trickle through to the public hospital system when some people moved on to the private system. I am confident that if the Federal government were to inject \$1 billion directly into public hospitals across the country we would have the resources to meet the needs of the people regardless of their means. That last point is extremely important and it is the reason why I, like the Federal Minister for Health, Housing and Community Services, Brian Howe, despite any problems that may exist with the public hospital system, retain our support for the Medicare system.

We have heard comments made by the Federal opposition, such as the comment by Senator Herron, the past president of the Queensland branch of the Australian Medical Association, who said how terrific the United States health system was.

Hon. M. T. Tehan — He is not a senator!

Hon. W. R. Baxter — Is he one of us?

Hon. M. A. Lyster — In praise of the United States he says:

It is one of the best in the world for those who can afford it.

He is quite right. It is the best for those who can afford it but by advocating this incentive for private health insurance the opposition here and in Canberra is seeking to create two classes of people — those who can afford quality health care and those who cannot. I cannot support a proposal that might lead us down that sort of path.

Hon. M. T. Tehan — You have a class and a subclass at the moment.

Hon. M. A. Lyster — It has become obvious during the past few minutes that although there is significant agreement on much of what faces Australians and Victorians in providing appropriate resources for our health system — in this case the bush nursing hospitals — when we come to the fine details of how it will be achieved, there is a significant parting of the ways.

Paragraph (b)(i) of the motion is inappropriate because it would give financial incentive to people without private health insurance to remain uninsured. That is not the answer. There needs to be a significant rewrite of the Medicare agreement and there has to be a significant increase in the level of Federal funding of the Medicare agreement if it is to continue to provide quality care to Australians, but I believe financial assistance should come directly to the States rather than by the circuitous route of financing people to take out private health insurance.

The issues raised in the motion are extremely important. I assure bush nursing hospitals of the government's continuing willingness to work with them to solve particular issues as they arise. I am appreciative of the productive discussions that I have had not just recently but over the past year with the Victorian Bush Nursing Association, and I assure the communities that have been so well served by the bush nursing hospitals that where changes are proposed, those changes have been closely examined by their committees and are worthy of support because they will ensure the provision of appropriate and financially viable health services in the years to come.

Hon. R. I. Knowles (Ballarat) — The Minister's response is like the curate's egg: good in parts. The opposition welcomes the undertaking given by the Minister to the Victorian Bush Nursing Association to further examine a number of issues so far as that goes. The opposition will continue to monitor the

government's response and will be doing its utmost to ensure that during the remainder of its political life the government does what it can in the area nominated by the Minister of emergency administration procedures to ensure that some mechanism is in place to ensure that those who are admitted in cases of genuine emergency without private health insurance are able to be reimbursed for the cost incurred in their treatment.

Reference was made in the submission by the Victorian Bush Nursing Association to the Victorian Palliative Care Council. We trust the Minister has requested that the council look expeditiously at that submission.

Hon. M. A. Lyster — I hope to be getting an answer this week.

Hon. R. I. KNOWLES — Thank you, Minister. In respect of decanting HACC funding, the Bush Nursing Association has a slightly different understanding of the Federal government's approach from that of the Minister. It believes the Federal government was more sympathetic and supportive and feels the difficulty may be at the State level.

Hon. M. A. Lyster — Mainly because we work through local government, unlike any other State.

Hon. R. I. KNOWLES — I understood the Minister to be saying that the Federal government opposed it. I might have misunderstood the Minister.

Hon. M. A. Lyster — The Federal government is opposed to us working with local government on HACC. That is our current arrangement.

Hon. R. I. KNOWLES — I thought you were saying, Minister, that the Federal government is concerned about providing direct funding to some other body.

Hon. M. A. Lyster — To an umbrella body.

Hon. R. I. KNOWLES — In its discussions with the Federal government the Bush Nursing Association has adopted a different perspective of the Commonwealth's attitude. We welcome the government's response to those particular points and we will hold it to that response. The Minister's response failed to acknowledge the dire financial crisis many of these bush nursing hospitals are facing. We understand that 8 to 10 of the 32 bush nursing hospitals are in dire financial straits. That is

a very high proportion. Their concerns need to be addressed immediately rather than in the longer term.

I turn to the need for incentives for people to keep private health insurance. The Minister fails to understand that the number of Australians covered by private health insurance is continuing to decline.

Hon. R. A. Mackenzie interjected.

Hon. R. I. KNOWLES — A combination of both the recession and the double taxation component where they pay the Medicare levy and private health insurance over and above that is leading to a continual decline in the number of people covered by private health insurance. It is not a matter of spending more money. This situation is contributing to an increasing crisis. The Minister talked about a one-class system. The government's own figures show that 26 000 people are on waiting lists. The government has had to distort the criteria for establishing the definition of a patient on a waiting list simply to get the figures down. There is not one millionaire among that 26 000; they are all poor Victorians. That is the point. The Minister talked about a one-class health system. By interjection Mrs Tehan said we have a subclass, the poor in Australia.

It is a nonsense to talk about establishing a two-class system to encourage private health insurance. Our view is very clear: those who can afford to take out private health insurance ought to be encouraged to do so in order for those who cannot afford it to get ready access to the public health system. When Medicare was introduced the then Prime Minister, Mr Hawke, boasted on national television that he had dropped his private health insurance and was relying on Medicare, but that only meant that if he required treatment in a public hospital he would be able to get it at the expense of a poor person who did not have the financial means to take out private health insurance.

Mrs Tehan indicated that this morning she attended a rally which was addressed by the Labor health Minister from Western Australia who flew to Melbourne to speak. That is how important he thinks this question is. He resisted the enormous pressure applied by Brian Howe and the Federal government to dissociate himself from the campaign to get some recognition that the health system is in crisis. Brian Howe has made it abundantly clear that the Federal government is not going to provide more funds to the States for the management of their

public hospital systems; therefore, there needs to be a commitment on the part of the government to join the campaign. The Minister comes close to at least indicating that she understands some of the problems but when it comes to taking that final step of joining the campaign the Minister runs a million miles. We suspect this is because John Halfpenny could not bear to have a Labor Minister for Health publicly saying Medicare is a fraud. To be forced to acknowledge that Medicare is not the solution to the management and structure of health care in this country strikes at the ideological commitment of this government.

We are disappointed that the Minister does not fully embrace this motion. The suggestion that pressure be brought to bear on the Commonwealth government to provide increased incentives for private health insurance is one aspect of the approach we suggest will help bush nursing services in Australia. There is not one single solution to the problem. A number of strategies needs to be put in place, and they have been addressed by the recommendations of this motion. We welcome the Minister's contribution, so far as it went towards finding some solutions, but the initiatives she mentioned will not be enough to save this wonderful service that has been developed over many years. They are certainly totally inadequate in assisting the eight to 10 centres that are in immediate dire circumstances. Some very small initiatives have been taken but they are insignificant for the survival of these hospitals.

I commend the motion to the House and I indicate that the opposition will continue to pursue these matters. We recognise the great service the Bush Nursing Association has provided and continues to provide to many communities throughout the State. Bush nursing will continue to play a great role in the delivery of health care in Victoria.

House divided on motion:

Ayes, 23

Ashman, Mr	Knowles, Mr
Baxter, Mr	Lawson, Mr
Best, Mr	Long, Mr
Chamberlain, Mr (<i>Teller</i>)	Mackenzie, Mr
Connard, Mr	Miles, Mr
Cox, Mr	Skeggs, Mr
Craige, Mr	Smith, Mr
de Fegely, Mr	Storey, Mr
Evans, Mr	Tehan, Mrs
Guest, Mr (<i>Teller</i>)	Varty, Mrs
Hall, Mr	Wright, Mr

Hallam, Mr

Coxsedge, Mrs
Crawford, Mr
Davidson, Mr
Henshaw, Mr (*Teller*)
Hogg, Mrs
Ives, Mr (*Teller*)
Kennedy, Mr
Kokocinski, Ms

Birrell, Mr
Macey, Mr

Noes, 16

Landeryou, Mr
Lyster, Mrs
McLean, Mrs
Mier, Mr
Pullen, Mr
Theophanous, Mr T
Van Buren, Mr
Walker, Mr

Pairs

White, Mr
Sgro, Mr

Motion agreed to.

VICTORIAN HEALTH SYSTEM REVIEW

Debate resumed from 20 May; motion of Hon. M. T. TEHAN (Central Highlands):

That the Ministerial statement and final report be taken into consideration forthwith.

Hon. R. A. MACKENZIE (Geelong) — When the Ministerial statement and the Brand report were tabled last week I was surprised that Mrs Tehan immediately launched into debate on the matter; I had anticipated there would be a week's delay to enable honourable members to examine the report and Ministerial statement. I thank the Minister for allowing me time so that I could say a few words on this very important matter.

I distributed the report among health workers in the Geelong region. They examined the report and Ministerial statement over the weekend and provided me with some background notes on the views of people employed in the health field in Geelong.

The Brand report was long awaited — it was the first review of the health system for 50 years! I suspect that all honourable members have received many representations from constituents concerning problems in the health system. The health system review was conducted over a long period and was awaited with great eagerness not only by health workers but also by others involved in the health system.

Geelong is fortunate enough to have an excellent public hospital and other health services, and its local members of Parliament work together closely

and have regular meetings with people from the health system institutions in Geelong.

The Brand report is an important document. It was interesting to read the government's response to it. I shall now apprise the Minister of features of the report that are either supported by or are of concern to people in the Geelong region. The first paragraph on page 3 of *Victorian Health System Review Final Report Executive Summary* says:

The review has found that the existing structure is top heavy, too centralised and involves too much role confusion among its various elements.

No-one would disagree with that statement. Most would recognise that it is the key to the recommendations that follow.

In respect of the financing system it was generally considered by the people with whom I consulted that it would be appropriate to trial case-mix funding, as referred to in paragraph 5 on page 3 of the executive summary. Although that concept has problems it appears to be better than the system that currently exists.

The first paragraph on page 4 of the executive summary deals with community health centres, and most people to whom I spoke recognise that community health centres have an important role to play and that there is a need for that role to be expanded. I point out that community health centres face difficulties because many doctors feel threatened by them; they see them as opposition to their private practices. It does not matter what sort of structure is in place, there will always be opposition to some degree to community health centres. It was generally felt that the recommendations on community health centres should be supported, but the dangers were also pointed out. I can speak only of the community health centres in Geelong, which operate very well. We all know that in different parts of the State there have been problems with some community health centres because they have not had the right committee of management in charge of them. Nevertheless, if the government keeps a close watch on the centres it has the power to step in, take over and remedy any of the problems that occur.

Page 4, paragraph 4 refers to the need for evaluation. It is all very well to say there is need for evaluation, but who undertakes the evaluation? There is a lot to be said for a structure of evaluation outside Health

Department Victoria based at one of the university departments.

Hon. M. A. Lyster — That was part of the community health task force recommendations.

Hon. R. A. MACKENZIE — Yes. Paragraph 6 at page 4 refers to the devolution of the central health department's functions and states:

The Health Department Victoria's (HDV) role in direct service delivery should be phased out, including the continued integration of psychiatric services within the general health system.

It was felt that it may be inappropriate to send some of the workers out into the regions. That should be looked at, but no-one was against regionalisation.

I should like to put my personal view in regard to regionalisation and to Health Department Victoria. The first department that went through major regionalisation was the Department of Education prior to the government being elected in 1982. It was a disaster because the central bureaucracy would not release full control of the regions. The government of the day set up a third tier of bureaucracy but people still had to get decisions made upstairs before they could get to that other tier of bureaucracy.

When I had the fortune of being the Minister for Conservation, Forests and Lands I regionalised the department, but I did not want to fall into the trap that the Department of Education had. If one is fair dinkum about regionalisation then one must give those in the regions power to make decisions — that is what we did. I encountered immense antagonism from the upper echelons of the department in trying to get them to relinquish that power. In the first year the department transferred 150 positions from head office into the field. I do not think Health Department Victoria or the Minister for Health fell into the same trap as the Department of Education.

I am pleased that the present Minister and this review will transfer that power into the community. I commend her for that and also the workers in Geelong. The Minister has realised the department has fallen into a trap, but, following this review something will be done.

At page 5, paragraph 4 states:

Appropriate funding, statutory and/or administrative mechanisms at a State and regional level to ensure the

protection of psychiatric, community-based and extended care services throughout the State.

It is sensible to accept appropriate funding in that way. The method of protection, however, is not spelled out. Concern was expressed about the underfunding of psychiatric services and the poor career prospects of people who work in that branch of medicine. At page 6, paragraph 4 talks about case mix funding and states:

Central to the reviews assessment of financial management issues is its recommendation for the introduction of a system of recurrent funding based on rewarding efficiency as reflected in measured outputs.

There was some confusion about that; people were puzzled at what was meant by funding based on rewarding efficiency as reflected in measured outputs. They did not understand what the government meant by reward. They thought it would be better to penalise those who did not reach the measured outputs and felt that the particular recommendation should be spelled out.

At page 6, paragraph 8 refers to regional capital planning boards. One of the major problems is that it does not talk about private hospitals. We talk about public scrutiny but if one is to talk about public scrutiny one must talk about the whole of the health area. For example, the St John of God Hospital in Geelong is duplicating services that already exist. They say that with the limited amount of funds available why should there not be further controls and why did not the Bland review look at including the private sector also? Duplication of services is a waste of funds. That is a valid criticism.

At page 7, paragraph 1 refers to the introduction of regional capital planning boards. It is impossible to separate private projects from Health Department Victoria projects. If one is talking about funding for a particular reason, one must also look at what the private sector is doing as well as the public sector.

At page 11, recommendation No. 23, refers to a lack of expression of who takes responsibility and how it is done regarding agencies that are providing continuing care to patients with major disabilities. They should give consideration to developing care for each person. It is believed there was a lack of expression by Health Department Victoria and its agencies about who took responsibility for that and about how it should be done. At present there are problems with the care plans for people with intellectual disabilities.

Recommendation No. 24 refers to a detailed independent assessment of major hospital amalgamations. It is believed the question of amalgamations of large institutions is a major issue that requires far more than the consideration of the Chief General Manager of HDV; it requires people outside the department and the government to examine the rationale before any amalgamation is proposed. I agree with the thoughts on that issue. I suggest the government should adopt that advice.

Recommendation No. 26 refers to research to be undertaken on health outcomes after a patient is discharged from hospital. Many people have expressed concern that people who are doing research should be competent to do it. The track record within Health Department Victoria and Community Services Victoria has not always been good in the past. They believe some of the people involved in the past have not been up to the task.

Another major concern is expressed in recommendation No. 48, which proposes that small advisory units be established in the Department of Community Dentistry and the Department of Paediatrics in the University of Melbourne to provide professional support for activities devolved to community health centres. One person I have spoken to expressed personal concern that HDV has repeatedly used the Department of Paediatrics at the University of Melbourne to give it expert advice. Many people in the field believe strongly that is inappropriate, and without going into personalities they believe over the years very bad advice has been given. It has been suggested that it would be appropriate for the Victorian branch of the Australian College of Paediatrics to be approached because it can make sure the best people are selected rather than using the old boy network.

Those are some of the concerns that have been expressed to me. I recognise that I have not had the opportunity of getting all the material together for the Minister, but I hope my contribution will allow her to judge what those people have said. They have made genuine and constructive criticisms. I was surprised to hear the opposition's strong attack on the final report entitled *Victorian Health System Review*. I did not hear similar views from the people in Geelong who spoke to me. Although they believed the report could have been a little stronger, there was no criticism like that of the opposition. If I were to make a judgment on the view of my constituents, I would say they found it acceptable. There were no surprises but they expressed concern about certain areas. In general I believe the people I

have spoken to were happy with the results of the review. It will lead to some fundamental changes that will be better for the health system. I hope some of the points they raised will be addressed by the government. I thank the Minister and the House for the opportunity of making this contribution to a very important debate.

**Debate adjourned on motion of
Hon. D. E. HENSHAW (Geelong).**

Debate adjourned until next day.

CLASSIFICATION OF FILMS AND PUBLICATIONS (AMENDMENT) BILL

Second reading

**Debate resumed from 6 May; motion of
Hon. J. V. C. GUEST (Monash).**

Hon. M. A. Lyster (Minister for Health) — As Mr Guest said in his contribution, this is a short Bill and one may well have anticipated that it would be uncontroversial. If one examines its implications it is not quite as straightforward as Mr Guest would have us believe. Clause 1 sets out the purpose of the Bill and states:

The purpose of this Act is to remove a loophole in the Principal Act which permits the unrestricted sale and display in Victoria of publications which are unsuitable for minors.

The provision requires one to examine the current definition of "objectionable publication", which is the phrase used in clause 4 and which the Bill seeks to amend. The Classification of Films and Publications Act contains the following definition:

"**Objectionable publication**" means an unclassified publication that —

- (a) describes, depicts, expresses or otherwise deals with matters of sex, drug misuse or addiction, crime, cruelty, violence or revolting ... phenomena in a manner that is likely to cause offence to a reasonable adult person; or
- (b) depicts or describes in pictorial or other form a child (whether engaged in sexual activity or otherwise) who is, or is apparently, under the age of 16 years in a manner that is likely to cause offence to a reasonable adult person; or
- (c) promotes, incites or instructs in matters of crime or violence; or

(d) has been refused classification.

Under the Act it is an offence to advertise for sale, sell or distribute, exhibit or display an objectionable publication in a public place, or in such a manner that it is visible or audible to persons in a public place. Those and other related offences carry penalties of 240 penalty units or two years imprisonment. Honourable members must bear in mind that that is the penalty the coalition wants the House to put into the legislation.

The alleged "loophole" to which the coalition refers is this: under the current voluntary classification arrangement it is not an offence to sell or exhibit unclassified material unless that material is "objectionable to a reasonable adult". Material submitted to the Chief Censor may be classified as "Category 1" on the ground that it is not suitable for perusal by a minor even though it is not considered to be objectionable to a reasonable adult. We must be clear that it is an offence to sell "Category 1" publications to children. If the material is unclassified but would, if submitted, be classified "Category 1" because it is not suitable for perusal by minors, no offence is committed unless that material is also objectionable to a reasonable adult.

With the amending Bill the opposition is seeking to add the concept of suitability for perusal by a minor to the existing definition of objectionable publications. There have been claims made by the opposition that the definition of "objectionable publication" in the Act is in conflict with what is found in the Australian Capital Territory (ACT) classification of publications ordinance. The definition of "objectionable publication" mirrors that found in the ACT ordinance. The Victorian offence also mirrors the ACT offence. In claiming there is a difference between the Victorian offence and the ACT offence, the coalition has confused the offence criteria with the classification criteria used by the Chief Censor under the ACT ordinance.

The effect of the change being proposed by the opposition — and this is where the government has to assume the opposition did not think through the implications of its amendments — would be to put thousands of bookshops, newsagents and libraries at risk of committing a criminal offence on the basis of an after-the-fact finding by a court that some book, magazine or newspaper, or part of such a publication, contained material that was unsuitable for children. As one who was a librarian at an earlier stage of my life, when that implication was pointed out to me, I was most concerned. I could see that the profession of librarianship would be most

apprehensive about the implications of the possibility of committing a criminal offence in the normal course of duty.

It is the sort of concern that has been shared by publishers of magazines and newsagents. The existing national classification of publications scheme already contains workable safeguards in relation to suitability for children. If the government thought the opposition's proposal were necessary it would look more favourably on it. However, having investigated the existing safeguards and possibilities of protection in this area the government believes there are workable safeguards in place.

The Act adopts the Australian Capital Territory's classification of publications ordinance of 1983 and thereby also adopts the decisions of the Chief Censor on the classification of publications. Only where the censor decides a publication is not an objectionable publication and is not unsuitable for children will it be classified as being unrestricted. Section 34 of the ordinance to which I have been referring sets out the criteria for classification which includes a number of considerations about suitability for and effect on children. That is the matter that the opposition's Bill purports to amend or correct. It states:

The censor shall, in considering whether a publication is an objectionable publication, or is suitable for perusal by a minor, have regard to the standards of morality, decency and propriety generally accepted by reasonable adult persons.

The censor shall give effect to the policy that: —

- (a) adults are entitled to read and view what they wish; and
- (b) all persons are entitled to protection from exposure to unsolicited material that they find offensive.

The censor have regard to —

- (a) the person or class of persons to or amongst whom it is published or is intended or likely to be published;

That is the likely target audience —

- (b) the conditions (if any) subject to which it should be published.

I turn now to the implications and practical effect of the proposed amendment. The coalition is proposing that an interpretation by the court of "suitability for children" should be the basis of a prosecution that can attract a sentence of two years imprisonment. That is particularly important. This is not something

that should be taken lightly; the offence will carry a term of imprisonment of two years.

Hon. J. V. C. Guest — Like dangerous driving!

Hon. M. A. Lyster — What is considered unsuitable for perusal by children is a potentially enormous, ill-defined category because any one of us in this Parliament, those of us who are parents, would have differing views on what we would be comfortable about our children looking at. For example, there may be parents in this House who would be concerned about their children reading articles about the Bangkok riots, AIDS or an article about famine in Ethiopia. Other parents may be concerned about certain issues that are published in magazines such as *Dolly* that deal with incest, masturbation, rape, contraception, and a whole range of things that are objectionable or considered to be unsuitable by different people.

It is not possible to be comfortable with the interpretation of that clause. When you think of the people who would have to rely on placing their own interpretations on that definition I become even more concerned. Earlier I referred to the way the librarianship profession would be required to respond. Similarly, prudent newsagents may feel compelled to put almost all their magazines in plastic bags placed where they cannot be perused by children, and refuse their sale to children. Few bookshop owners could be sure that their stores were places where children could browse or peruse comfortably without taking various precautions, because a bookshop owner could face prosecution over almost anything ranging from a Jackie Collins novel to literature by D. H. Lawrence.

Similarly, libraries could not ensure that no child would have access to material that might be considered unsuitable for perusal. I can draw on my experience from working in school libraries some 15 years ago when children's literature seemed to be undergoing a marked change. I was surprised at some of the books that were brought to me by booksellers because at that stage they were coming to me under the guise of children's literature. I have since found that what I found surprising 15 years ago is not considered to be of the least concern to teenagers or sub-teenagers today.

Hon. Robert Lawson — Did you ban poor old Noddy?

CLASSIFICATION OF FILMS AND PUBLICATIONS (AMENDMENT) BILL

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Hon. M. A. LYSTER — No, I did not. Noddy was not popularly sought after in the school library where I worked.

Librarians, certainly in school libraries, would be continually placed in a quandary on how to deal with literature already on their shelves and possible new purchases. The current national classification scheme is based on the principle — and earlier I went through some part of the principles — firstly, that adults are entitled to read and view what they wish; secondly, that everyone is entitled to be protected from exposure to unsolicited material they find offensive; and thirdly, that children should be protected from material that is likely to harm them.

The criteria are in existence under the current national classification scheme. The policy decision to establish the scheme on a voluntary basis was made many years ago. The government does not claim that the scheme is complied with 100 per cent because any voluntary scheme will always result in some non-compliance.

However, the government maintains that the proposal contained in the Classification of Films and Publications (Amendment) Bill is not appropriate. To force publishers, distributors, newsagents and second-hand book dealers to submit literally tens of thousands of publications each year for classification by threatening them with conviction of committing a serious criminal offence is neither desirable nor practical.

Hon. B. A. Chamberlain — We are going to give you the job of classifying them!

Hon. M. A. LYSTER — I hope Mr Chamberlain has done his sums on how much such a scheme would cost. The government maintains that the cost of appointing the required additional classification officers would be staggering.

Another cost that must be considered is the enormous cost that will have to be met by businesses that will have to restructure their stores. The opposition is loud in expressing its concerns about small business but if booksellers and newsagents had to ensure that children were not able to gain access to, peruse or browse through certain material for fear of what they may encounter, the cost to small business in particular would be astronomical.

I have referred to the implications of the Bill and the concerns of the government.

It is obvious also that the opposition has not introduced the Bill because the matter has been directed to their attention by members of the industry. During the limited time available to government members to consult with affected parties, it has been apparent that the opposition did not consult with anyone. When one considers the response from the opposition if I try to put anything before the House in respect of my portfolio of health about which full consultation has not been undertaken with the various players in the industry, it seems somewhat ironic that the opposition's Bill provides no evidence of consultation with the industry. Certainly, Australia's largest distributor of magazines, Gordon and Gotch Ltd, Australia's largest publisher, Australian Consolidated Press Ltd, and the Victorian Authorised Newsagents Association have not been consulted about the Bill.

The chief executive of the Victorian Authorised Newsagents Association has said:

If the existing process does not work, it is not an appropriate response for governments to shift the burden of censorship on to the retailer, in this case newsagents. It is even more inappropriate to propose that, having appointed newsagents as arbiters of public taste, if a member of the public disagrees with the newsagent's judgment and is offended by some publication that the newsagent is selling in good faith as the agent of the publisher, that the newsagent should be liable to prosecution.

What is evident is all-round condemnation of the opposition's proposal. The government does not consider the Bill merits the concern expressed in Mr Guest's second-reading speech. The national classification scheme has been set up to allow any person to submit, free of charge, any publication for classification. The system has not been established solely for the use of publishers and distributors. It is a scheme freely available to all consumers, that is, any person who is aggrieved by the display, cover or content of a publication has the capacity to notify the Chief Censor of the objection. If the material submitted is not, in the opinion of the Chief Censor, suitable for children, that ground alone will warrant a category 1 classification. Anyone then selling the publication in breach of the category 1 condition will be liable to prosecution.

The opposition may claim that it is all very well to have rules and a capacity available, but that the system is not used. I remind honourable members that it is used. Indeed, only a few weeks ago the mechanism was used and the result desired to be

achieved by the complainants was achieved. Following a significant community campaign conducted against *People* and *Picture* magazines, the voluntary system operated as it was intended to operate. After public complaints and the classification of two issues of the magazines as "Restricted", Australian Consolidated Press — in keeping with the voluntary nature of the process — agreed to submit all future editions of both publications for classification prior to printing. The government maintains that what exists in the area at the moment is working.

Mr Guest said in his second-reading speech that what the coalition wants is to have publications unsuitable for perusal by minors submitted to the censor. That can be done now; it is not necessary to legislate for it. Mr Guest, or any other member of the public concerned about the impact of any material available in the community, is at liberty to submit that material to the Chief Censor.

At different times both the government and the opposition have agreed that the Chief Censor is accepted as the expert in determining the classification of such material. The Chief Censor, in applying the classification guidelines in accordance with the Australian Capital Territory ordinance, must take into account the suitability of material for children.

For those reasons, the government will not support the Bill and urges Mr Guest to reconsider the wisdom of seeking to enforce the matter given that the current arrangements are serving the community satisfactorily.

Hon. J. V. C. GUEST (Monash) — I refer to the considered speech of the Minister for Health. The opposition has brought forward the Classification of Films and Publications (Amendment) Bill because the government has neglected to do anything about a growing problem to which its attention has been directed. Possibly in the nature of the busy lives that Ministers and their advisers live, they seem to be ignorant of the grassroots level where children actually buy unsuitable publications. I remind the Minister for Health that when the Attorney-General introduced the original Bill he said that it continues to protect children and young people from material likely to harm or disturb them.

The Classification of Films and Publications Act does not give that protection because it is not true to say that the Chief Censor deals with the matter about which the opposition is concerned. All that

happens is that if he is given material for classification he will consider whether it is suitable for perusal by a minor. The problem at the base of the coalition's position is that material is not submitted to the Chief Censor for classification.

I refer to the penalties that may be imposed. The Minister has said that it is harsh to allow a maximum penalty of two years for endangering children. Recently, however, with the opposition's support, the government has increased to two years the penalty for endangering the physical welfare of people by dangerous driving. These are maximum penalties; one does not expect them to be imposed; thus it would be absolutely unthinkable that a newsagent who had never before committed an offence would be convicted at all if he merely let pass some innocent looking journal that was, nonetheless, quite unsuitable for children. I am sure some fine would be imposed in that case, but the matter of a penalty is a red herring, and if one compares endangering the morals and welfare of children with endangering people's physical welfare, there is a distinction to be drawn such as the Minister suggested, and in each case I remind the Minister that we are not talking about wilful or reckless activity. It may simply be negligent activity, although in the case of publications it is probably motivated by the desire to sell something for money.

Finally, the remedy suggested by the Minister is impractical. The opposition would actually fear the encouragement of vigilante groups to act as protectors of public morals and raid newsagencies, or buy publications and send them off to the censor, but even if they did it, it would be likely to be impractical because the publications would sell out.

No doubt the raids would be well publicised and newsagents all over the State would do good business. The publications may well not be the kind of periodical which can have all its future editions classified by the censor. It may be, therefore, a measure which has to be resurrected every month or every week, or however often new publications appear on the newsstand. It really is not a practical suggestion to say that ordinary citizens should inspect the publications which perhaps their children or other children might buy, and in which a sensible adult might be interested, and then send them off to Canberra.

We do not suggest that the opposition's Bill provides the perfect answer. We have been briefed on the Minister's concerns; we hear and understand them and we desire to keep within the framework of the

national scheme of classification. We certainly do not wish to cause unnecessary inconvenience to libraries or newsagencies or anybody who might be similarly concerned by the operation of the Bill. Generally speaking, we would be most unwilling to see the legislation as being about catching books. Certainly the concerns that have been expressed to us do not relate to books.

As the government so often says to us before introducing a large number of House amendments, in cases where we have had insufficient time to consult with the relevant parties, we are happy to consider amendments the government may wish to propose. Indeed, we would be more than pleased for the government to put forward an alternative scheme for doing what the Attorney-General said his legislation would do.

We would be happy to consider anything to achieve the desired result of protecting children from sleazy publications without requiring everything to be sent to the censors, which we agree is not desirable. However, something must be done. Vigilante groups are not the answer. It would be better if all prudent newsgagents required distributors or publishers to send publications to the censor first for self-protection rather than encouraging a kind of moral outrage which leads to the formation of vigilante groups.

The government might like to consider the insertion of a clause such as:

It is a defence to a charge under the Act that the objectionable material:

- (a) is objectionable only because it is unsuitable for a minor; and
- (b) was not published, sold, displayed, distributed or given to a minor.

There may be other solutions but, remembering that the material we are talking about includes extremely sleazy comics, it has to comply already with the following definition to be an objectionable publication. The publication thus described means an unclassified publication that:

describes, depicts, expresses or otherwise deals with matters of sex, drug misuse or addiction, crime, cruelty, violence or revolting or abhorrent phenomena in a manner that is likely to cause offence to a reasonable adult person;

or be unsuitable for the perusal of a minor.

Other parts of the definition are important but less likely to be effective in this case so I suggest that, if at present it is impossible to do anything definite apart from the impractical suggestions the Minister has made about material unsuitable for children, which deals with "crime, cruelty, violence or revolting or abhorrent phenomena", the provision would be worth while. Even though it may encompass some material that is not harmful, Parliament could take the view that something had at least been done in the interests of our children.

The opposition has put forward a modest proposal that, if the government is seriously concerned about getting it right, it should put its resources to work.

House divided on motion:

Ayes, 23

Ashman, Mr	Hallam, Mr
Baxter, Mr	Knowles, Mr
Best, Mr (<i>Teller</i>)	Lawson, Mr
Birrell, Mr	Long, Mr
Chamberlain, Mr	Macey, Mr
Connard, Mr (<i>Teller</i>)	Miles, Mr
Cox, Mr	Skeggs, Mr
Craige, Mr	Smith, Mr
de Fegely, Mr	Storey, Mr
Evans, Mr	Tehan, Mrs
Guest, Mr	Wright, Mr
Hall, Mr	

Noes, 17

Coxsedge, Mrs	Lyster, Mrs
Crawford, Mr	Mackenzie, Mr
Davidson, Mr	McLean, Mrs
Henshaw, Mr	Mier, Mr
Hogg, Mrs	Pullen, Mr
Ives, Mr	Theophanous, Mr
Kennedy, Mr	Van Buren, Mr (<i>Teller</i>)
Kokocinski, Ms (<i>Teller</i>)	White, Mr
Landeryou, Mr	

Pair

Mrs Varty	Mr Sgro
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Motion agreed to.

Read second time.

Passed remaining stages.

MELBOURNE UNIVERSITY COUNCIL

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — I move:

That the Honourable William Albert Landeryou be recommended to the Governor in Council for appointment to the council of Melbourne University.

Motion agreed to.

NATIONAL PARKS (WILDERNESS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. B. T. PULLEN
(Minister for Conservation and Environment).

SWINBURNE UNIVERSITY OF TECHNOLOGY BILL

Second reading

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — 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 the region concerned about educational opportunities for young people living there and 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 higher education participation. 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 that problem by establishing an important university campus within the region. Swinburne 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 the most effective way of meeting the needs of the area, and advice from the 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 which 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 institute 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 of 6357 effective full-time higher education students. 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 post-graduate studies are already offered. In 1992 some 400 students are enrolled in higher degree programs and a further 1200 in other post-graduate 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.

That 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 the merger should be seen as an opportunity to continue to strengthen the quality of programs and service to the community within the context of a larger institution which 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. Some \$3.2 million has been committed for refurbishing and redevelopment of facilities on that site to provide for this development. At the Hawthorn campus a major TAFE facility has just been completed at a cost of \$11 million. Other work on that 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. However, although that is a significant development, it 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 Outer Eastern College of TAFE.

The 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, and 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 which will serve that area as well as other campuses in Hawthorn and Prahran.

The main campuses the students attend will offer the full range of student services and the teaching and cultural facilities normally found on a university campus. However, Swinburne plans to establish local study centres and to take other measures to ensure that programs are as accessible as possible to students throughout the region. That 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 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 with a special role to support the work of the university.

RACIAL AND RELIGIOUS VILIFICATION BILL

Wednesday, 27 May 1992

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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 officer from the Victorian Post-Secondary Education Commission and a nominee of the Commonwealth Higher Education Council. The 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 which 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 establishes the university, sets out its objects and the structure and major operating procedures of the council. Part 3 provides for the establishment of academic organisations, divisions and boards and the provision of advice to the council on academic matters. Part 4 provides powers to make statutes and regulations to govern the operations of the University. Part 5 provides for the management of property and financial matters and the provision of reports.

Part 6 of the Bill provides for general matters including the office of visitor, elections and payment of fines and compensation. Part 7 makes transitional provisions for the establishment of the first council and transfer of students to the university. Part 8 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 other matters required to complete the merger arrangements. Part 9 makes consequential amendments in the Post-Secondary Education Act 1978 and the Vocational Education and Training Act 1990.

CONCLUSION

The Bill provides for establishment of Swinburne University of Technology as a major, multisector 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
Hon. HADDON STOREY (East Yarra).**

Debate adjourned until next day.

RACIAL AND RELIGIOUS VILIFICATION BILL

Second reading

Hon. M. A. LYSTER (Minister for Health) — I move:

That this Bill be now read a second time.

Throughout recorded history, racial and religious prejudice has been one of the greatest sources of human conflict. It has resulted in genocide and the infliction of many other forms of harm on untold numbers of people. The massive toll attributable to prejudice continues to mount in communities as diverse as Los Angeles, Belfast, Sarajevo and Sri Lanka.

Australian and Victorian history also abounds with instances of both racism and religious prejudice. The main victims of racism have been, and continue to be, Aborigines and people of Asian background.

Religious prejudice has been reflected historically in the conflict between Protestants and Catholics. That has largely abated, and religious intolerance is directed mainly against people of non-Christian faiths, particularly Muslims and Jews.

BACKGROUND TO THE BILL

In response to concern about prejudice in Victoria, the former Attorney-General, the Minister for Planning and Housing in the other place, appointed a committee headed by the honourable member for Richmond to advise on what should be done to address problems of racial vilification.

The committee consulted widely and gathered evidence from a variety of sources. It concluded the following:

It is easier to find good than bad relationships between members of Victoria's multicultural community — at work, at leisure, in education, and in other settings. The weight of evidence does not support the fear expressed by some, that Victoria will inevitably suffer the interracial violence that has racked many other racially diverse societies.

But while the committee found no crisis in community relations, it documented a wide range of incidents involving threats, abuse, harassment and other forms of harm. In the committee's view, the extent and effects of such incidents are of sufficient significance to warrant special measures to deal with them.

The government commends the committee's report and accepts its findings. This Bill implements the majority of the committee's recommendations for legislative action. Before outlining the key provisions of the Bill, it is important to put the legislation into context.

In particular, I emphasise that the government does not see legislation as the primary response to racial and religious prejudice. As the committee's report outlines, there is in place already a range of non-legislative measures designed to reduce prejudice, to promote tolerance and mutual respect, and to deal with discriminatory conduct. Further initiatives will arise from implementation of the recommendations of the Royal Commission into Aboriginal Deaths in Custody, which the government has strongly endorsed.

Although the major means to combat prejudice will continue to be education and other non-legislative approaches, the law also has a significant role to play. It influences behaviour through the moral authority of Parliament and the rule of law, and through the deterrence of sanctions. As well, it conveys a message to the victims of prejudice that the community at large recognises their plight, and supports them.

THE BILL

I turn now to the substance of the Bill. It creates new offences for threats to inflict injury or to damage property which are motivated by racial or religious hatred, and for the use of threatening or vilifying language or behaviour against someone because of his or her race or religion.

While some of the conduct covered by these offences can be dealt with under the general criminal offences, there are good policy reasons for creating special provisions. For example, the committee found there was little awareness in the community that incidents of racist abuse might be dealt with under the general offence of abusive language, and that police were reluctant to prosecute in the small number of complaints that were made. The new offence established in this Bill should encourage victims to complain, and encourage the police to initiate appropriate prosecutions.

The Bill also creates offences for publishing and displaying printed material intended to promote hatred of, or to intimidate, racial or religious groups. These offences are based on Western Australian legislation, which was introduced in response to a virulent poster campaign in Perth by a group of self-confessed racists.

Victoria has not experienced a poster campaign on the same scale and intensity, but racists have undertaken similar activities in parts of Melbourne. The Western Australian experience indicates how

COLLINGWOOD LAND (VICTORIA PARK) BILL

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much harm a very small, determined group can do in a relatively short time, when the authorities lack effective means to deal with them. This Bill will ensure that Victoria is not caught out if a similar situation should occur here.

When moving around certain parts of Melbourne, it is very common to see racist stickers and graffiti on fences, transport shelters and other places, which remain there for lengthy periods before they are removed. The sight of such matter, day after day, can be very disturbing for members of the groups that are being targeted. Local government is well placed to respond quickly to the problem. The Bill therefore provides that a municipal council is entitled to remove intimidating and similar matter that has been unlawfully displayed, and can recover the cost of doing so from the person responsible for the display.

The committee found a number of situations of racial and religious harassment, such as conflicts between neighbours, which it considered might be ameliorated by civil rather than criminal legal action. The Bill therefore provides that a Magistrates Court can make an order against the perpetrator to stop the harassment. The procedure for obtaining an order is based on the extensively used procedures of the Crimes (Family Violence) Act.

The Bill does not implement the committee's recommendation that the Equal Opportunity Board should also be entitled to grant these orders. This recommendation is not appropriate, as the board operates under less stringent rules of evidence, and there is no requirement that board members must be legally qualified. It is also unnecessary as Magistrates Courts offer quite adequate and accessible venues for people requiring orders.

CONCLUSION

The racial and religious composition of the Victorian population is among the most diverse in the world. This Bill will promote the right of citizens of all backgrounds to live without fear and harassment in their public and private lives.

The Bill has been carefully targeted so that it does not impact upon freedom of expression in any fundamental way. None of its provisions proscribes the expression of opinions on any subject, no matter how ill-informed or odious those opinions might be. Its prohibitions are restricted to extreme language, to speech that is intended to intimidate and incite hatred.

I commend the Bill to the House.

Debate adjourned for Hon. J. V. C. GUEST (Monash) on motion of Hon. R. S. de Fegely.

Debate adjourned until Wednesday, 3 June.

COLLINGWOOD LAND (VICTORIA PARK) BILL

Order of the Day read for resumption of debate.

The PRESIDENT — Order! I have examined this Bill and am of the opinion that it is a private Bill.

Hon. M. A. LYSTER (Minister for Health) — I move:

That this Bill be dealt with as a public Bill.

Hon. R. A. MACKENZIE (Geelong) — I oppose the motion.

Hon. W. A. Landeryou — On behalf of the Geelong Football Club?

Hon. R. A. MACKENZIE — No, as a matter of principle, despite what happened on Saturday. I strongly oppose this Bill being made a public Bill for several reasons. It cannot be described as a public Bill because it is a private Bill. It has been introduced into Parliament for the benefit of a private organisation and it cannot be argued in any shape or form that it is a public Bill. Honourable members did not argue against it when the Footscray Land Bill was passed. That was treated as a private Bill in another place. There are precedents for it; the Flemington Land Bill is another example of a private Bill passing through Parliament in the way that private Bills do.

There are good reasons for Standing Orders dealing with private Bills. If a Bill provides benefit to a private organisation the public should have some say in it. The Standing Orders ensure that the Bill is advertised so that the public has the opportunity of seeing the contents of the Bill and putting forward their views. Standing Orders also provide for a panel to be set up to investigate the Bill. It provides that the person or organisation that benefits from the Bill pays the costs, and rightly so. Why should the people of Victoria pay the costs?

That is not only my view but it was also the view of the opposition when the Bill was introduced in the other place. The debate in that place — which we are

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not supposed to mention here — was an absolute disgrace because there was no debate. However, the attitude in the other place was that this is a private Bill.

I believe there are clear precedents on this matter. The Bill transferring land to the Footscray Football Club is almost identical to this Bill and it was treated as a private Bill. What is the difference between Collingwood and Footscray? If this Bill is treated as a public Bill it will appear that the State is being run by the Collingwood Football Club rather than by the government. I strongly oppose the Bill being treated as a public Bill.

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — We appreciate the ruling you have given, Mr President, in relation to this Bill being a private Bill. It should nevertheless be treated as a public Bill and there are many precedents for that occurring.

Hon. R. A. Mackenzie — There are many precedents for it not occurring, too!

Hon. D. R. WHITE — Collingwood Football Club is a public community organisation. Some football clubs, such as the one I support, the North Melbourne Football Club, have directors and shareholders, so in a sense it is a private structure.

Hon. R. A. Mackenzie — Tell us about the Footscray Football Club.

Hon. D. R. WHITE — Interestingly enough the Australian Football League is now expressing the view that having a private structure is not the desired path for football clubs in the AFL to take because private clubs are not prospering. The AFL prefers clubs to have a community base, unlike what has happened with North Melbourne.

The Collingwood Football Club was formed in 1892 and has always been a public club. It is an organisation which you, Mr Mackenzie, and I could become members of any day of the week. It is the largest and most well-supported organisation in Victorian history, and I am sure all the members and supporters would not regard it as anything other than a major community organisation with a public focus.

We note your ruling, Mr President. There are many precedents in this House for proceeding with the motion in the form the Minister has proposed. Because of the importance of this issue the Bill

should be treated as a public Bill, and I support the motion moved by the Minister.

Motion agreed to.

Hon. R. A. MACKENZIE (Geelong) —
Mr President, I request that my dissent be recorded.

The PRESIDENT — Order! The dissent will be recorded.

Hon. R. A. MACKENZIE — On a point of order, Mr President, I seek your ruling as to the legality of debate on the Bill. I have advice from both the Bar Council and the Law Institute of Victoria that this debate should not occur because in some ways it is sub judice. I should like your indulgence, Sir, to put to you the opinions of the Bar Council and the Law Institute on this Bill.

The PRESIDENT — Order! You may support your point of order.

Hon. R. A. MACKENZIE — The opinion of the Bar Council is contained in a letter dated 27 April 1992 from Mr A. G. Kirkham, Chairman of the Bar Council, to the Attorney-General:

At a meeting of the Bar Council held 23rd April, 1992 it was resolved that I should write to you expressing the Council's concern about the abovenamed Bill.

The Bill clearly contemplates that whatever the previous rights and duties of the Collingwood Football Club and the Collingwood Council vis a vis each other those rights and duties shall be abolished and fresh rights and duties imposed by Parliament shall apply. If enacted it will compel the parties to the agreement to proceed with the agreement, irrespective of their wishes, and irrespective of whether the agreement reached was enforceable at law.

It is of the essential nature of legislation that it should be general in its operation and provide rules in relation to future conduct. In this case the legislation is not general but deals only with a single agreement, and it determines the effect of past actions not of future conduct.

In effect Parliament is taking upon itself the duty of determining the effect of the negotiations between the parties. Whether or not a court applying the law as it existed at the time of those negotiations would reach the same conclusion cannot be known.

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If the Bill is passed in its present form, Parliament will establish an unfortunate precedent. Only in the most extraordinary circumstances would it seem advisable for the legislature to state that the law applicable to one individual is different to the law applicable to all the others. For Parliament to exempt one chosen individual from the operation of the law or impose on another individual an obligation not general in its operation is to avoid the rule of law and create great scope for political patronage.

If special legislation is now passed to determine the mutual rights and duties of the council and the club, there is no reason why special legislation should not be passed next year to alter the effect of other negotiations or other contracts. Similar legislation could for example be enacted to ensure that the State of Victoria had certain rights or was exempt from certain obligations arising out of the dealings in relation to the Loy Yang power station. Or legislation could be passed rendering a contract negotiated by an individual Cabinet Minister either enforceable or unenforceable depending upon the wishes of those who control a majority in Parliament.

It is a fundamental principle of the common law that a party to litigation has a right to be heard. It is considered to be a fundamental principle of natural justice that a party whose rights are affected, or may be affected, by a decision should have an opportunity to be heard by the tribunal making the decision. Failure to comply with this *audi alteram partem* principle has resulted in the court setting aside decisions by bodies as various as Trade Union Committees, the Benchers of Gray's Inn, the Stock Exchange, Colleges of Oxford University and the Executive Council in the State of Victoria. See *F.A.I. Insurances Ltd v. Winneke* (1992) 151 C.L.R. 342.

There is no proposal that Parliament should listen to submissions from the council and the club before determining what the mutual rights and obligations of the club and council should be.

In the view of the Bar Council to pass the Bill would be to override the common law rights of the Council to inhibit in a serious way the operation of the rule of law in the State of Victoria.

The Law Institute of Victoria is a lot briefer than that. A letter from Carol Bartlett, Director of Research and Information, addressed to me as the member of Geelong states:

Former President of the Institute, Miss Gail Owen, wrote to the Attorney-General, Mr Kennan, and

shadow Attorney-General, Mrs Wade, in late April about the Collingwood Land (Victoria Park) Bill expressing the view that "Such legislation sets a precedent for the government to legislate to resolve commercial disputes at any time for motives which are not always beyond question. Precedents of this nature pave the way for corruption on a political level and a denial of the constitutional right of due process before the law".

She confirmed the Institute view that the proposed Bill infringes the fundamental principle of the Westminster system of government that the parliamentary and judicial arms of government are kept separate.

I put those two opinions. As honourable members know, I do not have a legal background, but it seems to me that we are interfering with the processes of the law. As the Bar Council points out, that sets a precedent and could be seen as patronage by Parliament. Mr President, I ask you to make a ruling on this matter.

The PRESIDENT — Order! I have no doubt whatsoever that the subject matter of this Bill is, as Mr Mackenzie has argued, sub judice. The sub judice rule preventing discussion on matters is a self-restraint Parliament has imposed on itself. It prevents the discussion of matters that are sub judice during the course of debates on other issues or even by way of specific motion. However, it does not, and never has, prevented legislation. Parliament is supreme in respect of legislation and the determination as to whether it will allow a Bill to go forward or not. That is a political decision, not a legal decision.

In the House of Commons a specific motion has been carried making it clear that the sub judice rule does not apply to legislation. However, in my view that motion was unnecessary in any event. Parliament cannot be inhibited in the passage of legislation by any such rule. It is a political decision for Parliament to make as to whether such legislation goes ahead. There have been some cases by which legislation in this Parliament and in many other Parliaments has truncated legislation already under consideration by the courts. That is by deliberate political decision.

If there is any doubt about what I am saying, I refer Mr Mackenzie to the opening paragraph of the discussion at page 377 of the 21st edition of *May's Parliamentary Practice* dealing with the sub judice rule which states:

Subject to the discretion of the Chair and to the right of the House to legislate on any matter or to discuss any matters of delegated legislation, matters awaiting the adjudication of a court of law should not be brought forward in debate.

There is a clear exception in respect of legislation and indeed of discussion as to whether to allow or disallow subordinate legislation dealing with the same subject. It is clear that although the matter is sub judice, that cannot prevent Parliament from considering legislation on the topic. I therefore overrule the point of order.

Second reading

Debate resumed from 21 May; motion of Hon. M. A. LYSTER (Minister for Health).

Hon. R. M. HALLAM (Western) —

Notwithstanding the comments you, Mr President, have just made in ruling on the point of order, I have some sympathy with the sentiments expressed by Mr Mackenzie. I also find the legislation offensive in that it embroils Parliament in a private dispute which would be much better resolved by direct negotiation. I do not think anyone in this Chamber would argue with that contention.

I also believe the Bill is offensive in that it treats the judicial system with contempt. The way in which our court process has been ignored is unfortunate, particularly when it was the Attorney-General, the most senior legal officer in the State, who rode roughshod over the entire legal process. That action is incongruous and indefensible, and I am intrigued that Mr Kennan of all people would ignore the separation of powers, which is an issue in this case.

The Bill is also offensive to the coalition because, quite apart from the view that Parliamentary intervention is inappropriate, when the introduction of the Bill was first threatened by the Attorney-General and later when he initiated it, he presumed not only on the Parliament but also upon the coalition. The Attorney-General presumed that the coalition would acquiesce to the action he had taken. That is offensive.

In addition, I found certain aspects of the Bill personally offensive. I was offended by the cavalier action of the Attorney-General. He has prostituted the Parliamentary process. I am offended by the fact that when the Attorney-General intervened and promised that Parliament would fix up the dispute he not only presumed upon the coalition but also

presumed upon my vote. That is a brave presumption indeed.

What riles me more than anything else is that the coalition can consider the many important issues involved only after the Attorney-General has intervened in the dispute, which means the Bill cannot be considered on its intrinsic merit because the intervention has already taken place. The coalition cannot erase the effect of that intervention and it must take account of the fact that circumstances have been permanently changed by the actions of the Attorney-General. The coalition does not have the luxury of a decision made on merit or the principles involved — a luxury which the Attorney-General had when he threatened to introduce legislation in the first instance.

The coalition must consider its response against a different background and different circumstances because each of the parties has been changed permanently as a result of the government's intervention, as I shall demonstrate. The opposition is now required to take into account a new position affecting the parties to this dispute. It must modify its response accordingly. In the simplest terms we must face an additional responsibility: we must consider the need for damage control that has arisen directly from the naivety or irresponsibility of the Attorney-General.

We see no real prospect of the club on the one hand and the council on the other hand negotiating a settlement. That is a matter of great sadness to the members of the coalition. Because of the prospect that there will be no settlement, massive legal costs are almost inevitable and that too is sad. The prospect of lengthy litigation will exacerbate the current division within the Collingwood community. We also see that as a sad side effect of the debate.

The actions of the government have reduced the hope of a happy ending. It is absolutely crucial to the debate to understand that whatever else Parliament does it will leave the Collingwood Football Club and the Collingwood City Council having to live together for ever and a day. Nothing we can do will change that. It was against that background that the coalition resolved, after much deliberation, that despite its fundamental concerns about the appropriateness of Parliamentary intervention in these circumstances — because intervention had already been effected by the Attorney-General — we were left with no practical alternative other than to allow the legislation to pass.

I advise the House that although the coalition does not support the principle underlying the legislation, the Bill will not be opposed. I shall explain why that decision was made. I shall set the scene and background against which the Bill was considered. The Collingwood Football Club has been a tenant at Victoria Park for approximately 100 years. It currently has a 40-year lease of Victoria Park that will expire in 1996. There are no real concerns regarding the tenure except for the specific site occupied by the social club.

Over the years the club has invested heavily in that site and further investment is planned. It has raised the issue of that investment being secured on nothing stronger than a reverting lease upon the expiry of which the improvements made by the club will effectively become the property of the landlord. It is against those circumstances that the club sought greater security for the particular site occupied by the social club.

It wished to purchase that site to secure its interest. It sought freehold title to gain security for its investment already expended and for the prospective investment. It was the wish of the club to gain a better and safer tenure for the site, which is understandable. That is precisely what any prudent businessman would do. It is particularly understandable given the attitude of the landlord, the Collingwood City Council, over the past couple of years. The landlord has not been particularly friendly. I can understand why the Collingwood Football Club is nervous because there are big dollars involved in that site and the obvious risk must be acknowledged.

Against that background the club and council commenced negotiations in 1988, which culminated on 7 May 1991 when an agreement to lease was signed under the seal of both bodies and announced at a press conference. The agreement included several covenants including the agreement of council to sell the social club site to the club. It also agreed to a price for that site, which was subsequently set at \$4 million. In addition council was to finance the club's share at an interest rate of 10 per cent and the club agreed to construct a community centre to the value of \$2 million. There was to be a substantial increase in the lease, which at that time was \$1000 a year — an attractive lease on any test — to \$25 000 a year.

In addition, Collingwood residents were to be entitled to membership of the social club at 10 per cent of the rate applying to any other applicant, and

the club was to guarantee to play 21 games of football at Victoria Park over a three-year period. If those games were not played at Victoria Park the agreement provided for a substantial penalty. In addition there was a schedule of improvements to be undertaken at Victoria Park relating to such things as toilets, stands and so forth.

The central point that is not disputed is that the council was to sell the social club site at Victoria Park to the Collingwood Football Club. An advertisement appeared in the *Age* of 26 June 1991 outlining the council's intention to sell that particular parcel of land. On 1 August the same year, council formally resolved to execute the sale document. We were told that that was done to lock in the intention of the sale and the price, which had been negotiated. It is a matter of history that the document was not executed because an individual councillor gave notice of rescission. I do not understand why that notice stalled the actual execution of the document, but in any event at the time of the 1991 local government elections that were held in early August the document had not been executed. There is a dispute as to whether the sale of the social club site was an election issue in 1991. The point is however that the council did not proceed immediately with the sale of the site and on 25 November 1991 the council resolved with a clear majority that the sale of the land should be deferred indefinitely.

Council resolved not to proceed with the sale — that is not disputed — so we had a stalemate. The club approached the Attorney-General in those circumstances, and that is when he rode onto the scene on his white charger and wrote to both parties confirming his preparedness to legislate. As was absolutely predictable, Mr Kennan's intervention and his threat of the big stick put paid to any chance of a negotiated settlement. From that point on the club did not really have to negotiate because it had the Attorney-General as its ace in the hole. There was no need to proceed with a negotiated settlement. In my view the same factor also torpedoed any chance of the process of conciliation that was subsequently sponsored by the Municipal Association of Victoria. I might add that it was a very expensive conciliation process.

I am not critical of the parties because in my view the response to these circumstances was absolutely understandable and predictable. The Attorney-General shifted the circumstances sideways; he shifted the debate completely. What was the point of continuing with a costly

conciliation, or for that matter a legal process, when the Attorney-General had promised that the Parliament would resolve the dispute?

As I said, the response of the parties was predictable. The club decided not to pursue direct negotiations, and I understand why that decision would be made. On the other hand, the council sought to head off the entire issue by a legal appeal. Again, I understand precisely why that would be seen as an appropriate course of action. It is against that background that the coalition set about framing a specific response to the Bill before the House today. The coalition's local government committee met with the Collingwood City Council and the Collingwood Football Club and it listened to the views that were expressed by local government, the residents' action group, the supporters of the Collingwood Football Club, the groups supporting Australian Rules football generally and individual councils who were concerned about the legislation. We also listened to the advice that came from the Law Institute of Victoria. That is the background against which the committee considered the Bill.

I turn to the arguments and issues the committee considered in reaching its conclusion. The first was the question of whether it was appropriate for the Parliament to intervene. As I said, I not only opposed that in principle but I was affronted by it. I found the concept offensive. My view was that this was a commercial dispute, and all the parties involved agreed that it would be much better settled by the parties directly involved. That view is confirmed by the Bill before the House.

The Bill's objective is to give effect — that is the terminology — to the agreement. If the agreement has effect we do not need the Bill. That is clear enough. On the other hand, if the agreement does not have effect I suggest legislation is inappropriate as a remedy. We took on board a powerful argument put forward by many quarters that we were contemplating an unfortunate precedent, one that might may well come back to bite us in government. I heard that argument very clearly, and I took the view that it was a matter of nothing more than incidental interest as to who were the parties in this issue and that we had to stand back from questions of loyalty and friendship.

I have to say that there were some pretty tough negotiations behind the scenes but, notwithstanding the actions of either party, our view was that there was no excuse for intervention, and if we had been able to decide our stance on this Bill on that issue

alone the coalition would not support the Bill. That much is clear. The first point that was considered was the appropriateness of Parliamentary intervention.

Then we heard an argument that we should force compliance in this case to avoid litigation and further legal expense. We could not discard that argument, although we did not give it the weight given to it by those who had put it forward. It seemed to us that legal expense had been incurred up to the point at which the legislation had been proposed, and we understand a substantial cost was involved. In other words, a substantial cost had been involved in establishing a binding agreement. We found it pretty ironic that further funds were to be invested, in one case to enforce the agreement and in the other case to dismantle it. We took the view that if the Collingwood Football Club's case was as strong as it would have us believe further legal costs would not be involved. On the other hand, if we were apparently to protect the citizens of Collingwood from additional legal expense, we had to acknowledge that their views had been demonstrated through the ballot-box in part. Who were we saving them from, if not themselves?

The issue arose as to whether we should be interfering with democracy at work. It became very clear that we were getting involved in sensitive questions that went to the very role of local government and the autonomy of council, but it did not change the fact that many thousands of dollars in legal expenses could be avoided. We had a responsibility to consider that issue.

We also heard an argument that went to the precedent ostensibly established in respect of the unfortunate circumstances confronting the Camberwell City Council. In fact, it is apparent from the second-reading speech that the Attorney-General himself regards this as an important precedent. We discarded it because there is a fundamental difference in the disputes as we understand them. In the case of the Camberwell City Council and the Podgor group there is no question as to whether there is an enforceable contract in existence. That much is not disputed, so the issue in that case is restricted to the matter of damages. On the other hand, while the Collingwood City Council deliberately decided not to proceed with the contract, the council argues that it is able to do so because there is no enforceable contract in place. If that were disproved to the satisfaction of the Collingwood City Council — that is, that an enforceable contract does exist — one would expect

that the council would proceed with the agreement. I must admit that I am not as confident of that as I was, having heard the reported recent comments of the Mayor of the City of Collingwood.

A common thread running between the issues confronting the Camberwell and Collingwood councils is a danger signal to ratepayers of both municipalities — the obvious threat of substantial legal costs in both cases!

One of the disadvantages of allowing this Bill to pass is that the precedent of intervention that would be created would not go unnoticed and would grab the attention of every ratepayer in the City of Camberwell; ratepayers who now know they face substantial costs as a result of litigation, possibly amounting to \$46 million. Although the coalition saw the legal process as the preferred option over legislation it could not ignore the issue of legal costs because the figures are so enormous.

The next issue put to the coalition was that we should support this Bill because there are more Collingwood supporters than ratepayers in the City of Collingwood.

Hon. R. A. Mackenzie — What sort of argument is that?

Hon. R. M. HALLAM — I will come to that. My stance, and that of my committee, was that that argument should not be dignified with a response. Those who suggested that argument to me got very short shrift indeed. I give the House an assurance that this issue was not decided on the grounds of political expediency and anyone who wishes to suggest that should stand well back when they do.

Hon. W. R. Baxter — I can attest to that!

Hon. R. M. HALLAM — Thank you, Mr Baxter. We then heard the argument that the passage of the 1990 Collingwood (Victoria Park) Land Bill had locked us into supporting this Bill.

Hon. R. A. Mackenzie — Rubbish!

Hon. R. M. HALLAM — We were presented with that argument, Mr Mackenzie, and I wish to address it. Even the Attorney-General, in his second-reading speech in another place, worked hard to establish that the passage of the 1990 Bill somehow requires the support of this Bill. That is rubbish and Mr Kennan knows it! The Attorney-General does himself no credit at all by advancing that argument.

Fancy expecting anyone to believe that to be an argument!

The fact that the Attorney-General was prepared to run that argument in the second-reading speech makes him look even sillier and less sincere than usual. The 1990 Bill removed the covenant that allowed the Collingwood City Council to sell Victoria Park and to commence negotiations; for it to be now suggested that because we supported that Bill we are somehow bound to support a Bill that forces the council to sell that land defies description.

It is true that the Collingwood council requested that Parliament lift the covenant. The council does not dispute that. However, that was simply signifying the intent of the Collingwood council to negotiate and allowed the negotiations to continue; it could never in any context be considered as justification for now bashing the parties into submission, particularly in respect of the terms of the original contract. The coalition completely disregarded the argument that suggested that because it had supported the 1990 Bill it was somehow locked into supporting this Bill.

The coalition then heard the argument that it was in the best interests of Victoria to keep the Collingwood Football Club at Victoria Park and that we should intervene on the grounds of tradition or heritage. We acknowledge that Australian rules football is uniquely Australian and that, particularly after last night, Victoria is the home base of Australian rules football. For the record, I acknowledge that Collingwood Football Club is the most famous football club in Australia and may well be the most famous football club in the world.

The Collingwood tradition, however, has been built up at Victoria Park with the Collingwood Football Club as a long-term tenant, and the Collingwood City Council has consistently said that it was not opposed to the continuation of that lease and that its objection was restricted specifically to the sale of the social club site. I report that the committee did not place great weight on that argument, although it had to concede that given the recent attitude of the council that long-term tenancy of the club is now not as secure as it has been in the past.

We then heard an argument that Collingwood council is somehow a subsidiary of this Parliament and that Parliament has a responsibility to ensure that the council proceeds with the legal agreement; in other words, there is somehow a justification for Parliament to demand specific performance on the

part of the Collingwood City Council. We disregarded that argument early in the piece because it is simply not an appropriate analogy. Municipal councils are independent and separate authorities. As the opposition spokesman on local government I maintain that position fiercely.

It is not disputed that local government is a creature of State Parliament and that that gives Parliament a special interest. However, that does not mean that Parliament can or should step in to save every council in a time of crisis. That would be crazy and extremely costly. That notion attacks the very foundation of local government: the notion of autonomy. I understand why many other municipal councils in Victoria sprang to the defence of the Collingwood City Council.

Hon. R. A. Mackenzie — And members of Parliament!

Hon. R. M. HALLAM — Yes, and I understand that. I understand what drove that defensive reaction and I commend those councils for their loyalty, but I am not sure that we can put that down to anything stronger than a conditioned response. I am not sure that we would have received the same widespread response if councils had been aware of all the facts involved. I do not intend to comment on the details of the negotiations or on the role or performance of the parties involved because I do not believe that to be relevant.

However, I remind municipal councils across Victoria that Collingwood City Council: firstly, executed an agreement to sell; secondly, subsequently resolved not to proceed with that agreement; and, thirdly, then sought refuge in the legal question as to whether the contract was enforceable. I do not think that does anything for local government.

It is my view that a deal is a deal and that changes around a council table do not constitute an excuse to back out of a deal, at least without raising the issue of damages that may be payable to any party that is injured by that action. That is precisely the position that pertained to the Collingwood City Council in relation to this issue.

Municipal councils across Victoria should think before they weigh into this issue because in my view the action taken by Collingwood City Council was pretty cynical. It does not do anything for the reputation of local government. The Collingwood City Council knew exactly what it was doing each

step of the way and maybe councils throughout the State would do better to isolate the actions of the council rather than spring to its defence.

The coalition also considered the fact that legislation may not resolve the dispute. We looked at that carefully and could not ignore the evidence. The council argued strenuously that the Bill is not a fair summation of the conditions that had preceded it and that it intended to continue to fight and not give up.

As an aside, that may say something about the tradition that applies in Collingwood; we see it on the football field and apparently it applies in the general community.

The most pertinent factor in this debate is that the parties have to live in the same community. The Collingwood City Council will still be the landlord of Victoria Park — that cannot be changed — and, we hope, the Collingwood Football Club will still be the tenant of Victoria Park.

Many other issues have to be negotiated in the normal course of events in the relationship between landlord and tenant. Car parking is a big issue. It has been reported by the mayor that it may become a bargaining chip in future negotiations. If the Bill is passed and the social club site becomes freehold land, it will become rateable in the hands of the Collingwood City Council and the implications are clear; particularly as the law of the land allows councils to strike a differential rate. There is no dispute that it would have been much better for each of the parties to face up to reality and negotiate a settlement, particularly when there is no critical time factor, given that Victoria Park is leased until 1996.

I am concerned that the passage of the Bill will do nothing to resolve the differences between the parties and may only complicate future relations. On that basis, even at this stage, I appeal to the parties to bury the hatchet and return to the negotiating table and hammer out a resolution of the dispute.

The Bill is not yet proclaimed. There is still time to resolve differences and to achieve a far better outcome. I plead with the parties not to react to the past but to get together and plan for the future. They are the issues that were considered by the coalition in coming to a decision on the Bill; that is the background against which it struggled with its instinctive reaction to throw the Bill out.

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We kept coming back to two points that we could not resolve. Firstly, although we maintained it was inappropriate for Parliament to intervene in those circumstances, to all intents and purposes, and to the ultimate effect, that intervention had already taken place and that fact could not be changed. We might have resented the Attorney-General's committing Parliament to the decision and presuming he had our support, but he had already intervened. That was an undeniable fact because negotiations had stalled. We saw no prospect of negotiations procuring a settlement while legislation was in the wings. While we might criticise the extent to which the Bill represents the prostitution of the Parliamentary process, that prostitution has already taken place and cannot be changed.

Secondly, Parliament has lifted the restrictive covenant on the title of Victoria Park. It means that Victoria Park is now owned by the Collingwood City Council without restriction. I am not suggesting that it means the council will sell to the first comer; but it does mean the council has that authority and has a new power over and above that which it enjoyed at the time the covenant had been lifted.

The covenant was specified in the certificate of title on 10 January 1882, which states:

... shall be used by the said council as and for a place of public resort and recreation and that the same shall always be used for such purpose and shall not be sold to private individuals.

Parliament has removed that restriction, and because of its action the Collingwood City Council can now tell the football club to get lost. That is of real concern. Nothing the opposition could do would have the effect of reinstating the covenant. Given that the council has resolved to keep fighting — it is not coy on that point and I do not criticise it for that — the removal of the covenant represents a big weapon in its armoury and gives it tremendous potential advantage. The covenant, which had been on the site for 100 years and which had restricted the use and therefore the saleability of Victoria Park, is no longer in place. The fact is that it was removed by Parliament on the specific request of both parties for the sale to proceed.

Hon. R. A. Mackenzie interjected.

Hon. R. M. HALLAM — I dispute that. I maintain that after having looked at it carefully.

Once the council resolved not to proceed with the negotiations, it should have forgone the benefits that had been achieved as a result of the lifting of the covenant. Although the coalition believes the covenant should be reinstated as an absolute minimum, that was not an issue the coalition could consider because it did not have the opportunity of reinstating it. We cannot reinstate the parties to their original positions; we are left with little alternative but to allow the Bill to proceed.

It is clear that we have a messy situation in front of us. Legislation is not the best solution. Given that the coalition is not in a position to deliver on the options it prefers, it has decided not to oppose the legislation. The Bill will pass but I express my heartfelt hope that it represents a sanction that will not be necessary in the ultimate outcome and that the club on the one hand and the council on the other will bury the hatchet, resolve their differences and get on with the job of ensuring not only that the Collingwood tradition at Victoria Park is continued but also continued in harmony with the Collingwood community generally and the city council in particular.

Hon. R. A. MACKENZIE (Geelong) — This unfortunate Bill could well be called a piece of Robin Hood legislation in reverse: it takes from the poor and gives to the rich. That is the premise of the Bill. This Bill is without precedent and flies in the face of several basic principles.

Tonight Mr Hallam, a person for whom I have a considerable amount of respect, went through a convoluted explanation of why the opposition will vote against what many of its members believe to be the right thing to do. I have some sympathy for Mr Hallam's position, but it demonstrates again that the party system operates in such a way as to prevent proper debate occurring. The party system does not enable the voice of the people to be heard or for members to speak as individuals.

The proposed legislation was rushed through the other House by the Attorney-General. I can understand how the Attorney-General got it through the Labor Party room because the government has few members with legal qualifications. The Attorney-General is the only Queen's Counsel in the Labor Party, so he would not have had much difficulty in persuading his colleagues to support the Bill. It is very difficult to argue with the Attorney-General. If members of the Labor Party really understood what they were supporting, I am sure they would have had some misgivings.

The Bill flies in the face of a variety of important principles. The basic argument I put forward tonight has nothing to do with the Collingwood City Council and the Collingwood Football Club. My argument would be the same if the Geelong City Council and the Geelong Football Club were involved, despite my support and strong sentimental attachment to the Geelong Football Club. My argument concerns several principles that should be clearly enshrined in law.

The first principle concerns the abuse of Parliament and in his contribution Mr Hallam touched on that issue. It was clear that he was uneasy about the Bill and that he had some misgivings. Tonight the House had the opportunity of treating this Bill as a private Bill. No-one will ever convince me that it is not a private Bill. It was disgraceful that the Minister for Health moved that the Bill be treated as a public Bill. The proposed legislation is not in the public interest because it will benefit the Collingwood Football Club Social Club, which is a private organisation. Tonight Parliament has been used and abused.

In your ruling, Mr President, you said that the treatment of the Bill as a public Bill was a dangerous step to take because it may set a precedent. The Bar Council suggested that Parliament could well be criticised for patronage of the government's wealthy mates in the Collingwood Football Club. It is just like the days of John Wren all over again. It is Tammany Hall politics. That is what the government is pushing tonight and that is why the opposition is going along with it. Members of the alternative government are just as spineless as the rest of them. It is a disgrace that the institution of Parliament should be used in such a way. I cannot believe members of the opposition who have some respect for Parliament and understand the principles involved in the Westminster Parliamentary system will be voting for this measure because some smart-alec Attorney-General wants to push the measure through because he has mates in certain places.

Hon. B. W. Mier — He's a Geelong supporter!

Hon. R. A. MACKENZIE — Mr Hallam has gone through the history of the Bill so I will not repeat the detail, but I shall refer to some of the matters he raised. I refer the House to the covenant which had been in place for 110 years and which was removed by Parliament in 1990 under an agreement with the then Collingwood City Council. The covenant was imposed by the people who owned the land before they gave it to the council. A Mr Abbot, after whom

Abbotsford was named, was one owner of the property. As he was a public-spirited person he made sure that the covenant was placed on the land so that it would be used by the people of Collingwood. He then entrusted the council to act on his behalf.

The former Collingwood City Council believed the Collingwood Football Club should have a piece of the land and agreed that the covenant should be removed. When the original Bill was before the House I admit that I did not show a great deal of interest because I thought it was an issue on which both parties had agreed and that it was generally accepted by the people of Collingwood that it should go ahead. I had no truck with the Bill. A similar situation occurred at Footscray where a transfer of land took place. The Bill was passed by both Houses, but the removal of the covenant did not necessarily mean the land had to be sold. It gave the council the right to do so if it so desired. That is all the removal of the covenant did. Despite what the Minister said in her second-reading speech, the Collingwood City Council was given the ability to do several things: it could continue as if the covenant still applied; or it could do things that the covenant formerly prevented it from doing.

The Collingwood City Council went through a process that resulted in the agreement and Parliament passed the legislation. Negotiations then followed on the transfer and sale of the land. There was some difficulty about what constituted a formal agreement. There is no doubt that if the negotiations had started earlier the sale would have gone through, but they did not. Before they were completed and before the final agreement was signed there was a council election where the people of Collingwood strongly put forward their view. They made their view known by changing the composition of the council. They elected people who were opposed to the sale. That is the second basic principle I raise for the attention of the House tonight. The voice of the people has been heard. The people of Collingwood have said, "No, we do not want that land sold. We want it to be retained in the ownership of the Collingwood City Council." The people changed their minds. The people who own the land have the right to speak for it. They have the right to vote for councillors who are charged with the responsibility of protecting the land. Why should those people bow down to the great Collingwood Football Club, which dominates the area? That is the point where one can go wrong because we are not talking about the Collingwood of the 1930s, 1940s and 1950s. That is not the Collingwood of today.

A survey of Collingwood residents indicated that only 10 per cent had ever been to Victoria Park. Some 90 per cent of Collingwood residents have never been to the football at Collingwood!

Hon. B. W. Mier — Rubbish!

Hon. R. A. MACKENZIE — I should have thought so too. I was amazed. We must all be careful about not living in the past. I examined the composition of the board of the Collingwood Football Club. Not one of the board of directors lives in Collingwood. That is how much they love Collingwood. They do not even live there. This is the piece of Collingwood's history the House wants to save. I suggest it is more important to consider the principle of local residents who say, "Do not sell that land; we have voted for councillors who want to stop the sale". That is what the present councillors are trying to do.

It is said you cannot go back on agreements. I would not know how many agreements made by previous governments have been rescinded by incoming governments. I should not like to go through the records. Last week Mrs Tehan warned the Minister for Health that any agreements the Minister entered into would not necessarily be honoured by the opposition when it came to government. She made that point very clearly.

Honourable members are pointing the finger at the Collingwood City Council for going back on an agreement, but governments do the same thing. I do not know whether the coalition, which believes it will be in government shortly, will abide by every agreement entered into by the present government. Are you going to abide by every agreement, is that your principle?

Hon. R. M. Hallam — We have no choice, you know that! It is a contract written by the government!

Hon. M. T. Tehan — I was not talking about binding agreements!

Hon. R. A. MACKENZIE — As you said earlier, the contract was not completed; that is what the legal battle is all about. Mr President, there exists the basic principle of people giving the Collingwood City Council a mandate to carry out certain actions, which it has done. Now big brother, big State Parliament is saying no. The Attorney-General is saying "No, we are not going to listen to the people of Collingwood. They only own the land, they only live there. They are only the ratepayers, voters and

citizens of that area, we are not going to listen to them. We are going to force this Bill through Parliament and make that sale take place". That is the second principle I am arguing strongly about. I cannot understand why people are supporting this Bill.

Perhaps now would be a convenient time for me to stop and I can return to the principle after dinner.

Debate interrupted.

JOINT SITTING OF PARLIAMENT

Deakin University

Royal Melbourne Institute of Technology

Swinburne University of Technology

The PRESIDENT — Order! Mr Mackenzie reserves his right to continue his remarks after the suspension of the sitting. The time has arrived for the Legislative Council to meet with the Legislative Assembly in the Assembly Chamber to consider appointments to Deakin University council, the proposed Royal Melbourne Institute of Technology council and the proposed Swinburne University of Technology council. As that joint sitting will be completed at a convenient time for the dinner adjournment the Chair will resume in this Chamber at 8 o'clock.

Sitting suspended 6.13 p.m. until 8.3 p.m.

The DEPUTY PRESIDENT

(Hon. K. I. M. Wright) — Order! I have to report that this House met with the Legislative Assembly this day to recommend members for appointment to the Deakin University council, the proposed Royal Melbourne Institute of Technology council and the proposed Swinburne University of Technology council, and that Mr Stephen Noel Elder, MP, the Honourable David Ernest Henshaw, MBE, MLC, and Mr John Francis McGrath, MP, were chosen to be recommended for appointment to the Deakin University council; the Honourable Gerald Barry Ashman, MLC, the Honourable David Mylor Evans, MLC, and Mrs Sherryl Maree Garbutt, MP, were chosen to be recommended for appointment to the proposed Royal Melbourne Institute of Technology council; and Mrs Carolyn Dorothy Hirsh, MP, Mr Phillip Neville Honeywood, MP, and Mr Noel John Maughan, MP, were chosen to be recommended for appointment to the proposed Swinburne University of Technology.

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*Second reading***Debate resumed.**

Hon. R. A. MACKENZIE (Geelong) — Before the historic joint sitting of Parliament I was taking the House through the major arguments against this shocking piece of legislation. There is no doubt that it is one of the worst pieces of legislation I have ever seen brought into the House. Never before have I seen this Parliament used so unashamedly by a power group. Never before have I seen an opposition bow down so quickly. One must ask why, to all intents and purposes, the opposition indicated that it opposed the legislation during debate in the other place and went to water in the course of the Bill passing between the Houses. Was the opposition got at? What brought about this remarkable change of attitude? There is no doubt something did.

What I find amazing is that the opposition has not seen that it is being used, because this issue goes beyond the sale of the land. There is a hidden agenda in this. The more you look into the legislation the more you see that it gets "curiouser and curiouser". One wonders why the Collingwood Football Club and its social club are so keen to develop the club rooms when the rest of the ground is falling into disrepair. Nothing is being spent on it.

If the football club is reluctant to play seven games a year, one wonders whether there is a secret agenda for the club itself. Perhaps it wants to use Victoria Park as a casino. We all know gaming machines are set to go in there. That is part of the hidden agenda the opposition is being sucked into. When the casino goes in, the ground will be used only for practice and the club will play at Waverley or the Melbourne Cricket Ground.

There is no doubt in my mind that there is a secret agenda behind this whole sorry mess, although there is some doubt in Mr Hallam's mind. I appreciate that the opposition believes the agreement it is hanging its hat on is a watertight document, but if we look at the background we see it is not watertight.

In September 1988 the Collingwood City Council, under considerable pressure from the football club, sought and received legal advice on whether the sale of Victoria Park was in the best interests of the municipality. The clear advice given to the council, a

copy of which I have, was that in the interests of both the council and the football club it should not sell any portion of Victoria Park. There could have been a grant for a long-term lease, I have no doubt about that. The Minister responsible for Crown lands has literally thousands of leases for sporting arenas. One can get a 40-year lease. The bank will lend on a 25-year lease. There is no problem in borrowing money. You can get a lease for 40 or so years and have an option for another five. There is no reason for the council to have done it. It was due to pressure.

On 3 May 1990 a non-legally enforceable agreement was signed by Cr Hampson and Cr Frew and the chief executive officer — —

Hon. R. M. Hallam — You don't know it's not enforceable!

Hon. R. A. MACKENZIE — Let me finish, Mr Hallam. This rushed action did not follow the Local Government Act 1989, which requires that the matter should be advertised and public consultation should take place before signing. The day after signing the agreement the intention to sell was advertised. Community consultation followed on 28 May, 25 days after the agreement had been signed. This major breach of the Local Government Act in order to avoid the enormous community resistance to the sale rendered the agreement not legally enforceable. That remains the only agreement ever signed. That is what Mr Hallam and his colleagues are hanging their hats on. It is very shaky ground.

Hon. Robert Lawson — You shouldn't hang your hat on shaky ground!

Hon. R. A. MACKENZIE — Indeed, Mr Lawson! If you do not think this is a sweetheart deal, look at what was negotiated with the club.

The DEPUTY PRESIDENT — Order! Will the honourable member refresh my memory as to what he is quoting from?

Hon. R. A. MACKENZIE — I am quoting from an article entitled "Victoria Park — An Overview" that appeared in the February 1992 edition of the *Collingwood Council News*, a newsletter which was distributed to residents and ratepayers of the City of Collingwood. It was intended to inform the people of Collingwood about the actions of the previous council in relation to Victoria Park so that everyone would be aware of what had occurred. The article continues:

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The previous council finalised the negotiations for a sale and lease-back package in April 1991 — —

Hon. R. M. Hallam — It was not the previous council at all — be fair!

Hon. R. A. MACKENZIE — I will read the document and Mr Hallam can then comment on anything I say. The article says that the package comprised:

A terms of sale of the social club land and building at \$2 million — at half its market valuation.

Does the coalition query that that is a sweetheart deal — \$2 million, half the valuation? The article continues:

A new 25-year lease with a commencing rental of \$25 000 per year CPI indexed, less than half the amount recommended by an independent valuer.

Does the opposition not think that is a sweetheart deal? The article continues:

A requirement that the club play an average of seven senior team home matches per year (averaged over a three-year period) at Victoria Park during a 25-year lease period; (subject to conditional provisions) an undertaking by the club to build undefined community facilities by the year 2005 to the value of \$2 million CPI indexed; an undertaking by the club to provide social club membership at 10 per cent of the cost for Collingwood residents and ratepayers for use on days other than when Collingwood played at Victoria Park.

I suppose you could not complain about that, although there is a sting in the tail. The article continues:

Certain areas to be retained by council for potential development; the club to undertake spectator amenity improvements; a further 5 x 5 year option on the leased area, after the initial 25-year period; and an option for council to repurchase the property on certain terms and conditions.

One could not argue about the last few of those conditions but the first condition with regard to the value of the land and buildings indicates it was a sweetheart deal. The council was prepared to sell the land on behalf of the residents of Collingwood at half the valuation and to lease it at half the recommended lease price — and the opposition says it is not a sweetheart deal! No wonder the citizens of

Collingwood revolted and showed their anger through the ballot box.

Anyone who believes in democracy should not support this Bill. One must wonder about the attitude of the club and whether it has a secret agenda. The Collingwood City Council is not standing on its own on this issue. I have with me a large number of council minutes indicating a significant amount of correspondence in support of Collingwood council that has been received from most municipalities in Victoria and from a number of Parliamentarians from both sides of politics.

In this debate we are examining a principle that every municipal council should be frightened of. What those people who claim to be the future government will allow here must send cold shivers down the spines of people in local government throughout Victoria — the opposition will support this legislation!

Hon. J. G. Miles — We will not oppose it!

Hon. R. A. MACKENZIE — That is a play on words, and people in the community will consider that the opposition, their so-called future government, is supporting this legislation. The government is creating a precedent and people in the community will consider that the opposition is acting in the same way. This Bill takes away the people's land.

Let us examine how generous the Collingwood Football Club has been over the years. Since 1956 the rental has not changed. In those days the club paid 500 pounds a year and in 1992 it pays \$1000 a year. It has had a pretty good deal over all those years!

The Bill is deficient and there is doubt that it will work. I shall refer to some of the loopholes in the Bill that members of the opposition are prepared to vote for, or not oppose, if they wish to put it that way. No time is fixed for the life of the proposed legislation. In a Bill of this kind a sunset clause should specify a time at which the Minister will cease to have power with respect to building and subdivision controls over Victoria Park. It is improper that such controls be in place without a time limitation, so that they may be used to accommodate the development wishes of the football club from time to time. Such controls are able to frustrate the council's intentions with respect to the balance of Victoria Park, which is not an issue between the City of Collingwood and the Collingwood Football Club.

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Clause 4 of the Bill does not set out accurately or completely the documentation involved. Clause 4(2)(a)(ii) incorrectly provides that a form of option agreement is attached to the contract of sale between the council as vendor and the club as purchaser. The option agreement is a separate document to which is attached a form of contract proposed to be used at the time of the exercising of the option or at the time when the council's pre-emptive right to purchase is exercised.

Secondly, no reference is made in clause 4(2)(b) to the joint fire report agreement. Thirdly, reference is made in clause 4(b)(iii) to a lease dated 23 July 1956 being annexed to the agreement to the lease referred to in clause 4(2)(b). No such lease was annexed to that agreement. Fourthly, clause 4 makes no reference to the vendor's statement provided with the contract of sale referred to in clause 4(2)(a).

Included in the Bill should be an obligation that effect be given to an implementing document in the same way as provided in clause 6(1)(d) in relation to deposited documents. Generally clause 6 could be expanded to extend the obligation to give effect, so that it applied not only to deposited documents but also to any document executed as a result of an obligation arising out of a deposited document or an implementing document.

The Bill should provide a release for matters relating to deposited documents, which matters had occurred prior to the date of the legislation. It appears that the council would thereby be protected against any claim for damages due to delays. The release is justifiable on the basis that if the council were unable to argue against the validity of the documentation entered into it should not suffer the possible detriment of a claim for damages due to delays or for other reasons in resisting the implementing of documentation that it believed was unenforceable.

The Bill should contain a declaration that the provisions of deposited and implementing documents are valid at law and are not challengeable. Such a provision should at the very least be no less than provisions such as clauses 6(1)(d) and 6(3), but the provision should be extended so as to prevent the continuation of any argument that the buy-back or forfeiture or continuing obligation to provide the community-type facilities or the payment of monies in lieu of the requisite number of games being played at Victoria Park amounts to a penalty. The

Bill should confirm all the obligations contained in the documentation.

The Bill should clearly state that the Collingwood Football Club is obliged to play the requisite number of games at Victoria Park as is required by the documentation. The Bill should be extended so as to require the Australian Football League to enable the Collingwood Football Club to play the requisite number of matches. One of the major faults in the legislation is that it just does not do that.

This Bill breaches a number of principles and I am sorry that the opposition has not taken a strong stand against it. I fail to understand why it should change its mind. I have no problem in being pulled up by the Deputy President for talking about debate in another place, but that debate never took place. The Collingwood Land (Victoria Park) Bill is a controversial Bill and in the other place a number of the 88 members should have been moved to speak on it, but the Bill was passed without debate. Initially the opposition agreed that it was a private Bill. The opposition went to water on that issue also. It makes me angry that the opposition did not oppose the Bill. Even had the opposition supported the passage of the Bill as a private Bill it would have looked good in many ways to the community of Collingwood because its passage as a private Bill would have allowed the community of Collingwood to look at the Bill and make public comment. It would also have allowed for a committee to be set up to have the matter examined. I am surprised Mr Hallam would not support that move; it would have made the coalition look more responsible. Perhaps the Collingwood City Council and the Collingwood Football Club may have reached an agreement.

Hon. R. M. Hallam interjected.

Hon. R. A. MACKENZIE — Nothing is beyond the realms of possibility. The Bill could have been delayed and the provisions investigated; it would have given the people of Collingwood a chance to have a say.

The Bill is a blatant abuse of power of the Parliament and we are taking part in a disgraceful charade. I warn not only the coalition but the government that it does not have any idea of the feelings of the people of Collingwood and how angered they are. There will be a lot of trouble and the only way the legislation will be effective will be by the government taking strong action and appointing an administrator. The Bill has taken away the principle

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of democracy and the rights of the people of a small Melbourne suburb.

Collingwood of today is not the Collingwood of the 1930s, 1940s and the 1950s. We have enormous respect for the Collingwood Football Club. No matter what team one barracks for, when Collingwood plays it is always a danger match. The club has always been respected as a team, whether at the top or the bottom of the league ladder. I have followed football for the past 40-odd years. There is the notion that Collingwood is a wonderful working-class community which has a magnificent football team and every Saturday afternoon everybody leaves their homes to go and watch the team. They wear their Collingwood scarves, eat meat pies and so on. One must look at reality. Today very few Collingwood Football Club members live in Collingwood. Only 10 per cent of Collingwood residents have been to the Collingwood football ground. The club that bears the name of Collingwood in reality no longer relates to that community — only by name. The directors and those who run the club do not live in Collingwood.

I warn the government and the coalition that the residents of Collingwood should not be ridden roughshod over. The residents cannot believe a Labor government in particular that espouses social justice and battles for the "little person" can allow the Bill to pass. I am saddened by that.

For what it is worth, I plead with the coalition, because it has the numbers, to delay this legislation; I implore it to give serious consideration to what I have said before taking that final step.

I shall give honourable members the opportunity of voting because I intend to call a division on this Bill. I want to give the coalition and government members the opportunity of sitting with me on the opposite side.

A great injustice has been perpetrated; we are carrying out a terrible act and I once again appeal to government and coalition members to examine the principles of the Westminster system of Parliament, of democracy, the rights of local government and the rights of ratepayers to determine their own destiny. It has nothing to do with the Collingwood Football Club or the Collingwood City Council, it is a matter of principle.

I hope something will be done by a number of honourable members indicating they have some belief in the matters I have raised.

Hon. B. W. MIER (Waverley) — In supporting the Bill I do so with a background knowledge of what has taken place in football in recent years. As most members of the House, and for that matter most members of Parliament, would know, I am a Footscray supporter and played an active role in the debate that took place three years ago when moves were made by the Australian Football League as it is now known to disband my club or merge it with another club.

During that period it caused outrage among most football supporters in Victoria, particularly in Melbourne. I managed through my party to influence the AFL to have a second think about the matter. In Footscray, similar to Collingwood, the council on that occasion, similar to the previous occasions in Collingwood until recently, supported its football club. The Footscray City Council has a very close association with its football club and it sees it as an asset to the City of Footscray. It is strange for me to hear in this debate — particularly the comments made by Mr Mackenzie — that the most famous football club in Australia does not have the support of its local council. If there is any decent understanding of local government, of politics and of the Australian character, that is strange and misguided. I cannot understand why that attitude prevails.

Most football clubs, particularly ALF clubs, no matter whether they are located in Perth, Adelaide or Melbourne, have tremendous support from local government authorities. It is a tragedy that this debate has reached the stage where legislation is required to ensure that sanity prevails and the matter is resolved. What are we talking about? The land is only 6 per cent of the total land comprising Victoria Park in Collingwood. Some 94 per cent of the land will still be owned by the Collingwood City Council. Only 6 per cent of the land will belong to the Collingwood Football Club.

Hon. R. A. Mackenzie — But the people don't want to sell it!

Hon. B. W. MIER — It is ridiculous that a dispute about such a small area of land should be brought before the Victorian Parliament.

Hon. R. A. Mackenzie — The people who own it don't want to sell it. Can't you get that through your head?

Hon. B. W. MIER — They do want to sell it. It is a tragedy that after arrangements were eventually

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finalised and agreement was reached the issue is still in dispute. As Mr Hallam said, a deal is a deal. A deal was done here and it must be honoured.

Hon. R. A. Mackenzie — Tell us about your family pledge deal with the people of Victoria!

Hon. B. W. MIER — I will tell you about this deal. Mr Mackenzie is complaining about what the Collingwood Football Club is likely to pay for the land. In 1989 the land, which is 6 per cent of the land at Victoria Park, was valued at \$1.3 million. What has happened since the ludicrous arguments have been raised by the opponents of the sale of the land? The club has thrown in the existing social club building.

Hon. R. A. Mackenzie — For half the value!

Hon. B. W. MIER — The members of the Collingwood Football Club paid for that building. Mr Mackenzie did not mention that fact. He put forward a deceptive argument but he did not mention the fact that, although the value of the land is \$1.3 million, the club is prepared to pay \$2 million and to spend an additional \$2 million in improvements to the ground. This facility will become a major social centre of the City of Collingwood. For some reason some residents want to prevent that occurring. I believe I know the answer because it happened at Princes Park in Carlton when the yuppies moved in. The yuppies have not been in Collingwood for 100 years as has the football club, but they want to change it. The yuppies want to change everything. It has happened at Princes Park in Carlton but we do not want it to happen in Collingwood.

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! There are far too many interjections and, to make matters worse, those members interjecting are out of their seats. I also advise Mr Mackenzie, who knows the rules better than I do, that he had the opportunity of speaking and I ask him to give the same opportunity to Mr Mier.

Hon. B. W. MIER — The Collingwood City Council is not smart. It is throwing \$20 000 a month in lost revenue down the drain. That is a remarkable situation. The majority of people in the City of Collingwood, in the City of Melbourne and right across Australia who support Australian rules football do not want the Collingwood Football Club to move. The only person I know who wanted the

club to move in recent years was Mr Ross Oakley from the AFL who wanted the club to shift to Waverley Park.

Hon. G. R. Craigie — Who's he? He's a yuppie!

Hon. B. W. MIER — He certainly is a yuppie. His proposal was met with a hostile reception not only from the Collingwood Football Club but also from other AFL clubs. Collingwood is one of the oldest clubs in the competition and has the most tradition of all the football clubs in Australia. After all, we are talking about Australian rules, the true Australian game. It is the only sporting activity that has developed and evolved in this country. It is truly Australian. Australia's most famous football club is the Collingwood Football Club. I am not a Collingwood supporter. I support Footscray. But when the Footscray Football Club was in financial trouble a couple of years ago Collingwood came to its assistance. I am sure the Footscray club would assist Collingwood if it ever faced the same position. I believe most football clubs in the AFL, with the exception of one or two, would come to the assistance of Collingwood. What Mr Mackenzie said in his contribution was completely wrong. The land is valued at \$1.3 million. The bogus valuation that has been put on the land by the council includes a building that was constructed and paid for by members of the football club. Mr Mackenzie did not refer to the proposed additional \$2 million to be spent on new facilities at the ground. Those facilities will benefit the supporters of all football clubs.

The debate is a farce. It is a tragedy that a council can go down a path and bring this matter before the Victorian Parliament as a means of resolving this stupid dispute. The Collingwood City Council does not appreciate or understand the tremendous asset it has in having the Collingwood Football Club located within its municipality. I am sure most municipalities in Victoria would go down on their knees to have Collingwood Football Club located in their areas. They would want the additional revenue that the club would bring in and also the prestige that such a club would offer the local community. It is a pity the Collingwood City Council did not act like the Footscray City Council did when it worked hand in glove with the Footscray Football Club to provide \$5 million to \$6 million worth of improvements at the Western Oval. The Footscray club has worked closely with the council and has built up a tremendous relationship with it. The ground has been transformed into a community facility. Not only will Australian rules be played at the Western Oval but also baseball, rugby league

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and soccer. The Western Oval has been transformed into a local asset and provides a community service. It will offer sporting events that will be attended by all members of the western suburbs community.

Why should that not happen in Collingwood? Why should a few people who have recently moved in make such a difference? They are concerned only about cars being parked outside their houses seven or eight times a year. For the past 60 years cars have been parked in neighbouring streets, and prior to that horses and carts were probably tied up. Those people move into the area and want to shut the place down.

It is similar to the people who move into areas around airports. Initially the airport is built in an isolated location. People then build houses up to the boundaries of the airport and want the airport closed down. That is the same scenario as we have here. After a club has been functioning for in excess of 100 years these people want to move in and shut it down. That is ludicrous. The Collingwood City Council has no foresight whatsoever and the move by it shows its total ignorance and failure to appreciate that one of the country's greatest assets is located in its municipality.

Hon. J. G. MILES (Templestowe) — I rise not to support this Bill but to state that the coalition does not oppose it. I express my extreme disappointment at the contribution made by Mr Mackenzie. When I came into this Chamber Mr Mackenzie was the President of this Chamber and an excellent one. I do not resile from that point of view. Today, the President exercised some leniency towards Mr Mackenzie when he was making his contribution. It is sad to see Mr Mackenzie grandstanding for the *Geelong Advertiser* tonight as an independent candidate. I sympathise with his effort to win a seat as an independent because he was forced to resign by his own party. I feel sorry for him.

It is sad on this occasion to see him abusing the coalition and not exercising any opportunity to criticise the government, which introduced this Bill. I have respected Mr Mackenzie's contributions on a number of occasions. However, I resent his saying that the opposition has been got at.

Hon. G. R. Craige — So do I!

Hon. J. G. MILES — The things he has said tonight in criticising the coalition are absolutely disgraceful and, on behalf of the coalition, I strongly

resent them. I think that Mr Mackenzie has abused the Parliament. I say that advisedly and I am sad to have to say it.

The coalition has gone through a difficult time discussing this Bill. Mr Hallam made an outstanding contribution in the debate tonight. He put all sides of the picture accurately and with great perception. Over the past few months Mr Hallam has given great credence to all sides of the issue, and there are many sides to this issue.

All honourable members can declare their allegiances. When I was younger one of the saddest occasions I can remember was when the Melbourne Football Club did not equal the Collingwood Football Club's proud record of four successive premierships. However, I respect, as do all sporting clubs, the contribution of the Collingwood Football Club in the Victorian community and the sporting community. Those of us who do not support the Collingwood Football Club in football terms respect the club, its players, and its committee, including the current president, Mr Alan MacAlister, who has given outstanding service to that club and to sport generally.

On the other side of the coin I am proud to say that in my sporting career I have played many games of cricket at Victoria Park. I relished the opportunity of playing cricket at the Victoria Park cricket and football ground when Keith Stackpole Snr and Keith Stackpole Jnr played together. Keith Stackpole Snr was playing his last game and Keith Stackpole Jnr was playing his first game. I played on the same ground as them in that match. I have respect for Victoria Park, the Collingwood Football Club, the cricket club and all that goes with Collingwood.

The coalition respects also the 210 municipal councils in Victoria, and their views. Many of them, not only the Collingwood City Council, have sent us letters and made submissions on the Bill to us. They include some of the councils in my own electorate such as the Eltham, Doncaster-Templestowe, Heidelberg, Diamond Valley, and Fitzroy councils, not to mention the Collingwood council, whose opinion is obvious. There is no doubt that municipal councils are expressing a strong opinion that this Bill is a bad Bill that sets a bad precedent for local government in the future.

The only thing that Mr Mackenzie said that I agree with is that when the coalition is in government and Mr Hallam is the Minister for Local Government it will need to be aware of the precedent it set while in

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opposition by not supporting the Bill and by not opposing it either. However, the coalition respects the views of the Collingwood Residents Association. I have seen 5000 signatures on a petition from that association. Most of those signatories live in Collingwood, and approximately 1500 of them come from the Vietnamese community, which has made tremendous contributions to this State's culture, history and traditions and which has brought life to this country and this State.

I respect the fact that the Vietnamese community is not in favour of this Bill. The coalition has sympathy with the point of view of the Collingwood Football Club because the council previously said that it would sign an agreement for the sale of the Collingwood Social Club site and for the long-term lease of the ground and its environs. The club was led to believe this would happen. However, the coalition also has sympathy with the present Collingwood City Council, which does not wish to consummate the sale; apparently 5000 residents from a total of 13 000 ratepayers signed a petition claiming they do not want the sale to be consummated by Parliament.

I remind honourable members that the government introduced this Bill, not the opposition. Why should Mr Mackenzie get away with spending 50 minutes criticising the opposition when it is not its Bill? The coalition has to make a decision on this important measure.

Hon. R. A. Mackenzie — You have the numbers!

Hon. J. G. MILES — We have the numbers to be responsible. It is not the responsibility of the opposition to govern from the Legislative Council — to knock off this Bill, that Bill and some other Bill. We are not the government, that is not our responsibility. In the seven years I have been in this place the opposition has dealt responsibly with all Bills and has not acted in a stupid or irresponsible fashion by defeating legislation just because this group or that group lobbies it. It is not the prerogative of the opposition to say that because this group or that group successfully lobbied it, it should defeat legislation.

The Attorney-General almost wrecked the State with the scratch ticket episode and then lost his portfolio. He is once again the Attorney-General and he has stated several times that this kind of dispute should be resolved by the Supreme Court. He has changed his mind and now says Parliament has to resolve it,

and he has presented this Bill. What he says is often misleading and inaccurate.

In his second-reading speech he endeavours to persuade us that because this Parliament lifted the covenant on the particular parcel of land in 1990 we have to pass this Bill. The opposition is not opposing the Bill but I totally reject the logic of that argument. His logic is that because the covenant was lifted in 1990 we therefore have to pass this Bill, which will decide the future of this parcel of land. The Attorney-General's argument is totally illogical. In 1990 the covenant was lifted not on the proviso that the sale must be consummated but to enable a possible sale to be completed. The sale could not have been completed if the covenant had not been lifted. In his second-reading speech, the Attorney-General has attempted to say that the opposition must pass the Collingwood Land (Victoria Park) Bill because the covenant was lifted in 1990. As I said, it was lifted to create a circumstance in which the sale could be concluded. It had been said that the Collingwood City Council and the Collingwood Football Club had reached agreement on the proposed sale. Honourable members know that the current Collingwood City Council and Collingwood Football Club have not reached agreement. I reject entirely the logic of the Attorney-General's argument.

The coalition does not oppose the Bill. Mr Hallam, in his excellent, unbiased and balanced speech, has set out clearly the dilemma the opposition found itself in: we were faced with proposed legislation that was not good, in fact set bad principles, was premature and precipitate, and did not give the council or the football club the opportunity of resolving the problem sensibly. It is suggested that the Bill be rushed through so that no argument may be advanced about the proposed sale of the land.

The reasons why the coalition does not oppose the Bill are as follows: firstly, the opposition is not in government in the Legislative Council, although sometimes we might like to think we are. We might be in government in both Houses soon, but that is up to the people of Victoria. Currently we are not in government and therefore we cannot assume the role of the government party in this House. Secondly, it is not the role of the opposition to be obstructive and negative in response to the introduction of a Bill, even if we consider it not to be good legislation. Thirdly, it is not our job to amend legislation in an attempt to make a good Bill out of a bad Bill.

Honourable members are aware that the dispute between the council and the football club is before the Supreme Court of Victoria. A decision may be handed down tomorrow, the next day, next month or in 10 months or at any time in the future. It is not proper to leave the matter in limbo by forcing an adjournment on the second-reading debate of the Bill. Although that would allow the parties to debate the case in the Supreme Court — at enormous cost to both sides — it is not a valid reason for adjourning the debate on the Bill.

As for the covenant, it cannot be put back in place, certainly not by the opposition. It was lifted in 1990 by the government and Parliament. Members of the opposition understand the position of the Collingwood City Council, which since that covenant has been lifted could in the future sell that land to the highest bidder. In a sense, the opposition would be picking another winner, after having accused the government of picking the winner in a particular situation, and that would not be fair.

I refer to the local member for Richmond. I thought that local members in any electorate had some influence on and knowledge of the opinion of the ratepayers, the residents and the voters. Mr Demetri Dollis the honourable member for Richmond in another place has thumped his chest and said, "Me big fella; me do big things!" I ask: what has he done? I shall refer to what he has done.

In the *Melbourne Times* of 13 May 1992, under the headline: "Bid to stall Vic Park Bill", an article written by Angus Holland has the following comment:

The MLA for Richmond, Demetri Dollis, has made a last minute effort to stall the Bill that will force the sale of the Victoria Park social club land.

Mr Dollis has written to the Attorney-General, Jim Kennan —

one wonders why he would have to write to the Attorney-General, when he sits with him in Parliament. Of course, the factional divisions in the Labor Party are enormous —

asking him to drop the legislation, which is scheduled for debate in Parliament next Tuesday.

Mr Dollis said he was concerned about the provisions in the Bill to transfer planning powers from the council to the Ministry of Planning.

"The government's —

his government —

interference with the planning powers is an infringement of civil liberties," he said.

I could go on and on about what he said, but the matter of concern is what he did. The article continues:

Mr Dollis said that unless the conflict was resolved by agreement between the club and the council, there were bound to be recurring problems in later years...

"I strongly believe it is in the best interest of all, in particular the Collingwood community, that further conciliation attempts be undertaken," he told Mr Kennan.

I wonder what Mr Kennan would say about Mr Dollis referring to the contents of a private letter. The article continues:

If the Bill is voted on, Mr Dollis said he would not cross the floor.

He thumps his chest and says he will not cross the floor if a division is called in Parliament!

The debate on the Bill in the Legislative Assembly was resumed at 1.35 a.m. on Tuesday, 19 May 1992 — I suppose it would have been Wednesday, 20 May, by then. The government, without any warning to the opposition, brought on the Bill. It is customary, as all honourable members know, for the government to indicate to the opposition that the debate on a Bill will be resumed. In this House, under the leadership of Mr White, everything is done according to an established practice so that all honourable members know when a Bill will be debated. Apparently the Legislative Assembly conducts its business differently, with no rules being set down.

As I said, debate on the Bill was resumed at 1.35 a.m., when, out of the blue, Mr Roper moved, by leave, that the Bill be dealt with as a public Bill. Mr Kennett, the Leader of the Opposition, naturally said that this was the first time the opposition had been made aware of the change. In fact, it was the first time the opposition knew, firstly, that the Bill was to be converted from a private Bill to a public Bill; and, secondly, that the Bill was to be debated at 1.35 a.m. Mr Roper interjected and the rest of the debate was brief.

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The DEPUTY PRESIDENT — Order! I hope Mr Miles is not quoting from *Hansard*.

Hon. J. G. MILES — No, Mr Deputy President. Mr Kennett prepared a press release with my support and that of others. In the press release he remarked that it was strange that Mr Dollis, who was quoted in the *Melbourne Times* of 13 May as having said that he would do big things — would have the Bill withdrawn — was not in the House when the debate on the Bill was resumed at 1.35 a.m. I ask: where was Mr Dollis?

Honourable Members — Where was he? Tell us where he was!

Hon. J. G. MILES — I gather he certainly was not where most of the other members of the ALP were — in the Chamber!

Hon. G. R. Craige — Where was he?

Hon. J. G. MILES — Where was the honourable member for Richmond who should have been representing his constituents?

Hon. K. M. Smith — Tell us where he was!

Hon. R. M. Hallam — Never mind the suspense; where was he?

Hon. J. G. MILES — He was not there.

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! I think the House has heard enough about Mr Dollis. I suggest Mr Miles comes back to the Bill.

Hon. J. G. MILES — If the honourable member for Richmond, who should be the representative of the local people on the issue, repeatedly says he will do all kinds of things, one is entitled to ask just what he has done. The answer is: he has not done anything to help the local people.

The *Melbourne Times* of today states clearly under the headline "Libs attack Dollis over Vic Park Bill", that Mr Dollis said that had he had a chance to debate the Bill he would have said this and that. He has done nothing. Of course, as he was not there, we will never know what he would have said. Therefore, the Attorney-General is introducing premature legislation.

The honourable member for Richmond said he would force the Bill to be withdrawn. He must have been in the building at the time, and on 27 May, today, he is quoted in the *Melbourne Times* as saying that if he had had the chance to be there he would have said something about the Bill, but I do not know what.

What does the government do? The Attorney-General says the matter should be dealt with by the Supreme Court. The honourable member for Richmond says he will force the withdrawal of the Bill but he is not in Parliament at the moment the Bill was introduced and, had he been there, he would have done something but I do not know what!

He may have his chance later on to say whatever and to do something, and maybe he would have done something if somebody had told him the Bill was on!

Maybe the government intends not telling Mr Dollis when any particular Bill is to be debated; I do not know its intention.

The constituents of Richmond are concerned about this issue, which involves the City of Collingwood. They are also wondering where Mr Cole, the honourable member for Melbourne, and Mr Dollis, the honourable member for Richmond, were when the Park Street issue was being debated and the constituents were trying to get some representation.

Mr Kennett, Mr Birrell, others and I were there to support the people of Park Street, but where were the honourable members for Richmond and Melbourne? They were never there. With reluctance, we have to move away from comments about the honourable member for Richmond and the way he has let down his constituents.

Mr Hallam has stated clearly that this is an important Bill but that it was unnecessary because the Attorney-General should have said to the two parties concerned, "Keep negotiating and you will be able to reach a reasonable conclusion". We have some sympathy with the Collingwood council and the Collingwood Football Club, and we would have hoped that this decision would be reached amicably, but the Deputy Premier, the Attorney-General, jackbooted the Bill into the Legislative Assembly at 1.30 in the morning, then brought it over here, and the opposition has no recourse other than to say we do not think it is a good Bill but that we do not oppose it.

We are not opposing the Bill for the very reasons I have given. We are not here to be obstructionist and we feel the solution to the Bill is beyond our control and there is nothing more we can do. We are put in an awkward position. We do not abuse our position; we do not abuse our numbers in this place; we have not done so in the seven years I have been here. This House has been treating every Bill extensively.

Although we do not respect the approach of the government in the Bill, we will not oppose it for the reasons I have given, and we hope that the Collingwood Football Club and the Collingwood City Council will be able to sort out their problems amicably and have some relationship that will be of benefit to the community of Collingwood.

Hon. J. V. C. GUEST (Monash) — As I went home at about midnight last night I discovered that the lights were on at the Melbourne Cricket Ground just within 100 metres or so of my house. This is in complete defiance of the undertakings given by the former Premier to Parliament and the people of Victoria about the times those lights would go off.

I have some sympathy with the people of Collingwood who perhaps live close to Victoria Park and do not like every aspect of a football ground and what may go on there. However, it is clear that the council — the representatives of the people of Collingwood — have not given a fair shake to the Collingwood Football Club.

The coalition does not oppose the Bill. Parliament can, on proper consideration of the facts and arguments, make decisions about matters of land use and planning. It can and does make decisions about important institutions. It can make decisions to direct local government in a proper case on proper evidence.

The kind of evidence that Parliament considers is not evidence in the strict sense in which a court of law considers it. It will not be presented in the same way; it will not meet the same standards in many respects. Perhaps the investigation of the evidence will be more practical and less hidebound by rules.

Parliament can make decisions of that kind, but many would say that the best solution for the problems of Victoria Park and the Collingwood Football Club, which qualifies as an important Victorian institution in many people's minds, is something like what was thrashed out in negotiations between the Collingwood City Council

and the Collingwood Football Club over a number of years.

There are probably quite a number of members of Parliament, including members of the coalition, who believe the evidence is in favour of the solution that was arrived at, and that if that approach had been taken, there might have been some appropriate legislation to give effect to it based on one of the considerations I have mentioned.

However, the form of the Bill is one that gives great offence and has given great offence, particularly to the Victorian Bar Association, to the point where many of us seriously considered voting against the Bill because its form suggests that it is appropriate for Parliament to consider the negotiations between the parties and then decide that they have reached a point where there is an agreement which ought to be endorsed, and that agreement is in sufficiently certain words and is otherwise capable of being enforced.

That is the description of a legal decision, and one that should be left to the courts. Virtually all coalition members were deeply concerned about the willing breach by the first law officer of the State of the principle of the separation of powers — the constitutional principle and the principle of practical wisdom, that the courts, the Parliament and the executive should be kept in separate spheres to perform their tasks with integrity and proper procedures.

One of the few considerations which make me relatively happy not to oppose the Bill is that there was such a proper concern in the coalition about the important principles. When a principle is honoured by people who do not wish to apply it in a particular circumstance by giving careful attention to the reasons for making an exception, particularly where they take care to argue that there is a legitimate exception, even if it is not necessarily a good argument, that proves that the principle is alive and well.

As a matter of logic, I suppose there could be no more than one absolute principle that was never to be departed from, where distinctions and exceptions would not be accepted. The separation of powers is an extremely important principle. I suppose one could say that we should honour that principle, that we should not accept exceptions to it and that we should not countenance the fudging of a doctrine that is a vital and integral part of the way we live.

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In this case I am happy to testify that the coalition has honoured the principle by recognising that the result achieved by the Bill could have been accomplished in other ways. The offence is largely one of form, which is of grave concern because it has been introduced by an Attorney-General who should know better.

Another reason for making a distinction or for making an exception concerns the circumstances outlined by Mr Hallam, where the rights and equities that prevailed at the beginning could not be reinstated. I am not much concerned about the removal of the covenant, because that can be put back. There are those who argue that, in the meantime, the council could do dreadful things. All those arguments can be answered, but the fact that they have been put shows the conscientious concern that underlies the notion that we must not lightly abandon that major principle.

The DEPUTY PRESIDENT — Order! There is far too much conversation in the Chamber. I am finding it difficult to hear Mr Guest.

Hon. J. V. C. GUEST — There is no doubt at all that the Attorney-General, through his encouraging the Collingwood Football Club not to exercise its possible legal rights — which it could have done last November — has created a situation where, even if one still has to object to the form of the Bill, one can truly say that the government has created a problem which needs to be resolved and which is not the kind of problem that Parliament should ever involve itself in — as I explained at the outset. If one has to choose between intervening — —

The DEPUTY PRESIDENT — Order! There is too much audible conversation and Hansard is finding it difficult to hear Mr Guest.

Hon. J. V. C. GUEST — Given the hierarchy of considerations, interfering with the processes of the law is something that Parliament should do only with the greatest reluctance. Interfering with the operations of local government should also be undertaken reluctantly.

But the Bill would have achieved the same result if the right procedures had been followed and if the principle of the separation of powers had not been totally disregarded.

Mr Deputy President, in case members of the coalition should receive letters from the Law Institute of Victoria or the Bar Council, or from

people who read the debates — although they will not read much, given the brief debate in the other place — I have spoken to affirm that we can be trusted to protect the integrity of our legal system and our Constitution. I have spoken so that people will know that the form of the Bill as introduced by the Attorney-General is offensive.

Hon. G. A. SGRO (Melbourne North) — Although I support the legislation, I will say a few words because members on the government side have had to listen to a lot of hypocrisy this afternoon. On the one hand, because the opposition has had the numbers over the past three or four years, members opposite have taken every opportunity to throw buckets of dirt on the government's legislation. On the other hand, all of a sudden this afternoon members of the opposition have said that they will support the Bill because it deals with the mighty Collingwood Football Club, which I have supported for many years. Despite what honourable members opposite have had to say about the Attorney-General they do not have the guts to say no to the Bill. Politics is politics; but from time to time all of us owe it to ourselves to be honest with each other and with the people.

The opposition has decided to support the Bill because it is scared of losing votes. Members opposite have not been prepared to deal with the reality of the situation. They have been prepared to tip bucket after bucket of dirt over the Attorney-General. Not for the first time have I heard opposition speakers come in here and say that the Attorney-General should have done this and he should have done that. On every other occasion when they have had the numbers the opposition has voted against what it did not like. Every time it has had the chance it has tried to knock off the Attorney-General because of what he has done or what he has said. Yet all of a sudden, this afternoon, despite saying that the Attorney-General should have done this or should have done that, they say they will support the Bill. That is the hypocrisy of politics.

Honourable members opposite say the opposition has been caught up in the intrigue between the local council, the Attorney-General and the Collingwood Football Club — but even so they say they will support the Bill. They blame everyone but themselves.

Mr Guest, who is a good lawyer, spoke for 10 minutes but said absolutely nothing about the Bill. He used every excuse he could find to blame the

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Attorney-General — yet he said he will support the legislation.

Hon. R. M. Hallam — Are you trying to talk us out of it?

Hon. G. A. SGRO — I am not trying to talk you out of it. What I am saying, Mr Hallam, is that in politics it is important to stand up from time to time and be honest with ourselves and with the people. Please, let's not be hypocritical. It is no wonder the people outside do not trust politicians. I do not blame them. Who would trust politicians after what the House has heard tonight?

The opposition has used its numbers many times to knock off government Bills, and it amends every piece of legislation the government introduces. Yet because the mighty Collingwood Football Club is involved it decides to support the Bill.

An honourable member interjected.

Hon. G. A. SGRO — I am not a member of the Collingwood Football Club. But I support it because it is a good working-class club and stands up for the interests of ordinary people. I support the Collingwood Football Club because it is a workingman's club.

Hon. G. R. Craige — I support the Carlton Football Club.

Hon. G. A. SGRO — I support the Collingwood Football Club. Honourable members should not be so hypocritical and should support the Bill.

Hon. K. M. SMITH (South Eastern) — I did not intend to participate in the debate until I heard Mr Sgro say that members of the coalition are being hypocritical. I state categorically that I hate the Collingwood Football Club. I am a supporter of the Carlton Football Club. I am upset that Mr Sgro believes the opposition is frightened of losing votes over this issue because it is not frightened of losing any votes. The honourable member for Richmond in the other place, Mr Dollis, should be worried about losing support because he has ignored the Collingwood Football Club, the Collingwood City Council and the ratepayers of that council; he is not prepared to indicate what his beliefs are. Mr Dollis is a wishy-washy member of Parliament and is not a good representative for the people of Richmond. He should resign so that his constituents can elect a better representative.

Mr Deputy President, you said before that honourable members should not refer to Mr Dollis in this debate. The reason coalition members are referring to the honourable member is because he has let down his constituents.

Hon. G. A. Sgro interjected.

Hon. K. M. SMITH — You have had your go, Mr Sgro; you should not talk now.

The DEPUTY PRESIDENT — Order! Mr Smith referred to my comments concerning Mr Dollis. I felt there had been some repetition during the debate, especially in reference to Mr Dollis. I ask all honourable members, including Mr Smith, to relate their remarks to the Bill.

Hon. K. M. SMITH — I agree entirely, Mr Deputy President, and I shall not mention again Mr Dollis and the way he has let down his constituents.

The Bill is being debated in this place because the Collingwood Football Club and the Collingwood City Council have not resolved their difficulties. At the last election of the Collingwood City Council new councillors were elected who opposed the agreement between the Collingwood Football Club and the former council. The club believes it has a legal, binding agreement, but the council does not believe it is a legal agreement. This is basically a commercial dispute that is being resolved by Parliament. It is reprehensible that the council is acting in this way. The Collingwood Football Club has a long history, and the social club caters for residents and members alike who wish to enjoy a drink after the game. It is only right that the club should have ownership of the land on which the social club is built.

Mr Mier referred to the yuppies who have moved into the Clifton Hill area and who do not like the activities that take place at the Collingwood Football Club or the fact that Collingwood supporters walk past their houses on a Saturday either going to or coming from a football match. Those residents of Clifton Hill are recent imports into the area, but the Collingwood Football Club has existed for more than a century. It is similar to a person who purchases a house near an airport and cannot stand the noise of the planes or the smell of the fuel and wants the airport to close. If people buy homes close to a football club they should realise that they have to tolerate football club supporters passing through their street on the way to football matches. I cannot

stand people who move into an area and immediately want to change the nature of that area. That occurred when I was a councillor of the Shire of Hastings. People moved into the area and immediately wanted to change certain things to suit themselves.

The ratepayers of the City of Collingwood will be far better off under the provisions of the Bill because under the new arrangements the Collingwood Football Club will pay \$25 000 a year to the council. The land on which the social club is built will become a rateable property and council workers will no longer have to maintain the property. It is a good deal for the people of Collingwood and the Collingwood Football Club, but it is unfortunate that Parliament has been drawn into what is really a commercial dispute.

Hon. R. A. Mackenzie — The coalition has the numbers. How can it be drawn into this?

Hon. K. M. SMITH — It is not a matter of which party has the numbers in this place; it is a matter of commonsense. The coalition has the numbers and the commonsense!

Hon. R. A. Mackenzie — It is no use having the numbers if you are not going to use them.

Hon. G. A. Sgro interjected.

Hon. K. M. SMITH — Honourable members opposite should give me a go.

The DEPUTY PRESIDENT — Order! Mr Mackenzie and Mr Sgro have made their contributions and were heard in comparative silence. I ask all honourable members to listen in silence to Mr Smith as he concludes his remarks.

Hon. K. M. SMITH — The coalition is in a difficult position because it is being asked to make a judgment on what is really a commercial dispute that should be argued in the courts. A continuation of the dispute will cause much heartache for the people of Collingwood. As honourable members we should take this matter seriously and try to resolve the problems created by a number of people who suddenly came into the council after the last election.

We should say, "Enough is enough, this deal should go through". Agreement had been reached with the previous council; its councillors agreed that the sale of the land should proceed. The sale should now go ahead and if we as legislators have any way of

stopping the rot and the division in the Collingwood area — whether it be within the council or the football club — it is important that we act accordingly. I do not oppose the Bill.

The DEPUTY PRESIDENT — Order! The question is that this Bill be now read a second time.

Hon. R. A. Mackenzie — A division is required, and I ask that it be called for in the normal way.

House divided on motion:

The DEPUTY PRESIDENT — Order! I appoint as tellers for the Ayes, Mr Sgro and Mr Cox; for the Noes, Mr Mackenzie and, according to Standing Order No. 150B, I direct the Assistant Clerk to act as teller.

House divided on motion:

Ayes, 35

Ashman, Mr	Knowles, Mr
Baxter, Mr	Kokocinski, Ms
Best, Mr	Lawson, Mr
Birrell, Mr	Lyster, Mrs
Cox, Mr (<i>Teller</i>)	McLean, Mrs
Coxsedge, Mrs	Macey, Mr
Craige, Mr	Mier, Mr
Crawford, Mr	Miles, Mr
Davidson, Mr	Pullen, Mr
de Fegely, Mr	Sgro, Mr (<i>Teller</i>)
Evans, Mr	Skeggs, Mr
Guest, Mr	Smith, Mr
Hall, Mr	Storey, Mr
Hallam, Mr	Tehan, Mrs
Henshaw, Mr	Theophanous, Mr
Hogg, Mrs	Van Buren, Mr
Kennedy, Mr	Walker, Mr
	White, Mr

Noes, 1

Mackenzie, Mr (*Teller*)

Motion agreed to.

Read second time.

Ordered to be committed later this day.

BUSINESS OF THE HOUSE

Sessional Orders

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I move:

That so much of the Sessional Orders be suspended as would prevent new business being taken after 10 p.m. during the sitting of the Council this day.

Motion agreed to.

WATER (RURAL WATER CORPORATION BILL)

Introduction and first reading

Received from Assembly.

Read first time for Hon. B. T. PULLEN (Minister for Conservation and Environment) on motion of Hon. C. J. Hogg.

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Committed.

Committee

Clause 1

Hon. R. A. MACKENZIE (Geelong) — I strongly protest about the Bill being in Committee. For as long as I can remember it has been the longstanding courtesy in this place for any amendments to be put before the Committee to be circulated to the Leaders of the various parties and, in my case, to independent members. When I have amendments to move I make sure that I circulate them as soon as I receive them. I have had no opportunity of looking at the amendments to allow me to participate in the debate. Obviously the opposition has had the opportunity of seeing them and discussing them.

This whole Bill has been about the abuse of the Parliamentary system, and now I am being denied the right to take part in the Committee debate. I seek some delay to at least have time to look at what the government proposes in the amendments.

Clause agreed to; clauses 2 to 6 agreed to.

Clause 7

Hon. M. A. LYSTER (Minister for Health) — I move:

1. Clause 7, line 16, after "contract" insert "in accordance with the terms and conditions in the implementing document mentioned in section 5(a)".

I express my apologies to Mr Mackenzie for the fact that he has not previously seen the amendments. However, as I speak to the various amendments he will see that they are simple amendments that seek to clarify the Bill, and I trust that I shall be able to explain to him the reason for those clarifications.

The purpose of the amendment is to clarify for Parliament and the community the fact that the contract specified is the same as that referred to in the implementing document.

Amendment agreed to; amended clause agreed to; clause 8 agreed to.

Clause 9

Hon. M. A. LYSTER (Minister for Health) — I move:

2. Clause 9, page 8, line 9, after "Minister" insert "in his or her absolute discretion".

That amendment will mean that subclause (5) will read:

The appointment is subject to any terms, conditions and restrictions that the Minister in his or her absolute discretion determines and specifies in the notice of appointment.

The reason for the amendment is to again make it clear that the terms, conditions and restrictions of the appointment can be wide and at the absolute discretion of the Minister.

Amendment agreed to.

Hon. M. A. LYSTER (Minister for Health) — I move:

3. Clause 9, page 8, after line 34, insert —

"(11) Despite sub-section (10), if a person has notice that the appointment of an agent has been revoked the certificate of the agent's appointment cannot be relied on by that person —

- (a) as conclusive proof that the appointment is still in force; or
- (b) as evidence of the agent's authority to act for the Council or the Club."

Although the amendment is a little longer than the others the intent is to ensure that a person cannot rely on a notice of appointment of an agent if the person knows that the appointment of an agent has been revoked.

CLASSIFICATION OF FILMS AND PUBLICATIONS (AMENDMENT) BILL (No. 2)

1080

COUNCIL

Wednesday, 27 May 1992

Amendment agreed to; amended clause agreed to; clause 10 agreed to.

Clause 11

Hon. M. A. LYSTER (Minister for Health) — I move:

4. Clause 11, after line 15, insert —

“() The revocation of an agent’s appointment cancels the certificate of the agent’s appointment.”

That is self-explanatory; it seeks to clarify the situation.

Amendment agreed to; amended clause agreed to; clauses 12 to 16 agreed to.

New Clause AA

Hon. M. A. LYSTER (Minister for Health) — I move:

5. Insert the following new clause to follow clause 16:

Agent’s immunity from action

“AA. An agent appointed under this Act is not personally liable for anything done or omitted to be done in good faith, in accordance with any terms, conditions and restrictions on the agent’s appointment, in the exercise of a power or the discharge of a duty of the agent under this Act.”

It relates to immunity from action to be granted to an agent. It is the view of Parliamentary Counsel that an agent would already have immunity from legal action in carrying out his or her duties pursuant to the Bill but the amendment clarifies the position.

New clause agreed to; schedules 1 and 2 agreed to.

Reported to House with amendments.

Report adopted.

Third reading

Hon. M. A. LYSTER (Minister for Health) — I move:

That this Bill be now read a third time.

I am sure all honourable members hope this issue will not be considered by this House again.

Motion agreed to.

Read third time.

CLASSIFICATION OF FILMS AND PUBLICATIONS (AMENDMENT) BILL (No. 2)

Second reading

Debate resumed from 6 May; motion of Hon. M. A. LYSTER (Minister for Health).

Hon. J. V. C. GUEST (Monash) — The Bill prohibits the possession of child pornography. On principle, we start with the view that crimes should not be created without very good reason, that people should not be punished unnecessarily, and that the mere possession of an artefact that is obviously not as dangerous as a gun or a drug should not lightly be interfered with.

It is also possible to be concerned about an infringement of the broad principles of freedom of speech or freedom of expression, but I hardly think that Milton, who wrote the classic work founding the great cause of freedom of speech in the Western World, would have found the indulgence of a taste for child pornography as a necessary consequence of his arguments.

The coalition has no criticism of those who have sought to carefully draft the Bill, which may help to prevent abuse of children, because it goes no further than is required. In the United States of America the right of freedom of speech is enshrined in the First Amendment, and that has given rise to a great deal of constitutional litigation where, in order to find sensible exceptions to absolute views on such matters, courts have had to engage in very sophisticated intellectual argument.

A case cited at page 533 of volume 17 of the *Journal of Family Law* for March 1978-79 at page 533 dealing with the child pornography legislation contains an interesting passage that is worth repeating to show the context in which the legislation can be put if one looks at the greater issues involved in the Western World. In the case cited the court held that :

Where a statute affects such fundamental rights as are at stake in this case, it “must be narrowly drawn to express only the legitimate state interests at stake ... and to foster them by the least drastic means possible.

It is the famous case of *Roe v. Wade*:

While New York's interest in protecting children from exploitation is both legitimate and important, the question remains whether it has pursued rational and least drastic means for effectuating that interest.

As I have said, the question of freedom of speech is a bit remote from the issue with which we are dealing. I am satisfied that the drafting has been done with care so as not to go further than the legislation requires.

In discussion about the Bill with officers of the Attorney-General's Department I did not find any lack of sensitivity for the need to balance competing considerations such as those to which I have referred. There has been a conscientious effort to find the right words to aim the Bill at the dangerous paedophiles and the child pornography with which the police are concerned. The Bill is about law enforcement and the police initiated the discussions which led to its introduction.

The amendments that will be proposed are the result of discussions with government and coalition representatives, and they are sensible. The aim of the Bill is to prevent people from possessing films, including video tapes or photographs, that have resulted from the exploitation of children and not simply the degrading of them or the leading of them into depravity. If the films were made or sold in Victoria they must have resulted from criminal activity.

The Bill involves issues of civil liberties and in that sense it can be compared to issues involving receiving stolen goods. It is ludicrous to regard this Bill as an infringement on the right of freedom of expression. It is altogether too far-fetched to say that society's interest in maintaining the right to free communication of ideas, however unorthodox or shocking, extends to permitting the enjoyment of pictures of the abuse of children.

Fortunately, we do not have to perform the lengthy and strenuous intellectual feats that the First Amendment rights require of American courts and legislatures to arrive at this commonsense conclusion. Some care seems to have been taken to minimise the unintended consequences of the Bill. Artistic merit is to be a sufficient reason for possessing films and photographs which would otherwise be a ground for prosecution.

An amendment will be moved as a result of suggestions made by Mr Robert Clark, the honourable member for Balwyn in the other place. It

will qualify the defence of artistic merit so that it cannot be relied on in a case where the prosecution proves that the child involved was under the age of 16 years.

Some would say that artistic merit is no excuse for anything that vaguely resembles child pornography, but the police have assured us that the material they have been unable to deal with cannot by any stretch of imagination be described as artistic. It would be unrealistically zealous to forbid the possession of a feature film which contains some small segments showing sexual activity with young people.

Films such as *Lolita* and *The Exorcist* are examples. *Lolita* also illustrates one fairly severe aspect of the Bill: the forbidden material need only depict someone apparently under the age of 16 years. In the case of *Lolita*, the scenes of sexual activity were played by the star's elder sister who was over 16. That fact would not be an absolute defence under the Bill, which emphasises the ease of prosecution. In this instance the Bill appears to be based in part on the presumed character of the person possessing the film or photographs rather than a concern to discourage the making of such films or photographs.

Perhaps it ought to be open to the defendant to defend himself by proving that the apparent age was not the true age. Of course, with the reverse situation now proposed in relation to the defence of artistic merit, that would be desirable. For example, if a prosecution resulted from material obviously depicting mature men or women dressed or partly dressed in primary school clothes, such a prosecution would seem unlikely to succeed. That can also be said of a prosecution for possessing a film or photographs of lewd photographs, paintings or sculptures that depict children, such as ancient Indian work shown on a postcard. Irrespective of whether such work can be considered artistic, it would appear not to be a film or a photograph of a child.

Of course, that argument might be used as a defence when a film can properly be described as a film of a film. That argument might at least protect the possessor of a video tape showing extracts from other films. If it did so, it could mean there is an unintended weakness in the legislation. This is not as important perhaps but I doubt whether the police would be happy to leave a video tape showing extracts, such as those they recently made available to members of the House, in the hands of a paedophile.

I mention some of those minor considerations that have occurred to me whilst looking at the actual drafting of the Bill. Although they are minor problems of drafting, I direct to the attention of the government the absence of any general or specific defence that would allow the possession of the offending material for the purpose of carrying out some lawful duty, other than law enforcement by a member or an officer of a law enforcement agency. Even possession for the purpose of conveying it to the police or removing it from a household with impressionable people in it would *prima facie* be an offence.

A member of Parliament who wished to argue that police enforcement of the legislation was inadequate or misguided and wished to illustrate his case by showing photographs or film in the House or discreetly in another part of Parliament House — just as the police did with the video tape — would be impeded in carrying out his duties, as he saw them, by the legislation.

I am told that such a defence was considered, but that the possession of such a video tape by a member of Parliament for those purposes or for another purpose when performing his or her duty was regarded in the same light as possessing marijuana or some other forbidden substance. The argument is not convincing because it is not necessary to prove one's case by producing a lump of cannabis resin, but if one were arguing that the material was sufficiently offensive to warrant more strenuous prosecution obviously it is more desirable to illustrate that in a way that enables people to form judgments for themselves.

I refer to an example given in an article in the *Journal of Family Law*, which appears among many examples of legislation in the United States of America. I shall spare the House lengthy references to them because we do not have the complicated constitutional problems they have in the United States. The Texas statute provides, *inter alia*:

It is affirmative defence to prosecution under this section that the obscene material was possessed by a person having scientific, educational, governmental, or other similar justification.

It seems to me that a provision like that would be a sensible addition to the Bill. I merely direct that to the attention of the government. It is certainly a conscientious attempt to deal with an agreed purpose without going too far and without too many unintended consequences.

On the whole, the Bill has dealt sensibly with a difficult subject matter. The proposed amendments should make it clear that fashion photographs of sexually provocative poses are not intended to be included in this measure, however offensive some people might find them. The words "indecent sexual manner" in the relevant part of the Bill now appear to have effectively excluded the problem that some would regard as tasteless fashion photographs.

Before we vote on the Bill we have to go beyond the drafting matters. These are peripheral considerations and in the end we have to be persuaded that the new crime, invasion of privacy, and the broad brush elements in the Bill are justified by the good they may do. The broad brush elements add to the burden of proof. We do not wish to create unnecessary crimes.

I have mentioned some minor matters. An offence may have been committed even though it did not involve actual children. That would be reasonable where the activity depicted had taken place in a jurisdiction where the activity is not an offence. It is reasonable enough that we should not impose our standards on the whole world in these matters and that we have consideration for children all over the world. That to me is not an objection.

There is a basic problem that the mere possession does no harm. It is a causal connection with harmful activity. It is not as clear as the somewhat analogous case of a receiver of stolen goods, without whom most thefts would probably not take place. I shall deal with the broad argument firstly, inviting the question of the actual efficacy of the Bill to achieve its purposes. Its justification lies in its classification as a measure to protect children. Viewed in that way, the civil libertarian arguments lose their force. The protection of children is a well-recognised exception to many libertarian rules and, as an exception, it protects those rules.

Although arguments for upholding our liberties such as the freedom of expression and privacy do not need to be pushed very hard, and always at least need to be considered because too many convenient exceptions weaken the status of the rules themselves, there is no need to aim for an impossible absolutism on these issues when the presumption in favour of our liberties is clearly well to the fore in the minds of the participants in this debate and the exception is so well justified, but at least it is as important in this context that there be clearly defined in this Bill, relating to the protection of children, no implied weakening of our civil liberties.

I do not believe there is any suggestion that in the passing of legislation like this, at least in discussions I have been party to, there is a disincentive to keep out of people's private lives to the maximum possible extent.

I used a similar analogous argument for the upholding of the separation of powers during the debate on the Collingwood Land (Victoria Park) Bill, although I admit with less conviction and certainty in that case. I merely mention that Bill and that argument so lawyers and other civil libertarians who read this debate will have a clearer idea of the kind of argument I am making in respect of the principle and why I am making an exception in this case. It is important to make clear one's distinctions.

I wanted to make that point because it was not only the Collingwood Land (Victoria Park) Bill which produced letters and general outrage from members of the legal profession. In the *Sunday Age* the President of the Council for Civil Liberties, Mr Ron Merkel, QC, wrote an excellent article about this Bill. It is legitimate to consider whether right-thinking people who share the interests or enthusiasms of those intended to be treated as offenders by the Bill would agree to curtail their interest in liberties to achieve a greater good. It cannot be allowed to be a conclusive argument because, obviously, it is too hard for the unaffected — we are all unaffected by these paedophile perversions as I do not hesitate to call them — to be objective and say what we would do in their situation. It is worth putting as a test that there are many activities in which we as reasonable citizens say we should restrain ourselves. Even among those who suffer from paedophilia as if from a disease, I believe there must be people whose rational minds tell them they should restrain their instincts if not for their sake then for the sake of society.

In the end the Bill must be justified principally by its purposes and its likely efficacy for achieving them. Without doubt it will help keep the offending material out of the hands of the susceptible but so far innocent, and will somewhat inhibit circulation. It must tend to remove a sexual stimulus from paedophiles with the probable result that disease, taste and imagination are at least a little less likely to be further perverted. It will tend to punish paedophiles against whom insufficient evidence of other offences is available. If that makes them a persecuted minority I share the prejudices of the average Pentridge prisoner and sympathise only when they cease to belong to that minority, an

option not available to people whose gender or race is the reason for discrimination.

In this case some of those who will be prosecuted may well have been party to the making of the films without it being possible to prove it. That was not put by the government as one of the arguments for the Bill, although I suspect it would be in the minds of some of the police who have suggested it. I see nothing wrong with an attempt to make life more uncomfortable for those who persist in their paedophilic proclivities.

One must consider the reasons for the Bill given by the Minister. The first is the advice of the Child Exploitation Unit of the Victoria Police that photographs or films of children engaged in sexual activity are often used to confuse the child and lower his or her inhibitions. A record of that child's involvement in sexual activity may be used to blackmail the child into silence. What weight should be given to these intrinsically serious considerations depends on the frequency with which such cases occur. I really do not know whether these are intrinsically good arguments. To my mind the third reason given by the Minister is the most cogent argument for the Bill, namely, the inhibiting of the production of child pornography for commercial purposes. Obviously it requires a market. Our general feeling for human probabilities and our experience of the world supports the expectation that there will be a reduction in the production of such films and photographs, especially in Victoria, whether for sale or for personal use.

I have so far avoided using the analogy of the law relating to hard drugs because it can be argued that our prohibition on the cultivation of marijuana, the selling of any sort of drugs and the possession of hard or soft drugs is not only less than effective than it could be but that it fosters criminality and creates a market that is more profitable than would otherwise have been the case. It is worth mentioning such a possible analogy and it is worth noting a difference in the case of drugs that physical addiction is a major problem. Drugs are readily introduced to the ill and depressed, the young and the inadequate for considerable financial gain. No doubt there are elements of something similar in the case of child pornography, but these elements do not seem to be equally or even substantially important in comparison with child pornography.

It is reasonable to put weight on the third principal reason for the Bill and say that the market will diminish and that the inherently dangerous activity

of making such objectionable and degrading films and photographs as we are concerned with tonight will be made less worthwhile and less likely to take place if it is an offence for the consumers of the product to possess that product. In short, we are dealing with child pornography on its own demerits, and on the whole the Bill seems likely to be beneficial for the reasons I have given. Accordingly, the coalition supports the Bill.

Hon. ROBERT LAWSON (Higinbotham) — Child pornography of the nature of which we are speaking necessarily involves an abuse of the child itself because if there are photographs or videos of a child engaging in sexual acts it is obvious that the child was induced to engage in those acts and therefore an offence against the child has been committed. This has been going on for a very long time. In England during the Victorian era child abuse was an endemic problem. There was an endless supply of under-educated and unprotected children because of the nature of the society they were in. This is nothing new but we have to find new ways of dealing with the problem. Pornography itself is very ancient. There are plenty of records of ancient pornography; for instance, the *Karma Sutra*, which is a book about how to make love and which was produced by the Hindus about 1000 years ago. There are plenty of Hindu temples with explicit carvings on how to engage in sexual acts of all kinds.

When the Lost City of Pompeii was excavated a brothel was discovered and one of the rooms has very explicit pictures on the wall depicting what clients could do. During the 19th century women were not permitted to go into that room because it was not considered fit for ladies to see the pictures on the wall. Many frustrated lady tourists to Pompeii had to ask their husbands what it was like to enter that room. Things have changed and ladies are now permitted to enter the room quite freely.

During our lifetimes we have seen a tremendous change in what is regarded as pornography. Only a few years ago the depiction in a film of a man and a woman on a bed together was completely taboo unless the man at least was fully clothed and had one foot on the floor; if he did not have one foot on the floor the film would have been considered obscene and the maker of the film would have been prosecuted. Things have now changed totally and we see what appear to be simulated acts of sexual intercourse taking place on the screens in our living rooms and no-one seems to think anything of it.

Even in these lax times Parliament will not permit the possession of examples of child pornography because for several reasons they involve the sexual abuse of children. One reason is that photographs or videos can be used to induce other children to take part in sexual acts. Even pornographic pictures of adults can be used by paedophiles to induce gullible children to indulge in pornographic acts. With the help of paedophiles these things feed on themselves. For those reasons the opposition is prepared to support the Bill.

There is an element of commerciality in the production of pornographic films, magazines and so on but it would be a mistake to concentrate on the commercial side of things. Many paedophiles take photographs for their own use and titillation and pass them on to other paedophiles. There is a strong underground paedophilic subculture in which people swap photographs. Honourable members may have noticed recent newspaper articles about a paedophile working in a university using the university's computer system to swap photographs. This matter requires constant vigilance by the police and other authorities.

Before 1970 child pornography was not really a problem because no-one thought about it. After 1970 it was realised there was a strong underground trade in child pornography and people began to take more notice of it.

One of the difficulties with photographic records of child pornographic acts is that they can be used as blackmail. There have been recent reports of people who were sexually abused as children and who have cut those experiences out of their memories. Later in life something triggers remembrance and to their horror these people realise that a member of their family abused them in a sexual way over many years. Several law suits have been instituted in the United States of America by young women who have remembered that they were sexually abused as children.

The photographs I am referring to can be used to trigger off those memories and to blackmail those involved. People who were abused as children and who become quite successful in business or some other area or become mothers are placed in a terrible dilemma when confronted with photographs of activities in which they were involved as children. Those are the reasons the opposition proposes to support the legislation.

I draw the Minister's attention to section 60A of the Bill which concerns the possession of child pornography. Section 60A(1) says:

A person must not knowingly possess a film or photograph of a child who is, or apparently is, under the age of 16 years and who is engaging in sexual activity or posing in a sexual manner.

Section 60A(2)(d) says that it is a defence to a charge under the section to prove:

- (d) That at the time of the alleged offence the defendant was not more than 2 years older than the child was or appeared to be.

A strict reading of that provision indicates that if a child under the age of 16 engaged in pornographic practices and the person who took the photographs was 18 years of age, the person who took the photographs could not be prosecuted. The clause does not say anything about that person having to get rid of the photographs on his or her 18th birthday. That person could keep the photographs for the rest of his or her life and, as long as it was able to be proved that there was only a two-year age difference between the two people involved when the photographs were taken, could not be prosecuted. I may be wrong on this issue but that paragraph appears to be sloppily worded. The Minister should give that matter some thought because difficulty may be experienced if that clause were tested in the courts.

I have said enough to prove that the coalition parties agree with the legislation. The opposition is doing the best it can to assist the government in the suppression of child pornography and wishes the government well in its efforts in that regard. The opposition will be willing to assist the government on this issue if further legislation is needed.

Hon. B. A. E. SKEGGS (Templestowe) — I support my coalition colleagues in their expressions of concern that this legislation should be passed in the interests of the protection of children in our community.

Over the past 20 years there has been an increasing incidence of child pornography being more freely available and displayed in printed, film and video form.

Access to explicit video material is of prime concern. All too often videos shown in the home are watched by children. It is also a matter of concern that television programming in general is so involved

with sexually explicit material to which children are exposed. It is timely that this Bill should now come before the House.

As members of Parliament we would do a great disservice to the younger generation if we were not prepared to strongly discourage the proliferation of explicit sexual material, and particularly material that depicts children in a sexually compromising way.

I received a letter from the City of Doncaster and Templestowe dated 6 May 1992 expressing concern generally at sexually explicit and violent material within the community, particularly about the current classifications that do not adequately restrict the broadcast of sexually explicit and violent material. The council also expressed its concern to the Premier and said that its request is supported by the Doncaster and Templestowe Youth Resource Centre which held a public meeting recently which was attended by more than 100 young people who supported the council's view.

The Classification of Films and Publications (Amendment) Bill aims at prohibiting and preventing child pornography and material of that type. I hope in the future strong legislation will be introduced aimed at discouraging the ever-rising incidence of sexually explicit material available in society.

I for one do not believe it can do any good for society. I believe generally community standards have suffered as a result of the proliferation of sexually explicit material. It is even worse when it degrades the children of our society. It is important that the Bill is not only passed but strongly enforced by the government of the day.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 and 2 agreed to.

Clause 3

Hon. M. A. LYSTER (Minister for Health) — I move:

1. Clause 3, page 2, line 6, omit "posing in a" and insert "is depicted in an indecent".

2. Clause 3, page 2, lines 16 and 17, omit "of a medical, legal, scientific or educational character" and insert "for a genuine medical, legal, scientific or educational purpose".
3. Clause 3, page 2, after line 24 insert —
 "(3) Despite paragraph (b) of sub-section (2), the defence of artistic merit cannot be relied on in a case where the prosecution proves that the child was actually under the age of 16 years."
4. Clause 3, page 2, line 25, omit "(3)" and insert "(4)".
5. Clause 3, page 2, line 32, omit "(4)" and insert "(5)".

I thank the opposition for the attitude taken by all parties in putting the Bill together. It was important that we find exactly the right words to convey the appropriate and correct meaning in each of the clauses. I believe the amendments are an improvement on the Bill. I thank you, Mr Acting Chairman, for your contribution to the debate and to the point you directed to my attention regarding clause 3. That will be examined while the Bill is between here and another place.

Amendments agreed to; amended clause agreed to.

Reported to House with amendments.

Report adopted.

Third reading

Hon. M. A. Lyster (Minister for Health) — I move:

That this Bill be now read a third time.

In doing so, I thank all honourable members, particularly those who spoke in the debate, for their contributions. This is an important Bill and it will contribute considerably to the community's attempt to eliminate the concerns we all have about the continuing existence of child pornography.

Motion agreed to.

Read third time.

**SUPERANNUATION (OCCUPATIONAL
SUPERANNUATION STANDARDS)
BILL**

Introduction and first reading

Received from Assembly.

Read first time for Hon. D. R. White (Minister for Manufacturing and Industry Development on motion of Hon. C. J. Hogg.

**ROYAL MELBOURNE INSTITUTE OF
TECHNOLOGY BILL**

Second reading

For Hon. B. T. Pullen (Minister for Conservation and Environment), Hon. C. J. Hogg (Minister for Ethnic, Municipal and Community Affairs) — I move:

That this Bill be now read a second time.

This Bill represents a further significant development in the restructuring of higher education in Victoria. It recognises one of our major institutes of technology as a university and provides for an amalgamation which will strengthen the provision of higher education in the northern region of Melbourne. The merger of Phillip Institute of Technology and RMIT will bring together two important institutions with a complementary range of professional and technologically oriented programs.

The new university will offer programs at levels ranging from trade training to post-doctoral studies and will be one of the largest tertiary institutions in Australia. It will have a student load in excess of 17 000 EFTSU in higher education and a further 10 000 in technical and further education. The total number of students on a full-time or part-time basis is close to 40 000.

The university will provide a major boost for the delivery of higher education programs in the northern suburbs of Melbourne. Higher education participation in the Plenty growth area is low. In Whittlesea, where the population is expected to increase by 31 per cent over the next 10 years, the rate of participation in the 17 to 24-year age group was only 10.9 per cent in 1991 compared with a metropolitan average of 15.4 per cent in that year and a State average of 14.3 per cent.

Until recently higher education programs in engineering and technology have not been available in this area. However, decisions were made by the government last year to provide for engineering studies at both La Trobe and at Phillip's Bundoora campus, the latter a program in manufacturing technology in cooperation with RMIT. A \$9 million capital project to support this development is

already under way. The merger with RMIT in the new university will provide a stronger and more permanent basis for this development and for its expansion into related areas of technology.

RMIT's central city location has been an important factor in providing access to students from throughout the metropolitan area and elsewhere in Victoria. However, the physical capacity of the city site is constrained and the merger will create opportunities for extended developments in the northern suburbs as part of a strategy for balanced development across the total institution. This will be particularly significant in responding to the special needs of the expanding population in the Plenty Valley.

The RMIT has a long history of applied studies closely related to the needs of industry which began with the establishment of the Working Men's College over 100 years ago. It has grown steadily over its long history and prior to the higher education restructuring which has taken place since 1987 it had become the largest institute of technology in Australia. It has a number of fields of particular strength in both TAFE and higher education which include information technology, applied science and engineering as well as the arts, business, environmental design and social sciences. It has extensive research involvement and has attracted substantial competitive Commonwealth funding for research while maintaining a close relationship with industry.

Research and development activities at RMIT have been expanding rapidly. Research funds acquired through competitive submissions doubled over the past two years, reaching a total of \$9 million in 1991. When the new university is established it will already have 20 research centres, 7 of them being national research centres of excellence, either solely or in collaboration with other universities and industry partners. Along with the Stanford Research Institute, it has been selected to participate in a joint research program in micro-miniature robotic devices involving 24 major industrial companies in the United States of America and Japan.

The Phillip Institute of Technology was formed in 1982 through the merger of Preston Institute of Technology and Coburg State College. It shares RMIT's commitment to applied learning and has highly regarded programs in a number of areas such as business, health sciences, including nursing, welfare, education, community services, human movement studies, and applied science. It has

particularly close relationships with professional bodies in a number of the health sciences and areas relating to social welfare, recreation and community development. Its degree course in chiropractic was the first to be offered in a publicly funded institution in the world. Although Phillip does not offer programs in TAFE it is strongly committed to links between the two sectors.

Recognition of the combined institution as a university will result in a new large multisector university with particular focus on technological studies and applied learning. The university will continue the current mission and ethos of the existing institutions through its focus on the provision of relevant education of high standard.

Links between TAFE and higher education programs are particularly important in a multisector university of this kind and will be progressively strengthened. In addition higher degree studies and research will be significantly expanded, building on the already substantial base of research activity. It will also continue to expand its international focus and provide education that will assist Australia's participation in the South-East Asian economic zone.

Planning for the merger and transition to university status has proceeded smoothly and effectively with a high degree of cooperation between management, staff, students, and the councils of the two institutions. The planning of an academic and administrative structure for the institution is well advanced.

The RMIT has operated for many years as a company limited by guarantee. The university is being established by this Bill as a new legal entity but it is intended that the traditions and particular mission of the institutions will continue. To facilitate this continuity the university will be the successor in law to the existing institutes and provision will be made for appointment of current council members to the council of the university. Council membership includes staff and students and external members of the council of Phillip as well as the RMIT council as one of the measures to implement the merger and maintain a focus on the northern metropolitan area of Melbourne.

RMIT Ltd will continue as a company with significant membership from the university council and with a special role to support the work of the university.

The planning agreement between the institutions, which provides the basis for the merger arrangements, sets out a number of provisions for the protection of the welfare of staff and students in ways that are consistent with government policy.

It is intended that staff will be employed on conditions that are not less favourable than in their present employment, and provision has been made for continuation of current student programs. The regulations of the existing institutions will be continued as if made as statutes or regulations of the university.

There is a high level of student and staff participation in many aspects of the current activities at both institutions and it is expected that these levels of participation will be continued.

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why the Bill alters or varies that section.

1. Clause 62 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 clauses 54 to 56.
2. Clauses 54(3) and 56(7) of the Bill provide that no compensation is payable in respect of anything done under or arising out of these sections.
3. Those clauses revoke certain reservations and discharge certain land from a notice of intention to acquire, and provide that a Crown grant for a Working Men's College be read as if it referred to a university. They provide for the vesting of land in the university.
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 establishes the university, sets out its objects and the

structure and major operating procedures of the council. Part 3 provides for the establishment of a higher education division including an academic board and the provision of advice to the council on academic matters.

Part 4 provides for the establishment of a technical and further education division including a board of technical studies, and the provision of advice to the council on matters affecting programs in technical and further education. Part 5 provides powers to make statutes and regulations to govern the operations of the university. Part 6 provides for the management of property and financial matters and the provision of reports. Part 7 provides for general matters including the office of visitor, elections and payment of fines and compensation.

Part 8 makes transitional provisions for the establishment of the first council and transfer of students to the university. Part 9 provides for the university to be successor in law of RMIT, for the merger of the Phillip Institute of Technology, the granting of certain land to the university, for the transfer of staff; and other matters required to complete the merger arrangements. Part 10 makes consequential amendments in the Post-Secondary Education Act 1978, the Vocational Education and Training Act 1990 and the Administrative Law Act 1978.

CONCLUSION

The Bill provides for the establishment of Royal Melbourne Institute of Technology as a major multisector university incorporating the existing RMIT and Phillip Institute of Technology. It will have a particular commitment to applied studies and to applied research and will substantially strengthen higher education, teaching and research in Victoria as a whole, and in particular in the northern metropolitan region of Melbourne.

I commend the Bill to the House.

Debate adjourned for Hon. HADDON STOREY (East Yarra) on motion of Hon. R. S. de Fegely.

Debate adjourned until next day.

EDUCATION (FURTHER AMENDMENT) BILL

Committed.

Committee

Clause 1

Hon. J. G. MILES (Templestowe) — I move:

1. Clause 1, lines 8 and 9, omit all words and expressions on these lines.
2. Clause 1, line 10, omit "(c)" and insert "(b)".
3. Clause 1, line 12, omit "(d)" and insert "(c)".

I refer the Minister for Ethnic, Municipal and Community Affairs to Part 3, clauses 4 to 6 of the Bill, which relate to overseas students. The opposition seeks an undertaking from the Minister that the government will immediately refer the costing of the overseas students program to the Economic and Budget Review Committee to investigate the financial implications of the program because we have considerable doubts about the cost estimates of the program as provided by the government.

If the Minister gives this undertaking we will not oppose the clauses. If the Minister refuses to give the undertaking we will oppose the clauses. Mr Acting Chairman, I think that point should be clarified first before we deal with amendments Nos 1, 2 and 3. I ask the Minister for her opinion on this matter.

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — In reply to Mr Miles who asks for an assurance or undertaking on certain matters from me, I inform him and the Committee that I can give no such assurance or undertaking. I am not able to do that. My instructions are that no undertaking or assurance of the kind he seeks can be given.

Hon. P. R. HALL (Gippsland) — It is disappointing that the Minister cannot give an undertaking to refer this matter to the Economic and Budget Review Committee because the export of education by this State should be encouraged. I have no hesitation in recommending that overseas students participate in the education system provided in Victoria. The opposition's concerns are largely with the cost aspect. It wants to ensure that the fees to be charged to those overseas students will cover the cost of delivering education to them.

The opposition took its figures on an audit report by Ernst and Young that was prepared when this matter was previously being considered. The report gave an independent valuation of the cost of educating the students. The opposition offers the

Minister an opportunity to check on this figure and refer it to the Economic and Budget Review Committee. It is a shame we have not been able to resolve this matter so that overseas students can take part in secondary schooling in this State.

Amendments agreed to; amended clause agreed to; clauses 2 and 3 agreed to.

Heading to Part 3 and clauses 4 to 6

Hon. J. G. MILES (Templestowe) — I move:

4. Part 3, clauses 4 to 6, omit this Part.

As the opposition and the Minister have foreshadowed, amendment No. 4 means that we wish to omit the whole of Part 3, that is, clauses 4 to 6 relating to cost. I support Mr Hall's explanation of our position. It is approximately a year ago that this Bill was discussed in another place and in this Chamber. In letters to the former Minister for Education and Training, Mr Pullen, we made it clear that we thought the approximation of the cost that was given by the government and departmental officers when we met them was too vague. Nobody seemed certain of what the cost was. It was estimated at about \$6500 per overseas student, and we thought that was low compared to students in this country. To ensure that the costing is more accurate and precise we should like the government to refer the costing to the Economic and Budget Review Committee.

At this stage the coalition is strongly in favour of an overseas student program. The program has been operating successfully and the opposition supports it, although it is concerned about the costing of it. In a mild criticism of the government we would have thought in the year that has elapsed since this Bill was introduced that the government could have allowed us to refer it to the Economic and Budget Review Committee as we asked it to do a year ago, or could have provided in the second-reading speech or the Minister's remarks today some more precise and accurate estimation of the cost.

It is basically a good Bill, and the opposition supports the thrust of it. But it is a pity that the opposition is unable to get more precise details on the costing and a guarantee that it will be referred to the Economic and Budget Review Committee.

Amendment agreed to.

Heading and clauses negatived.

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Heading to Part 4.

Hon. J. G. MILES (Templestowe) — I move:

5. Heading to Part 4, line 22, omit "4" and insert "3".

As a consequence of this amendment we have to change the heading to part 4.

Amendment agreed to; amended heading agreed to; clause 7 agreed to.

Clauses 8 to 14

Hon. J. G. MILES (Templestowe) — I move:

6. Clause 8, omit this clause.
7. Clause 9, omit this clause.
8. Clause 10, omit this clause.
9. Clause 11, omit this clause.
10. Clause 12, omit this clause.
11. Clause 13, omit this clause.
12. Clause 14, omit this clause.

I ask the Committee to omit those clauses in relation to the registration of schools and the registration of the numbers of students in each school. The detail and bureaucratic control of schools that is implicitly and sometimes explicitly stated in this particular section cannot be supported. In the case of non-government schools there should be greater flexibility than is embodied in this section, that is, clauses 8 to 14.

Amendments agreed to.

Clauses negated.

The ACTING CHAIRMAN (Hon. Robert Lawson) — Order! I invite Mr Miles to move new clause AA.

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I do not have a new clause AA on the sheet of amendments that have been circulated. As there was some confusion earlier in the day, perhaps Mr Miles can shed some light on the situation.

Hon. J. G. MILES (Templestowe) — I do not have a new clause AA in front of me. It would have been the standard disallowance clause. During the day discussions were held while three sets of amendments were circulated, and agreement was reached on the Bill, as amended, being passed.

Reported to House with amendments.

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I move:

That the report be now adopted.

Hon. P. R. HALL (Gippsland) — Mr Deputy President, on a point of order, I thought that the motion agreed to at the end of the Committee stage was that progress would be reported so that the standard disallowance clause could be moved later.

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — On the point of order, or as a point of explanation, I am sorry if Mr Hall believes there was agreement on the matter. I was not briefed about the coalition's point of view. The Education (Further Amendment) Bill has laid over for some time. I understood the agreement was that it would go through the Committee stage and then through the third reading and be passed. If Mr Hall has some other understanding, I apologise, but I was not informed about it.

Hon. J. G. MILES (Templestowe) — On the point of order, my understanding is that the agreement with the Minister is that the Bill as amended should be passed.

Motion agreed to.

Passed remaining stages.

ADJOURNMENT

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — I move:

That the House do now adjourn.

Mansfield-Woods Point Road

Hon. G. R. CRAIGE (Central Highlands) — The matter I raise for the attention of the Minister for Transport concerns the Mansfield-Woods Point Road. The issue was directed to my attention in recent times when a friend of mine who is a New Zealander had visitors from New Zealand. He asked me where he could take his visitors to show them a truly Australian hotel and see a typical piece of Australia's history. I suggested he take his friends on a trip to Woods Point. He did so and came back full of enthusiasm about the scenery and the general beauty of the place. He enjoyed the hospitality at the hotel at Woods Point. However, his car suffered

badly from the journey because the road leading to Woods Point is nothing less than a disgrace.

This is an historic area that attracts many tourists. The residents have written numerous letters and called on the Minister for Transport on many occasions to address the problem of the condition of the road.

During the Easter break this year, Gaffney's Creek and Woods Point attracted some 3000 visitors. Urgent attention should be given by VICROADS to upgrading the roads in the area. The road is suitable for use only by four-wheel drive vehicles. I ask the Minister for Transport to look at the roads in the area and attend to the problems as a matter of urgency so that tourists can travel to and around the area in some comfort.

Croatian Community Welfare Association of Victoria

Hon. G. P. CONNARD (Higinbotham) — The matter I raise is for the attention of the Minister for Ethnic, Municipal and Community Affairs. I have a letter from the Croatian Community Welfare Association of Victoria that says:

In the latest Department of Immigration, Local Government and Ethnic Affairs funding the Croatian community in Victoria was the only one that received a half grant. This was the smallest grant given to any community and means that the community will only have one full grant for one year.

The department referred to is the Federal equivalent of the State Ministry. The letter continues:

This is despite the fact that the Croatian community of Victoria was recommended for a full grant for three years at the regional and State levels ...

The letter continues:

The community sees this action as a political one that is the result of institutionalised discrimination and racism against the Croatian community.

Therefore, they are organising themselves to take up these issues in the proper way. The letter goes on to comment:

The community will no longer tolerate the appalling levels of funding. When we look at communities of comparable size, such as the Greeks and Italians, we receive less than one-tenth of the funding. In

comparison with other smaller communities such as the Lebanese, South and Central America, Cambodian, Turkish, Macedonian, Polish, etc., we still receive only about one-tenth or one-fifth.

When I cast my eye over the grants to the community from the State coffers I see the same sort of reaction; and certainly, in years past in my area I have noticed that the excellent Croatian people have developed a church community in Springvale. They never received a penny of funding from either State or Federal organisations to assist them in building both a church and sporting complex, and this is an example across the State.

That situation is causing division among the ethnic communities, particularly the former Yugoslav community. When Mr Kent, a Serbian, was the Federal member for Hotham, his wife Eva Kent, who is also a Serbian, was involved with the Ethnic Affairs Commission. She precluded the Croatian community from receiving any funding at all. At that time the Minister responsible for the commission was Mr Spyker, now the Minister for Transport in another place. I have seen no improvement in the relationship with the Croatian community from successive Ministers responsible for ethnic affairs.

This serious problem is causing social division in Victoria between the several former Yugoslav communities, and the Minister must address the problem.

I ask the Minister to use her good offices to persuade the Federal immigration department, as well as local government and the Ministry of Ethnic, Municipal and Community Affairs, to increase the grant, to which both her regional and State officers have agreed. I ask her to properly examine the grants she is making to the ethnic community and to give the Croatian community adequate and proper support in this State.

AIDS testing

Hon. J. V. C. GUEST (Monash) — I raise a matter for the attention of the Minister for Health. It involves the great concern that has been expressed to me about the cost to the State health system of dealing with immigrants or those who come to this country even for a short time and who have the HIV virus or perhaps the full-blown disease of AIDS.

I raised the matter with the Minister yesterday and I understand it is not considered to be a matter with

serious consequences for the State; certainly not sufficiently serious to justify screening for the HIV virus, or apparently even for the disease of AIDS itself, during immigration procedures.

Each case of AIDS must cost the community hundreds of thousands of dollars because of the long process of keeping the patient alive and reasonably comfortable, with all the precautions that must be taken with treatments and because of the social security benefits that are paid.

In the past the whole community, not just the tens of thousands of immigrants, was subjected to compulsory vaccinations and chest X-rays, and the cost the community had to bear included the cost of testing or vaccinating everyone, for example, for tuberculosis, which was thereby eliminated.

If we were to test immigrants for AIDS and were to find only 50 cases a year, one would have thought that would easily pay for the cost of testing them. Of course we can say this is a Federal matter but I am asking the Minister to express views on the subject which take account of the financial welfare of the State. I am not suggesting the State or Commonwealth governments should wear the cost but it is not reasonable to say to people who seek to come to this country that they should pay for a simple test that many people have?

The DEPUTY PRESIDENT — Order! Mr Guest is developing a set speech and he should come to the point.

Hon. J. V. C. GUEST — In anticipation of the Minister having a somewhat negative reaction on this point I ask her to advise the House what sort of costs have been calculated to be involved and why she cannot, if she has not, urge the Commonwealth to ensure that there is proper screening for HIV and AIDS?

Ballarat-Skipton railway reserve

Hon. B. A. CHAMBERLAIN (Western) — I raise a matter for the Minister for Conservation and Environment. It concerns the closed Ballarat-Skipton railway line, which has been a long saga. The Shire of Grenville expressed concern that despite the fact that promises were made by the former Minister, Mrs Kirner, in September 1988 that certain action would take place to regularise the disposal or the dealings with the reserve, four years later little has happened.

The shire has recited to me the various promises that have been made. Apparently a working party was formed to study the attributes of the area and a report was completed at Christmas time. It was due to be released last Christmas but still there is no sign of it.

The council believes that after all this time the process should be brought to a rapid conclusion. I guess that if one attempted to quantify the cost of the various studies undertaken to date the total would be substantial. I ask the Minister to address the issue with a view to bringing the matter to a conclusion with some firm recommendations for action.

Football match admission prices

Hon. R. A. MACKENZIE (Geelong) — The matter I raise for the Minister for Consumer Affairs concerns the control exercised by the Ministry of Consumer Affairs over the price of admission to football matches.

I understand that the normal price for adult entry to the outer area of a football ground is about \$12. Today I telephoned the Geelong Football Ground on behalf of some constituents who were anxious to obtain seats for the game on Saturday. First of all the club staff informed me that no seats were available and secondly that the charge for standing room for this particular match had increased to \$21.

Hon. T. C. Theophanous — That is outrageous. Which match is this for?

Hon. R. A. MACKENZIE — It is for the Geelong versus St Kilda match. I ask the Minister what right the Australian Football League has to charge like that for football matches. Football is supposedly a family game, but at a cost of \$21 a head it certainly ceases to be that. Very few working-class families would be able to afford those sorts of prices, and I ask the Minister to investigate the matter to determine by what authority such a price rise occurred for that match.

Infertility (Medical Procedures) Act

Hon. M. T. TEHAN (Central Highlands) — The matter I direct to the attention of the Minister for Health concerns the implementation of section 22(4) of the Infertility (Medical Procedures) Act, which requires the chief general manager to keep a central register. The Act was passed in 1984, amended in 1987 and proclaimed in total in 1988. The section of

the Act that provides that the chief general manager shall maintain or cause to be maintained a register containing the particulars, copies of which are to be sent to the chief general manager under section 19 or section 21, was certainly part of the original legislation.

Health Department Victoria may or may not have established the central register, but it is apparent from reports presented to Parliament that no entries have been made in the register. I refer to three reports presented to the Minister for Health by the Chief General Manager of Health Department Victoria as required under section 22(4) of the Infertility (Medical Procedures) Act.

The 1988-89 report makes no reference to such entries, so one can presume that no entries had been made. The second report — for 1989-90 — states:

Since the relevant sections of the Infertility (Medical Procedures) Act and accompanying regulations came into operation no information has been forwarded by approved hospitals for inclusion in the central register.

It is apparent that the effective implementation of the central register is being frustrated by significant concern ... Reconsideration and amendment of the Act and the accompanying regulations is required to achieve the cooperation necessary to effectively establish the central register.

The most recent report — the report for 1990-91 — makes no reference to those comments but says:

During the period 1 July 1990 to 30 June 1991 no information was forwarded to the central register in compliance with the relevant regulations.

The Standing Review and Advisory Committee on Infertility — the Waller committee — raised the matter with a previous Minister for Health, the Honourable Caroline Hogg. In a letter dated 19 June 1990, almost two years ago, Professor Waller said:

I refer to your letter ... on a number of issues related to the central register required to be maintained by Health Department Victoria pursuant to section 22 of the Infertility (Medical Procedures) Act 1984.

As you will be aware the committee has written several times on this issue since 1988 to yourself and your predecessor...

The committee recommends that the Act be suitably amended as soon as possible to reflect the particular

recommendations of the IVF inquiry. In the meantime it is noted that all births arising from a relevant procedure, or a procedure of artificial insemination, must, by law, be notified to the central register...

This is a serious matter of public concern. It is not good enough for Health Department Victoria not to have implemented the provisions of this important section of the Act. I understand a panel has been set up to examine the meaning of the section and to decide what is needed. I further understand that last year a proposal was put to the Waller committee foreshadowing amendments to the Act.

The DEPUTY PRESIDENT — Order! Mrs Tehan will be aware that under the Standing Orders she is unable to make suggestions about future legislation. Perhaps she could couch her remarks — —

Hon. B. A. Chamberlain — She wants the existing legislation enforced.

Hon. M. T. TEHAN — As Mr Chamberlain says, I am asking for the existing legislation to be enforced. The matter is of even more urgent public concern because of a recent article in the *Sunday Age* which shows that the number of sperm donors has fallen dramatically in recent years, from approximately 200 to 40.

Hon. B. A. Chamberlain — And they are getting worn out, too!

Hon. M. T. TEHAN — According to an article in the *Business Review Weekly* the number of sperm donors is falling and the number of IVF births is in the order of 2000. Some other publications put the number as high as 5000. Given those statistics, it will take a long time to have the material entered in the central register, especially as four years have already been lost.

As a matter of public urgency and to ensure that this important section of the Act is implemented, I ask the Minister to say when we can expect that information to be entered in the central register. I also ask her to say what action her department will take to ensure that the provisions of section 22(4) are complied with. Further, if amending legislation is required, I ask her to say when it will be introduced. It is imperative that urgent action be taken to implement the provisions of existing legislation to ensure that vital information is placed on the central register.

Building society interest rates

Hon. B. A. E. SKEGGS (Templestowe) — The matter I direct to the attention of the Leader of the House, who is the representative in this place of the Treasurer, concerns a request from a constituent of mine who is seeking a review of current interest rates and the general mortgage loan conditions applying to building societies that operate under deposits secured by Victorian government guarantee arrangements.

My constituent is particularly concerned not only by the level of the interest rates — which have not dropped since bank interest rates have dropped — but also by the provisions of the schedule of a particular building society, which may well apply to a number of building societies. The schedule stipulates that the building society may at any time by notice in writing of its intention to do so vary or alter the ruling rate of interest payable in accordance with the rules of the society and the terms and conditions of the mortgage. The schedule also stipulates that the building society has the sole and absolute discretion to nominate a bank, building society, friendly society, credit union or mortgage management company to provide the financial accommodation as well as to take out a mortgage over the security that is given.

Another provision of the schedule which is of concern is that three months penalty interest is charged if the loan is discharged within the first year, two months penalty interest if the loan is discharged during the second year, and thereafter, one month's penalty interest.

My constituent is concerned about those aspects of the schedule under the general mortgage loan conditions of the building society — and particularly by the governing interest rates as they are applied under deposits secured by Victorian government guarantee arrangements. I ask the Treasurer to review the situation.

Harrods Furniture Pty Ltd

Hon. G. B. ASHMAN (Boronia) — The matter I direct to the attention of the Minister for Consumer Affairs, who is the representative in this place of the Minister for Labour, concerns a constituent of mine, Mr Clifford Curcher, who did some part-time work for a company called Harrods Furniture Pty Ltd, a retail furniture store, of Scoresby Road, Bayswater.

In August of last year Mr Curcher worked on the understanding that he would be paid for the five days he was employed. Under the arrangement he was to open the store and be around while it was being fitted out and new furniture was installed. Mr Curcher has sent a number of solicitors' letters to Harrods Furniture seeking payment for the work he performed, to no avail. He approached my electorate office some time ago and was referred to the Department of Labour, whose officers pursued the matter but have so far been unsuccessful. The company is continuing to trade but the directors of the company have gone to ground. I am concerned that the company is in financial difficulties and that Mr Curcher may not receive the funds due to him.

Although officers from the Department of Labour have been cooperative I do not believe the issue is a priority for them. The matter is some eight months old and the department should have pursued it with more vigour. I seek an assurance from the Minister that he will ensure that officers of the department seek out the directors of the company so that payment can be forwarded to Mr Curcher for the work he performed last August.

Responses

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — Mr Skeggs raised with me the level of mortgage and interest rates of building societies, and I shall direct the matter to the Treasurer and seek a reply on his behalf.

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — Mr Connard raised a series of matters regarding the funding and activities of welfare organisations related to the Croatian community and other community groups. I acknowledge the truth of his remarks, because obviously repercussions have been felt in ethnic communities in Australia from the civil war in the Republic of Yugoslavia.

The next annual report of the Office of Ethnic Affairs will indicate an increase in the level of funding for Croatian welfare organisations with larger increases in subsequent years. The change in the configuration will not affect the funding overnight.

Government departments and funding bodies are conscious of the issues raised by Mr Connard. The Croatian community will receive additional funding because its funding will increase from a low base. It is an ageing community so over the next 12 or 18 months it should attract grants for the aged. I am

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not saying that will happen in the current financial year, but I believe agencies are alerted to the changes that have occurred in the Republic of Yugoslavia.

Hon. G. P. Connard — I am asking for an even balance.

Hon. C. J. HOGG — Yes, I acknowledge that and I acknowledge that the Office of Ethnic Affairs is playing a role in ensuring that other agencies have a heightened awareness of the problem.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Mr Chamberlain raised a concern about the need for action regarding the disposal of the Ballarat-Skipton railway reserve and how it may be used. I am anxious to expedite the work being done on disused railway lines because they have enormous potential in offering benefits to local communities through the vegetation that borders them and the old buildings that are close to provincial towns.

I have had meetings with the people involved in the work, the Municipal Association of Victoria and others with the aim of finalising the report. I shall follow up that issue and provide Mr Chamberlain with information on the progress of the report.

Hon. M. A. LYSTER (Minister for Health) — Mr Guest raised with me an issue that he raised privately with me yesterday, but I did not interpret his conversation as an official foreshadowing of the matter being raised during the debate on the motion for the adjournment of the House. I ask Mr Guest to provide me with more information and precise data, particularly in relation to whether Health Department Victoria or the Federal Department of Health, Housing and Community Services have figures relating to the incidence of AIDS among migrants or long-term residents in the community.

In his comments Mr Guest foreshadowed the need to assess the costs against the benefits of a screening program. I shall get back to him once I have access to that material.

Mrs Tehan raised a concern she has regarding section 22(4) of the Infertility (Medical Procedures) Act, which requires the Chief General Manager of Health Department Victoria to keep a central register. I have not recently discussed the matter with the chief general manager, but I shall ask him to provide me with a report of the current implementation of that provision and communicate that information to Mrs Tehan.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — Mr Craige raised a matter for the Minister for Transport relating to the Mansfield-Woods Point Road which Mr Craige believes is in a state of disrepair and requires urgent attention. Although the road is not heavily used, during particular times of the year large numbers of tourists use the road. Mr Craige wants the Minister for Transport to personally examine the road and he has offered to take him to the Woods Point Hotel. I shall pass on that offer to the Minister and the concern Mr Craige has about the condition of the road.

Mr Mackenzie is concerned about the adult entry price of \$12 to Australian Rules football matches, and he is particularly concerned about the entry price for the Geelong-St Kilda match next Saturday, which is \$21. Irrespective of the outcome, Mr Mackenzie is concerned about the price. It is also of concern to me as the Minister for Consumer Affairs that there was a difference between the normal price charged and the price quoted to him — namely, \$21. I understand the price he was quoted was for a standing room ticket.

Hon. R. A. Mackenzie — Standing room in the outer.

Hon. T. C. THEOPHANOUS — Not standing room seats, but standing room in the outer. Is the normal price for a standing room ticket \$12 per adult?

Hon. R. A. Mackenzie — That is right.

Hon. T. C. THEOPHANOUS — The critical factor is whether the person you spoke to actually gave you the correct information and whether a different price was charged for the same tickets, the normal cost of which is \$12. I shall ask my Ministry to investigate whether different prices were charged for the same seats.

Hon. R. A. Mackenzie — Not seats — standing room tickets!

Hon. T. C. THEOPHANOUS — Yes, standing room tickets. If a different charge were made later as a consequence of fewer tickets being available, my Ministry would be quite concerned.

Hon. R. A. Mackenzie — A lot of people would be concerned.

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Hon. T. C. THEOPHANOUS — I want to find out whether that occurred and, if so, why. I will ask my Ministry to investigate the matter and I will let Mr Mackenzie know the results.

Mr Ashman asked the Minister for Labour in the other place to investigate the treatment by Harrods Furniture Pty Ltd of a part-time employee, Mr Curcher. Mr Ashman has supplied me with a copy of a statutory declaration about the arrangements for the payment of wages to that man. He made the point that the Department of Labour has been cooperative, and I am pleased that that is the case.

Mr Ashman asked for further action to be taken quickly so that Mr Curcher can be paid the amount that is due to him. I will pass on the matter to the Minister for Labour and ask him to reply directly to Mr Ashman.

Motion agreed to.

House adjourned 11.43 p.m.

JOINT SITTING OF THE LEGISLATIVE
COUNCIL AND THE LEGISLATIVE
ASSEMBLY

Wednesday, 27 May 1992

Deakin University

Royal Melbourne Institute of Technology
Swinburne University of TechnologyHonourable members of both Houses assembled at
6.15 p.m.

The CLERK — Before proceeding with the business of this joint sitting it will be necessary to appoint a President of the joint sitting.

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

That the Honourable Kenneth Alastair Coghill, MP, Speaker of the Legislative Assembly, be appointed President of this joint sitting.

Mr GUDE (Hawthorn) — I second the motion.

Motion agreed to.

The PRESIDENT — I thank honourable members for the honour that has been bestowed upon me on what will most certainly be an historic occasion.

I direct the attention of honourable members to the extracts from the Deakin University Act 1974, the Royal Melbourne Institute of Technology Bill and the Swinburne University of Technology Bill, which have been circulated. It will be noted that the various provisions require that the joint sitting be conducted in accordance with rules adopted for the purpose by members present at the sitting. The first procedure, therefore, will be the adoption of rules.

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — Mr President, I desire to submit rules of procedure, which are in the hands of honourable members, and I move:

That these rules be the rules of procedure for this joint sitting.

Mr GUDE (Hawthorn) — I second the motion.

Motion agreed to.

The PRESIDENT — The rules having been adopted, I am now prepared to receive proposals from honourable members with regard to members to be recommended for appointment to the proposed Royal Melbourne Institute of Technology council.

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

That the Honourable Gerald Barry Ashman, JP, MLC, the Honourable David Mylor Evans, MLC, and Mrs Sherryl Maree Garbutt, MP, be recommended for appointment as members of the council of the proposed Royal Melbourne Institute of Technology.

They are willing to accept the appointment if chosen.

Mr GUDE (Hawthorn) — I second the proposal.

The PRESIDENT — Are there any further proposals?

As only three members have been proposed, I declare that the Honourable Gerald Barry Ashman, JP, MLC, the Honourable David Mylor Evans, MLC, and Mrs Sherryl Maree Garbutt, MP, have been chosen to be recommended for appointment to the proposed Royal Melbourne Institute of Technology council.

I am now prepared to receive proposals from honourable members with regard to members to be recommended for appointment to the council of the proposed Swinburne University of Technology.

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

That Phillip Neville Honeywood, MP, Mrs Carolyn Dorothy Hirsh, MP, and Noel John Maughan, MP, be recommended for appointment as members of the council of the proposed Swinburne University of Technology.

They are willing to accept appointment if chosen.

Mr GUDE (Hawthorn) — I second the proposal.

JOINT SITTING OF THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE ASSEMBLY

1098

COUNCIL

Wednesday, 27 May 1992

The PRESIDENT — Are there any further proposals?

As only three members have been proposed I declare that Phillip Neville Honeywood, MP, Mrs Carolyn Hirsh, MP, and Noel John Maughan, MP, have been chosen to be recommended for appointment as members of the council of the proposed Swinburne University of Technology.

I am now prepared to receive proposals from honourable members with regard to members to be recommended for appointment to the council of Deakin University.

Mr ROPER (Minister for Employment, Post-Secondary Education and Training) — The various parties have agreed on the nominations and therefore I propose:

That Stephen Noel Elder, MP, the Honourable David Ernest Henshaw, MBE, MLC, and John Francis McGrath, MP, be recommended for appointment as members of the council of Deakin University.

They are willing to accept the appointment if chosen.

Mr GUDE (Hawthorn) — I second the proposal.

The PRESIDENT — Are there any further proposals?

Mr DICKINSON (South Barwon) — I propose:

That Harley Rivers Dickinson, KStJ, MP, be recommended for appointment as a member of the council of Deakin University.

He is willing to accept the appointment if chosen.

Hon. R. A. MACKENZIE (Geelong) — I second the proposal.

The PRESIDENT — Are there any further proposals?

As more than the required numbers of members have been proposed, I direct that a ballot be conducted. I ask the Clerk to ring the bells for 2 minutes.

Bells rung.

Members having assembled in Chamber:

Ballot conducted.

The PRESIDENT — Order! I appoint the following three members to be scrutineers: Mr Cooper, Mrs Hogg and Mr Mackenzie. The scrutineers and one of the Clerks will repair to count the votes. I ask honourable members to remain in their places until the scrutineers and the Clerk have left the Chamber. When I have received the scrutineers' report I shall resume the Chair and cause the bells to be rung.

Sitting suspended 6.32 p.m. until 6.43 p.m.

Bells rung.

Members having reassembled in Chamber:

The PRESIDENT — Order! I have received the scrutineers' report, and the result of the ballot is:

Number of ballot papers counted: 96.

Votes received:

Mr Dickinson	14
Mr Elder	92
Mr Henshaw	83
Mr McGrath	93
Informal	6

I therefore declare Stephen Noel Elder, MP, the Honourable David Ernest Henshaw, MBE, MLC, and John Francis McGrath, MP, as chosen to be recommended for appointment to the council of Deakin University.

There being no further business I declare the joint sitting closed.

Proceedings terminated 6.45 p.m.

Thursday, 28 May 1992

The PRESIDENT (Hon. A. J. Hunt) took the chair at 11.2 a.m. and read the prayer.

MELBOURNE WATER CORPORATION BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. B. T. PULLEN
(Minister for Conservation and Environment).

FINANCIAL INSTITUTIONS (VICTORIA) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of
Hon. T. C. THEOPHANOUS (Minister for
Consumer Affairs).

QUESTIONS WITHOUT NOTICE

MEDICARE AGREEMENT

Hon. M. T. TEHAN (Central Highlands) — My question is directed to the Minister for Health. The Federal Minister Brian Howe has ruled out an increase in the Medicare levy and is highly unlikely to make any significant additions to hospital Medicare or the State's hospital budget. What fall-back strategy for ongoing hospital funding does the Minister have in mind in the event that Victoria does not receive the \$300 million the Minister has asked the Commonwealth for?

Hon. M. A. LYSTER (Minister for Health) — I thank Mrs Tehan for the question, although of course it is hypothetical.

Hon. M. T. Tehan — It is not!

Hon. M. A. LYSTER — I certainly do not consider that we are at the stage of considering a fall-back position. I was disappointed that the Federal Minister ruled out one very important

component of the resources available for the funding of hospital Medicare across the country. There can be no doubt that hospital Medicare is at risk, and that statement would be supported by every State health Minister in Australia. There can be no doubt that the Commonwealth must decide whether it wants hospital Medicare to survive. On a number of occasions in this House I have acknowledged that fewer people are taking out private health insurance and this, among other things, is putting increased pressure on the public hospital system — more pressure than it can stand.

When you add to that the factor of an ageing population and the increased demand that places on the health system it is a situation the Federal government cannot turn its back on. The demands on the health system have increased immeasurably over recent years but the funding from the Federal government has not. The share of the funding for public hospitals that the States are expected to carry has increased to a level that we can no longer tolerate.

I have said that the proposals put by the opposition for relying on private health insurance incentives in one way or another would not be my preferred option. My reason is that I am the Minister responsible for the public health services in Victoria; therefore, my first priority will always be to advocate loudly and emphatically increased funds for and directly to the public hospitals and public health agencies in Victoria. This view is shared by the Premier and indeed by the majority of States. We still believe the Federal government will be forced to take action because it recognises that the signing of the next Medicare agreement by all the States is in great jeopardy.

Hon. M. T. Tehan — No fall-back position!

ROLE OF AUDITOR-GENERAL

Hon. R. M. HALLAM (Western) — I ask the Minister for Consumer Affairs whether he is prepared to record his unqualified support for the role and performance of the Auditor-General.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I am not sure that this question ought rightly be directed to me.

Hon. M. T. Tehan — But it has been, so answer it! Any other Minister would answer it.

Hon. T. C. THEOPHANOUS — In answering from the point of view of the Ministry of Consumer Affairs I am able to give unqualified support to the Auditor-General's finding that my department has run efficiently and effectively and in accordance with all the requirements he has put forward. He has given it a clean bill of health and I support him entirely in that opinion.

INDUSTRIAL DISPUTE IN NURSING HOMES

Hon. JEAN McLEAN (Boronia) — Is the Minister for Health in a position to inform the House about the industrial dispute affecting nursing homes in Victoria?

Hon. M. A. LYSTER (Minister for Health) — I thank Mrs McLean for her question because it gives me the opportunity of clarifying the situation, which is contrary to the claims being made by the Australian Nursing Federation (ANF) on this issue. It is important that the community understands that this dispute involves one-sixth of the nursing homes in the State. It involves the public sector only and not the private sector, which is ironic for reasons that I shall explain in a moment.

Given that the turnover in nursing home beds is at most four patients per bed per year, I do not anticipate that the bans will have an impact on the acute hospital sector for some time, which appears to be one of the major levers the ANF believes it has.

It is outrageous and untrue for the ANF to claim that the dispute will blow out public hospital waiting lists or fill up public hospital beds with elderly people. The government makes no apology for two major aims that it has in the use of resources for aged care: firstly, to provide top quality care for elderly people who need nursing home care; and secondly, to pursue efficient use of those resources.

The government made clear in the Budget last year that it intended to move over a three-year period to the adoption of the CAM/SAM formula that has been put in place for private nursing homes throughout the country during the past four years.

The ANF has now proposed a new rostering system and I am sure the House will be surprised to hear that if calculations were done on the system proposed by the ANF it would force the government to close 1100 nursing home beds. Certainly, those 1100 beds could be transferred to the private sector, which I would not have thought would be in the

best interests of the ANF or the interest of job security for its members.

The other interesting element of the ANF ambit claim is that it seeks staffing levels in nursing homes at roughly the same level as those in our acute hospitals, and I do not believe anybody would maintain that that is necessary. There has never been any question of using untrained staff in our nursing homes. The government has only ever proposed to employ registered nurses and State enrolled nurses.

The bans are illogical, unreasonable and unfair. They are illogical because the same funding formula that the State intends to implement has been in place in the private sector for some time and many ANF members already work to that formula. The bans are unreasonable because we are talking of a three-year phase-in period and we are in the middle of a trialling process in which the ANF has been invited to collaborate. We are not even at the stage of having received data from the pilot program that has been carried out, let alone of having the opportunity of evaluating the data to ascertain how we can learn from the experience. The bans are also unreasonable because any reduction in jobs that did occur would occur only as a result of attrition.

It goes without saying that the bans are totally unfair because they are using vulnerable frail aged people and their families as hostages in an industrial dispute — something that I could never tolerate.

BURNLEY PRIVATE NURSING HOME

Hon. R. I. KNOWLES (Ballarat) — I refer the Minister for Health to the unexplained deaths in the Burnley Private Nursing Home in Richmond. Why did it take almost 12 months for Health Department Victoria to order an inquiry into those deaths? What was the finding of the inquiry, and what subsequent action was taken on the report?

Hon. M. A. LYSTER (Minister for Health) — I wish I could provide an answer to Mr Knowles but he may not be aware that the files on the Burnley Private Nursing Home are now in the possession of the courts. I have been unable to ascertain the answers to those questions, which I have also asked. As soon as I am in a position to provide that information to Mr Knowles I shall do so.

LOY YANG B POWER STATION

Hon. W. R. BAXTER (North Eastern) — The Minister for Ethnic, Municipal and Community

Affairs will be aware of the widespread concern among municipalities about the precedent set by the government's first privatisation measure, the sale of Loy Yang B, which specifically excludes the levying of rates on the project by the relevant municipality. What response is the Minister giving to the councils that raised the issue with her in her capacity as Minister responsible for local government?

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — Clause 25(1) of the Loy Yang B Bill provides that the Loy Yang land is not rateable. However, as indicated in the second-reading speech it is the government's intention:

... that the new owners will make payments in lieu of rates. Furthermore, these should be paid not solely to the shire in which the station is located but also to other affected municipalities.

Usually an industry pays rates only to the municipality in which it is situated — in this case, the Shire of Traralgon. However, the size of Loy Yang B station means it will also have direct effects on adjoining municipalities. Therefore, the government has decided that the payments should be shared with those municipalities.

The three municipalities most affected by the power station are the Shire of Traralgon and the cities of Traralgon and Morwell. As an indicator of the impact, State Electricity Commission Victoria (SECV) data shows that 70 per cent of the employees at Loy Yang A station and the Loy Yang mine are residents of those three municipalities.

It will be necessary for negotiations to occur between the councils and the new owners on the total amounts to be paid and the distribution of those amounts between the councils. Consistent with its policy of granting more autonomy to local councils, the government is giving the councils the opportunity of negotiating a mutually acceptable deal. I am pleased that the local councils are enthusiastic about taking up that opportunity.

The Bill recognises that agreement may not be reached in those negotiations. Therefore, clause 25(2)(b) of the Bill provides that if agreement is not reached by 31 July the Governor in Council will determine the rate to be paid. In that case advice will be provided to the Governor in Council by the Office of Local Government and the Victoria Grants Commission.

GOVERNMENT'S ENERGY EFFICIENCY STRATEGY

Hon. JOAN COXSEGE (Melbourne West) — I refer the Minister for Manufacturing and Industry Development to last year's launch by the Premier of the Victorian government's energy efficiency strategy and ask: will the Minister advise the House of the latest progress in implementing initiatives arising from the strategy?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — A major project under the energy efficiency strategy is the government's aim of introducing a commercial building energy code by 1993. The code is being developed within the Department of Manufacturing and Industry Development with the support of industry and it will set out minimum energy standards for new commercial buildings.

All types of non-residential buildings will be covered including office buildings of all sizes, restaurants and food outlets, educational facilities, hotels, health facilities, recreation and entertainment centres, and warehouses and retail premises. The code recognises the fact that the commercial sector is the fastest growing area of energy use; 20 per cent of all electricity sales is devoted to electricity use in commercial buildings of which 70 per cent is used for temperature control, ventilation and lighting. Those factors can be dramatically improved by energy efficient design, thereby reducing costs to the users.

Two significant steps have been taken towards the establishment of the code; firstly, an expert consulting firm, Connell Wagner, has been appointed to identify likely economic impacts from the introduction of a commercial building energy code; and secondly, a panel is to be established to advise the government on development of the code. The panel will be chaired by Kevin Connolly, the former Chief General Manager of the SECV. Invitations will be extended to appropriate representatives from relevant sections of the community to sit on that panel.

My department will ensure full public consultation on the issue. Papers will be prepared and circulated, and a booklet has already been prepared outlining the process of developing the code. It is important to note that, last year when the government presented the idea to organisations such as the Building Owners and Managers Association and the building industry, they were interested in using the code in

the design, planning and construction of new buildings.

As a consequence, the State Electricity Commission is prepared to negotiate energy efficient tariffs for buildings that adhere to that design, planning and construction code.

We are moving towards a user-pays system with water, which is designed to reduce the pressure on Melbourne Water to build new dams. That will have a direct benefit to ratepayers. Similarly with energy use, there is a major advantage in having energy efficient design, planning and use of our major commercial enterprises because that reduces the pressure on the need for the construction of new power stations which, in turn, reduces the pressure on tariffs.

It is correct that communities throughout the world that do not have abundant energy sources have far more rigorous energy and commercial building codes in place than is the case in Australia and Victoria, which have the advantage of access to abundant brown coal. Many practices throughout societies that have introduced commercial building codes because they do not have access to abundant energy can be used as guides to reducing dependency on fossil fuel, reducing the environmental impact of energy and use and developing energy conservation and renewable energy technologies.

It is clear that the proposal has the support not only of environmental groups but also of building owners and managers and the users of major commercial entities. The government looks forward to the introduction of the code as soon as possible in 1992.

BURNLEY PRIVATE NURSING HOME

Hon. M. A. BIRRELL (East Yarra) — I refer the Minister for Health to her answer to Mr Knowles's question about Health Department Victoria's investigations into deaths at the Burnley Private Nursing Home. Is the Minister suggesting that Health Department Victoria now has no records, information or knowledge on either the tragic deaths or the results of its inquiries? Is the Minister suggesting that she cannot gain access to her own files on this matter, or is this just a convenient excuse for saying nothing?

Hon. M. A. LYSTER (Minister for Health) — The last part of Mr Birrell's question is —

Hon. T. C. Theophanous — Offensive!

Hon. M. A. LYSTER — Yes, it is offensive. I hesitated to use that word, but it is offensive. During my time as a Minister, let alone my time as the Minister for Health, I could never have been accused of seeking to cover up any matter, especially one as serious and as sensitive as this one. The relatives and friends of the people who died in the nursing home would be most distressed at the media coverage that followed the recent court case. I want to do all I can to allay any distress felt by those people.

It is essential that the police have the capacity to carry out their investigations. I understand that the files are in the possession of the police so that they can ascertain whether there is cause for concern about the deaths.

Hon. M. T. Tehan — There is cause for concern!

Hon. M. A. LYSTER — I am told by people who have been familiar with the situation at different times at the nursing home that the people who died were in their late 80s, that they were frail and that it is not automatically a cause for concern that a number of them died within a particular period. However, the police are quite appropriately investigating the concerns that have been put to them. Until I can add to that I am unable to answer the question.

LOY YANG B POWER STATION

Hon. P. R. HALL (Gippsland) — I refer the Minister for Manufacturing and Industry Development to the proposal that the new owners of Loy Yang B power station distribute funds to three local governments in lieu of rates. I ask the Minister: is the amount of the distribution related in any way to what would otherwise be paid in the form of municipal rates; if not, what formula does he believe should be applied to calculate a quantum figure?

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — Consistent with the views that have been expressed by my colleague, the Minister for Ethnic, Municipal and Community Affairs, the contribution in lieu of rates to be distributed between the three councils will be the subject of negotiations between the parties involved. If agreement is unable to be reached the issue will be considered by the Victoria Grants Commission and will then be the subject of an Executive Council decision. The government believes the manner in

which the material amount is calculated should recognise that a commercial enterprise is involved.

Hon. P. R. Hall — The municipal evaluation?

Hon. D. R. WHITE — The negotiated amount yet to be determined will be distributed between the three municipalities. If agreement cannot be reached it will be decided by the Victoria Grants Commission.

Hon. R. M. Hallam — So the short answer is you don't know — that is the truth of the matter!

Hon. D. R. WHITE — Among other considerations regarding the amount that might be paid, I am sure the Western Port (Steel Works) Act 1970 will be taken into consideration as a precedent. That was introduced by the previous administration and it formed the basis for reimbursement to the local municipality, the Shire of Hastings — —

Hon. R. M. Hallam — How many municipalities? One!

Hon. D. R. WHITE — Let me just tell the House about the criteria used on that occasion so that we can place on the record a precedent that was initiated and supported by the coalition. In lieu of rates paid by the municipality a rate was determined and set out in the Western Port (Steel Works) Act 1970, which was introduced by the former Liberal administration. I am sure you, Mr President, would be aware of that, and a former councillor of the Shire of Hastings, Mr Smith, may also have some knowledge of it.

The basis upon which the rates were determined was well below the land and capital value of the assets on the site. The government will be more than pleased if Mr Hall insists on taking into account the precedent that was agreed to by the House. If the honourable member has some other views that he wishes to put on the table to assist the debate the government will be pleased to hear from him. If he is making a bid on behalf of local councils he should take into account the view that the National Party supported in the past.

WORLD ENVIRONMENT WEEK

Hon. D. E. HENSHAW (Geelong) — Honourable members concerned about the environment will be delighted to learn that next week the United Nations Conference on Environment and Development, known as the Earth Summit, will be held in Rio de

Janeiro in celebration of World Environment Week. Will the Minister for Conservation and Environment outline some of the plans for the celebration of that week?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — World Environment Week will be celebrated from 1 to 7 June and the theme is One Earth, Care and Share. That theme reflects the special focus that will be directed to biodiversity and climate change at the historic United Nations Conference on Environment and Development, known as the Earth Summit, to be held from 3 to 14 June in Rio de Janeiro.

However, while the Earth Summit will put a global focus on the week, activities in Victoria will focus on what we can do as individuals to make a difference to the environment. There are many ways that individuals can make a difference. They include buying products that are better for the environment; taking action to reduce waste by composting; recycling; keeping our cars tuned so that emissions are reduced; using our cars more efficiently by taking passengers or car pooling; using public transport, because public transport is generally less energy hungry than cars; and becoming involved in local friends groups that are supporting parks and reserves.

The Department of Conservation and Environment is supporting a number of initiatives for the week to help to get across the message "You can make a difference". Many groups and municipalities are publicising their activities in conjunction with the Department of Conservation and Environment. The activities include walks, talks, and displays with environmental themes.

Many conservation groups have organised special walks and flora and fauna surveys, at Mount Eliza, Wyperfeld, Mornington, Pascoe Vale, Anglesea, Phillip Island, and Langwarrin. Several Melbourne Water parks — Brimbank, Braeside, Jells, Woori Yallock and Westerfolds — will hold special walks and displays to celebrate World Environment Week.

The Office of the Environment has prepared a World Environment Week bulletin on a range of activities being held around the State. The bulletin will be made available to the public and the media. On World Environment Day, I shall be launching the Frogwatch monitoring program.

Hon. M. A. Lyster — You are kidding!

Hon. B. T. PULLEN — That is right. For the benefit of honourable members who may not know, frogs are very important indicators of the health of the planet. Frogs around the world are endangered by climatic change and damaged habitats. It is not so much that the frog as a single species is important, but the frog is one of the first indicators of decline in the environment, and Frogwatch aims to focus public attention on the critical importance of wetlands in Australia and internationally.

Hon. M. A. Birrell interjected.

Hon. B. T. PULLEN — Given recent decisions by the opposition, it could probably mount a "Non-Environment Day" of its own, publicising its position on heritage rivers and wilderness! I suggest it would be better off joining the rest of us and showing some concern about the environment.

BURNLEY PRIVATE NURSING HOME

Hon. M. A. BIRRELL (East Yarra) — I direct my question to the Minister for Health — —

Hon. D. R. White — Are you supporting Frogwatch? We want to know whether you are fair dinkum on the environment.

Hon. M. A. BIRRELL — Has the Minister for Health asked for access to Health Department Victoria files on the Burnley Private Nursing Home, and, if not, why not?

Hon. M. A. Lyster (Minister for Health) — I shall take Mr Birrell through the issue again. The Burnley Private Nursing Home no longer exists. The nursing home that operates currently is an entirely new establishment. The proprietor of the former Burnley Private Nursing Home has been convicted. The deaths that formed the subject of media speculation are being investigated by members of the Police Force. In the course of that investigation they have sought access to the appropriate Health Department Victoria files and that access has been granted to them. They are now in possession of those files.

Further, the relevant Federal department is seeking the return of funds that it believes may have been inappropriately used during the time that the Burnley Private Nursing Home was in operation.

Hon. M. A. Birrell — Have you sought access to the files?

Hon. M. A. Lyster — I believe the appropriate action is being taken by the relevant authorities.

Hon. M. A. Birrell — So you are doing absolutely nothing!

Hon. M. A. Lyster — I reiterate that I believe the appropriate action is being taken by the relevant authorities. At this stage I do not believe my intervention is necessary, nor would it add to the matter.

Hon. M. A. Birrell — You don't want to know!

CREDIT CARD TRANSACTION FEES

Hon. B. E. Davidson (Chelsea) — I refer the Minister for Consumer Affairs to media reports that some banks are considering introducing transaction fees on credit cards. Will the Minister inform the House whether such disgraceful fees will be allowed under the proposed uniform credit legislation?

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — I thank Mr Davidson for his question.

The PRESIDENT — Order! The Minister should disregard the pejorative term in the question.

Hon. T. C. THEOPHANOUS — As I have reported to the House previously, consumer affairs Ministers met fairly recently in Adelaide to discuss uniform credit legislation. I reported that considerable progress had been made on developing an important piece of legislation that will cover all forms of credit. The legislation will be uniform throughout Australia and will protect consumers in a variety of ways.

One of the items discussed at the meeting was whether financial institutions should be allowed to charge annual fees on credit cards. The consumer affairs Ministers agreed to investigate the charging of annual fees on credit cards. But that will be subject to the banks coming back with a complete offset in the form of an exchange of interest rate reductions on credit cards for any annual fee that might be allowed.

Hon. R. M. Hallam — Allowed by whom? Are you going to regulate the banks as well?

Hon. T. C. THEOPHANOUS — For your information, Mr Hallam, annual fees are not currently allowed.

Hon. R. M. Hallam — Not allowed by whom?

Hon. T. C. THEOPHANOUS — They are not allowed under legislation.

Hon. R. M. Hallam — By whose legislation?

Hon. T. C. THEOPHANOUS — Currently annual fees are not charged on credit cards. The Standing Committee of Consumer Affairs Ministers (SCOCAM) agreed to investigate the matter, and a consultant has been employed to investigate whether annual fees should be allowed.

Hon. R. M. Hallam — Now you don't know whether they will be allowed!

Hon. T. C. THEOPHANOUS — We need to find out whether the offset offered by the banks in the form of a reduction in interest rates is a complete offset. That is why the Ministers for consumer affairs were of the unanimous view that we should have a consultant examine whether the offer from the banks represents a complete offset.

It is somewhat unfortunate that since that discussion occurred and those deliberations took place some of the banks have sought to place on the agenda another possible fee on credit cards, namely, transaction fees, a matter not discussed by the SCOCAM Ministers. However, it is clear that transaction fees on credit cards will not be allowed. The answer to Mr Davidson's question about whether transaction fees will be allowed is clearly and categorically no.

It is fairly interesting that transaction fees are allowed on debit cards, as opposed to credit cards, but the banks are not keen to charge transaction fees on debit cards. Rather, they prefer to charge people whose credit accounts happen to be in the red. This was rejected by the Ministers for consumer affairs. It is a surreptitious way of introducing another fee. One has only to make a small computation to understand its impact. If, say, a 50-cent transaction fee were allowed on credit cards and an individual used a credit card four times a week, that would amount to some \$100 a year in transaction fees, which would be additional to the interest charges.

Hon. R. M. Hallam interjected.

Hon. T. C. THEOPHANOUS — I hope Mr Hallam is not suggesting that he supports such a move. Honourable members on this side of the House do not support that level of freedom for the

banks to charge whatever they like. Although that may be your policy of deregulation, it is not our policy.

The government is not about to allow the banks to charge transaction fees on credit cards, partly because such fees can easily be increased or hidden, and to ask for such fees, in addition to an annual fee, is really beyond the pale.

To conclude my remarks and to place this on the record, the 90-day bank bill rate has dropped from 13 per cent in 1988 to 7 per cent currently, yet banks are still holding credit card interest rates well above 20 per cent. In fact, most of the rates are up to 21 per cent. When one considers that the cost of funds is 7 per cent, it is pretty hard to justify charges to consumers of 21 per cent.

The banks should start examining the extent of credit charges rather than seeking to introduce through the back door another charge in the form of transaction fees.

BURNLEY PRIVATE NURSING HOME

Hon. R. I. KNOWLES (Ballarat) — Will the Minister for Health now specifically confirm that she has sought no information on any action taken by her department on the findings of the 1989 inquiry into the Burnley Private Nursing Home?

Hon. M. A. LYSTER (Minister for Health) — The opposition seems to think that something underhanded has occurred or that there has been an attempt to cover up. I repeat: Health Department Victoria is not a police force. When there is a concern about suspicious deaths the appropriate investigating body is the police, and possibly the coroner.

Hon. M. T. Tehan — Didn't you want to know about the inquiry done by your department?

Hon. M. A. LYSTER — The police are currently investigating the matter —

Hon. M. A. Birrell — Your department did an inquiry!

Hon. M. A. LYSTER — The responsibility of Health Department Victoria lies in registering nursing homes —

Hon. M. A. Birrell — And policing them!

QUESTIONS WITHOUT NOTICE

1106

COUNCIL

Thursday, 28 May 1992

Hon. M. A. LYSTER — Monitoring the care of people in the nursing homes is shared with the Commonwealth government.

Hon. M. A. Birrell — Have you sought any information on that?

Hon. M. A. LYSTER — The Federal Minister has made clear that his department has been pursuing the matter for some time. Together with the Federal Minister, I have made the available material accessible to the police.

I have every confidence that the police will carry out their investigations assiduously, and in the event that they believe there is cause for concern they will refer the matter to the coroner.

I repeat: I believe that is the appropriate process to be followed.

LOCAL ROADS FUNDING

Hon. C. J. KENNEDY (Waverley) — My question is directed to the esteemed Minister for Ethnic, Municipal and Community Affairs. Will she inform the House of arrangements for the allocation of Commonwealth local roads funding in Victoria?

Hon. C. J. HOGG (Minister for Ethnic, Municipal and Community Affairs) — As honourable members know the October 1990 special Premiers Conference established a new framework for future Commonwealth local roads funding, which shifted responsibility for managing the allocation of funds to councils within Victoria from VIC ROADS to the Victoria Grants Commission.

As a result local roads funding is now untied in its application by local councils, and the distribution arrangements at all levels are under review.

In late 1991 I established the Victorian local roads funding working party to give advice on preferred future arrangements. The working party is chaired by a representative of the Office of Local Government and consists of representatives of the Victoria Grants Commission, the Municipal Association of Victoria, the Metropolitan Municipal Association, the Institute of Municipal Engineering of Australia, VIC ROADS and the Department of Treasury.

As I told the House last week the States have been waiting for some time for direction from the

Commonwealth on key future arrangements for local roads funding.

Hon. R. M. HALLAM (Western) — On a point of order, Mr President, I am having great difficulty hearing what is being said. This is an important answer and I should like to hear the answer.

The PRESIDENT — Order! Would Mr Hallam like the Minister to recommence her reply?

Hon. C. J. HOGG — I shall return to my previous sentence. The States have been waiting for some time for direction from the Commonwealth on key future arrangements for local roads funding. In light of recent decisions by the Commonwealth I can now announce the arrangements that will apply for 1992-93 in Victoria.

The same arrangements that applied for 1991-92 will be continued in 1992-93. Continuation of interim arrangements for 1992-93 will produce similar results for councils to those of last year. The provision for special impact funding will also be continued in 1992-93 to assist councils to fund eligible road-related works that are unusually costly.

The funding arrangements for 1992-93 fall within the framework of the Commonwealth government's amendments on 4 May 1992 to the Local Government (Financial Assistance) Act 1986. They provide for the distribution of local roads funding for three years from 1992-93. The approved arrangements for the next three years are: first, the continued separate identification of Commonwealth local roads funding; secondly, the maintenance of existing State shares; and, thirdly, the intrastate distribution of local roads funding on the basis of methodology developed by the State in cooperation with local government and in accordance with principles jointly developed by the Commonwealth, the States and local government. The principles are to be consistent with the Commonwealth's response to the Royal Commission into Aboriginal Deaths in Custody. The last arrangement is the removal of separately identified special roadworks funding arrangements from the Commonwealth legislation.

The Victorian local roads funding working party has met regularly since late 1991. It has been actively considering a range of issues relating to a preferred methodology for distributing local roads funding to councils in Victoria.

These are complex issues that require considerable discussion and consultation with local councils. I

believe the Commonwealth decisions implicitly endorse my early establishment of the working party.

Information sought by the working party from the other States shows clearly that no other State has engaged in the degree of discussion and consultation with local councils on the subject that Victoria has. In fact, a number of other States have deferred consideration of the subject pending the Commonwealth decisions.

There have been a number of inquiries, both formal and informal, as to the arrangements to be made in the next 12 months for the allocation of Commonwealth local roads funding. I hope my reply adds some certainty and clarity to a sensitive and complex question that is particularly bewildering.

HOUSE COMMITTEE

Completion of Parliament House

Hon. W. A. LANDERYOU (Doutta Galla) presented report of House Committee on a construction program on completion of Parliament House, May 1992.

Hon. W. A. LANDERYOU (Doutta Galla) (*By leave*) —The committee summarises its conclusions at page 9 of the succinct report. Paragraph 20.1 states:

The completion of the south wing and later the north wing would enable all foreseeable essential Parliamentary functions, including the committees, to be accommodated in Parliament House.

Paragraph 20.2 states:

The decision to proceed with completion of the building will avoid losing the opportunity to take action of lasting benefit to the institution of the Parliament of Victoria, to Victoria's heritage and Victoria's commemoration of its role in the Australian Federation. This is an appropriate time to commence the program to complete the building.

Paragraph 21, Resolution, states:

It is the recommendation of this Committee that both Houses of Parliament adopt the following resolution:

That this House endorses the program for the completion of the construction of the south wing, north wing and rehabilitation of Parliament House

by the centenary of Federation in the year 2001, as recommended by the House Committee.

The Presiding Officers of Parliament, with the full and enthusiastic support of the House Committee, are endeavouring to bring together a number of prominent citizens to comprise a Parliamentary construction program advisory panel. Those citizens are: the Honourable Evan Walker, MLC; the Honourable Sir Rupert Hamer, KCMG, ED; Mr Will Bailey, Deputy Chairman, ANZ Bank Group Ltd; Mr John Stevens, senior reporter, the *Age*; and Ms Susan Balderstone, Heritage Architect, Manager, Historic Building Branch, Department of Planning and Housing.

Laid on table.

Ordered that report be taken into consideration next day on motion of Hon. HADDON STOREY (East Yarra).

ECONOMIC AND BUDGET REVIEW COMMITTEE

Estimates Subcommittee

Hon. ROSEMARY VARTY (Nunawading) presented report of Estimates Subcommittee of Economic and Budget Review Committee on funding of World Congress Centre, together with appendices and minutes of evidence.

Hon. ROSEMARY VARTY (Nunawading) (*By leave*) — I wish to make some brief comments. It is clear that this investigation shows that the funding for the World Congress Centre was used as a device to avoid Loan Council borrowings and so on. The investigation also shows that the potential cost over 12 years will be \$500 million.

Hon. T. C. THEOPHANOUS (Minister for Consumer Affairs) — On a point of order, Mr President, it is customary to allow honourable members to comment on reports when they are being tabled, to thank people who have been involved in the report and so on. However, I think the House generally agrees it is not appropriate for the contents of the report to be debated, for the member presenting the report to comment on his or her views about its impact, or for the issues covered in the report to be politicised and debated.

Hon. HADDON STOREY (East Yarra) — On the point of order, Mr President, when tabling papers, as the honourable member is doing, it is customary for honourable members to be permitted to say a few

words. However, on this occasion the honourable member sought leave to make remarks about the presentation of the report and that leave was given. In those circumstances the honourable member is quite in order in referring to the report and outlining some of the its findings. The honourable member is not debating the report; that will take place at a later stage. The honourable member is exercising the right given to her by the House. I submit there is no point of order.

The PRESIDENT — Order! I ruled on this subject a few weeks ago and I thought at the time that the ruling was clear; if it was not, I shall repeat it.

On presentation of a report, although it has been customary to explain the report briefly, there is no right under Standing Orders to do so unless leave is granted. I drew the attention of the House to that fact to indicate that those who wish to do so must seek leave, which Mrs Varty has done.

The purpose of granting leave is to enable the report to be summarised briefly and for any persons to be thanked. In granting leave no-one envisages that the statement will go beyond those purposes; if it does objection may be taken. However, Mrs Varty had barely got to her feet and commenced to speak when the objection was taken. There was no indication to anyone that at that point she was doing anything other than summarising the nature of the report. If Mrs Varty transgresses the guidelines, at that stage the Minister will have every right to take an objection. At this stage Mrs Varty has not done so.

Hon. ROSEMARY VARTY (Nunawading) — Thank you, Mr President, for your ruling. The comments I am making are all points that are made in the report and none is a departure from the findings in the report.

The report clearly sets out that the funding of the centre was a device to avoid Loan Council borrowings; that the total cost over 12 years will be in the order of \$500 million; that that massive extra cost will be due to indemnities and guarantees given by the government, which have not been disclosed and which total \$121 million; that there has been massive secrecy surrounding the release by the government of documents in relation to the commitments that have been given; that all financial risks and obligations associated with the World Congress Centre are carried by the government.

Hon. T. C. Theophanous — Does the report use the word "massive"?

Hon. ROSEMARY VARTY — Yes.

Hon. T. C. Theophanous — I was just checking.

Hon. ROSEMARY VARTY — It encompasses indemnities given in July 1987 that were not reported to Parliament until four years later. The report states that there was a lack of disclosure by Treasury; that the evidence was finally obtained from the private sector and from the entities that negotiated with the government; that the committee expresses profound disappointment with the Treasury's lack of anything approaching an adequate level of accountability and Treasury's unwillingness at public hearings in February 1991 to confirm the broad ambit of the centre's estimated financial costs.

We were concerned at Treasury's unwillingness to provide a well-briefed officer to answer the committee's questions in April and May of 1992 and at Treasury's omission to advise Parliament of the possibility of those additional costs.

Laid on table.

Ordered that report and appendices be printed.

Ordered to be considered next day on motion of Hon. ROSEMARY VARTY (Nunawading).

PAPERS

Laid on table by Clerk:

Dandenong College of TAFE — Report and financial statements for the year 1990.

Dried Fruits Board — Report and financial statements for the year 1991.

Footscray College of TAFE — Reports and financial statements for the years 1989 and 1990 (two papers).

Goulburn Valley College of TAFE — Report and financial statements for the year 1989.

Holmesglen College of TAFE — Report and financial statements for the year 1989.

Melbourne College of Decoration — Report and financial statements for the year 1990.

Melbourne College of Printing and Graphic Arts — Report and financial statements for the year 1989.

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Newport College of TAFE — Reports and financial statements for the years 1989 and 1990 (two papers).

Outer Eastern College of TAFE — Report and financial statements for the year 1990.

Prahran College of TAFE — Report and financial statements for the year 1990.

The School of Mines and Industries Ballarat Limited — Report and financial statements for the year 1991.

Victorian College of Agriculture and Horticulture — Report and financial statements for the year 1990.

Wangaratta College of TAFE — Reports and financial statements for the years 1989 and 1990 (two papers).

Wodonga College of TAFE — Report and financial statements for the year 1990.

Ordered that reports tabled by Clerk be considered next day on motion of Hon. HADDON STOREY (East Yarra).

NATIONAL PARKS (WILDERNESS) BILL

Second reading

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

That this Bill be now read a second time.

The National Parks (Wilderness) Bill 1992 amends the National Parks Act 1975 to: establish a system of wilderness parks and wilderness zones in Victoria, including the creation of a new wilderness park and amendments to the two existing wilderness parks; extend two existing national parks; make specific provision for the protection of remote and natural areas within existing national parks; and make several other amendments. Consequential amendments are also made to other Acts.

The Bill is based on the government's clear policy commitments to preserve the State's remaining areas of high wilderness quality and to identify and protect wilderness areas.

This policy acknowledges that those areas with high wilderness value need to be specifically recognised, protected and appropriately managed to ensure that their wilderness quality is not diminished over time. The dramatic changes that have occurred to

Victoria's natural landscape in only 150 or so years reinforce the need to take specific action to protect remaining areas of high wilderness quality to ensure that they are still a significant feature of the state in 150 years time.

The government has taken several key steps towards implementing its policy. In 1988, the government requested the Land Conservation Council (LCC) to carry out a special investigation into wilderness. In 1989, the government introduced into Parliament the most comprehensive wilderness management provisions of any legislation in Australia. The Bill builds on those actions to establish a comprehensive system of wilderness parks and wilderness zones.

Victoria's actions with respect to wilderness protection are reinforced by the views of the Resource Assessment Commission, which recently noted in its forest and timber inquiry final report that:

... with increased pressures on all land tenures for many different uses, areas of wilderness quality will become increasingly rare and of increasing value. The inquiry considers that the appropriate State and Territory agencies should undertake comprehensive reviews (such as those undertaken by the Land Conservation Council of Victoria) of public land to determine all areas of wilderness quality, and that protection should be afforded these areas under State and Territory legislation.

After considering the Land Conservation Council's recommendations in relation to its own policy commitments on wilderness the government has accepted the vast majority of the recommendations. However, as is any government's right, it has made some small variations.

WILDERNESS PARKS AND WILDERNESS ZONES

The wilderness parks and wilderness zones proposed in the Bill reflect the diversity of Victoria's natural areas: the semi-arid dune fields of the Mallee, the escarpments and ranges of the Alps, the forests and gorges of East Gippsland, and the coast. In total, the existing and proposed wilderness parks and wilderness zones cover less than 4 per cent of the State. Sixty five per cent of this area is located in the virtually untracked dunefields of the Mallee. About 90 per cent of the area covered by the existing and proposed wilderness parks and wilderness zones already lies within existing national and wilderness parks. Overall, the impact of the

proposed wilderness parks and zones on existing uses is minimal.

The wilderness zones will be a significant feature of some of the State's great national parks: Murray-Sunset, Wyperfeld, Alpine, Snowy River, Copracambra, Croajingolong and Wilsons Promontory. Because of the size of the parks system, there is ample scope for a great variety of recreational opportunities within that system. Those opportunities will be maintained and encouraged. The wilderness zones will add to the diversity of recreation settings available for visitors to the parks, as well as protect areas in an essentially undisturbed condition, and will ensure that this and future generations will continue to be able to undertake wilderness-style recreation in wilderness settings. This is and will continue to be a great feature of the parks system and an asset no longer available in many countries in the world.

The Bill is important for wilderness protection in a national as well as a Victorian context. The Big Desert Wilderness Park and the wilderness zones located in the Mallee include the largest areas of highest wilderness quality in south-eastern mainland Australia. In the Alps and East Gippsland, several areas complement the protection being given to wilderness values in parks and reserves across the border in New South Wales. The protection given to some of Australia's most important mountain wilderness on both sides of the State border in the Alps will enhance the memorandum of understanding in relation to the cooperative management of the Australian Alps National Parks signed by Ministers from Victoria, New South Wales, the Australian Capital Territory and the Commonwealth.

The Bill creates the Wabba Wilderness Park in north-eastern Victoria and extends the existing Big Desert Wilderness Park. It also excises a small area from the existing Avon Wilderness Park in line with the LCC recommendation to provide for vehicle-based campsites on the Avon River. The Bill also establishes 20 wilderness zones within the national park system, including additions made by this Bill.

In addition to the areas recommended by the LCC, the government has decided to designate two additional wilderness zones in the Mallee: Chinaman Flat within an expanded Wyperfeld National Park, and Mount Cowra within the existing Murray-Sunset National Park. The LCC recognised the essentially undisturbed character of both these

areas. The government has also accepted the LCC's recommendation that, should timber harvesting not proceed in the Upper Wongungarra River, the Wongungarra area should also be designated as a wilderness area. That part of the Wongungarra area not already included in the Alpine National Park will be added to that park. In all three cases, the boundaries have been drawn so as to minimise possible land use conflicts.

In relation to the Wongungarra wilderness zone, which contains about two years' potential supply of timber for a local sawmill, the government is satisfied that commitments to the timber industry can be met from the East Kiewa and from the possible earlier harvesting of regrowth. The decision to protect the Wongungarra as a wilderness zone will have no impact on jobs in the timber industry.

It is important to stress that the three additional wilderness zones are not a major departure from the LCC's recommendations. In all three cases, the LCC acknowledged their wilderness value. The government's view is that those particular areas are worthy of protection as wilderness.

The 20 wilderness zones to be established within National Parks, along with the three wilderness parks — Big Desert, Avon and Wabba — will be managed according to the wilderness provisions of the National Parks Act passed by Parliament in 1989 and the amendments made by this Bill. The amendments provide for specific uses in particular wilderness zones, including three essential navigation lights in two wilderness zones, deer hunting by stalking in three wilderness zones, and the continuation of grazing in several wilderness zones in the Alpine National Park until various dates, none of which is earlier than the end of the term of the licence.

The National Parks Act will also be amended to state that operations under any permit, lease or authority under the Petroleum Act 1958 must not be carried out in a wilderness park or wilderness zone. The Petroleum Act is consequentially amended.

REMOTE AND NATURAL AREAS

The Land Conservation Council recommended that "remote and natural attributes" in certain areas should be protected. To assist in the long-term protection of those values, the Bill introduces appropriate management provisions and establishes a new schedule of "remote and natural areas".

The schedule includes the 20 areas recommended by the LCC that are located in national parks. It is important to stress that those areas are not wilderness zones, and existing permitted activities, such as four-wheel driving, horseriding and grazing, will not be excluded.

The government is also including an additional area in this category in the Alpine National Park adjacent to the Cobberas wilderness zone. The remote and natural values of the Suggan Buggan area are highly valued by many park visitors, including horseriders, four-wheel drivers and bushwalkers, and deserve to be specifically recognised and protected. Existing permitted uses will not be excluded.

CONCLUSION

With the passage of the Bill, Victoria will be the first State in Australia to have addressed in a systematic manner the pressing issue of wilderness protection and to have established a comprehensive, Statewide system of wilderness parks and wilderness zones. In doing so, this Parliament will be making an historic statement about the value this community places on protecting some significant parts of the State that are in an essentially undisturbed condition.

Last century, the American philosopher Thoreau wrote that "in wildness is the preservation of the world". This Bill, with the support of this Parliament, will make a significant contribution to ensuring that wildness is preserved in this State.

I commend the Bill to the House.

Debate adjourned for Hon. M. A. BIRRELL (East Yarra) on motion of Hon. R. S. de Fegely.

Debate adjourned until next day.

SUPERANNUATION (OCCUPATIONAL SUPERANNUATION STANDARDS) BILL

Second reading

Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — I move:

That this Bill be now read a second time.

The Bill amends six major Acts relating to superannuation funds for public sector employees. Those Acts are the State Superannuation Act 1988, the Emergency Services Superannuation Act 1986,

the Hospitals Superannuation Act 1988, the Local Authorities Superannuation Act 1988, the State Casual Employees Superannuation Act 1989, the State Employees Retirement Benefits Act 1979 and the Transport Superannuation Act 1988.

The Bill also amends two smaller closed funds, the Coal Mines (Pensions) Act 1958 and the Police Regulations Act 1958, and amends the superannuation provisions of the Port of Geelong Authority Act 1958 and the Port of Melbourne Authority Act 1958.

The major purpose of the Bill is to incorporate into the Acts operating standards for superannuation funds prescribed in regulations under the Commonwealth Occupational Superannuation Standards Act 1987 in order that the respective funds will be treated as complying funds for Commonwealth taxation purposes. Compliance with the standards qualifies the funds for concessional tax treatment on the investment income and employer contributions they receive. The concessional tax rate for a complying fund is 15 per cent; the rate for a non-complying fund is 47 per cent. Clearly, as an employer, the government must avoid incurring such a cost penalty.

The standards prescribed in the Commonwealth legislation cover both public and private sector funds. It is a requirement of the standards that the governing rules of a fund be amended to include the requirements of the standards. The governing rules of the State funds are the several Acts.

The relevant superannuation Acts are to be amended to remove any inconsistency between a provision of an Act and a requirement of the Commonwealth standards. The respective boards will be required to administer the funds as complying schemes. Where from time to time changes in the standards produce an inconsistency with a provision of a superannuation Act, the Bill provides that there will be sufficient compliance with the Acts if the superannuation boards comply with the standards.

To provide flexibility in resolving areas of conflict pending amendment of the relevant Act or Acts, a power is inserted into the Acts to allow regulations to be made to implement the standards applying from time to time. The amendments are expressed in the same terms for each fund. That is consistent with the government's objective of moving to greater uniformity of superannuation conditions for Victorian public sector employees. Parallel to the

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Bill, the governing rules of the non-statutory public sector schemes, which are in the form of regulations or trust deeds, are being amended to meet the standards.

The final responsibility for ensuring the funds are administered as complying funds rests with the respective boards. The government's role will be to encourage better communications and exchanges of experience between the funds, and between the funds and the Treasury. There will also be encouragement of staff training to achieve a better use of resources and to ensure that the clients — that is, the members of the funds — are provided with timely and accurate information on their rights and benefits.

Associated with the main purpose of the Bill are amendments to the Port of Geelong Authority and Port of Melbourne Authority Acts. These are to ensure that ports have sufficient powers to restructure their superannuation funds by vesting the administration and assets of the funds in a properly constituted trustee.

The Bill also contains amendments of a machinery and clarifying nature. Their purpose is to clarify rights and entitlements of all parties and to provide more concrete direction to the respective boards in discharging their administrative and trustee obligations.

Superannuation reform in terms of value to members and cost to the community has been a long-term project of this government, and much has been achieved. Coverage has also been increased and now most if not all employees of Victorian public sector bodies, including even casual staff, are able to provide for their financial security in retirement. The Bill continues the government's commitment to superannuation reform.

I commend the Bill to the House.

Debate adjourned for Hon. R. M. HALLAM (Western) on motion of Hon. R. S. de Fegely.

Debate adjourned until next day.

ROYAL MELBOURNE HOSPITAL (REDEVELOPMENT) BILL

Second reading

Hon. M. A. LYSTER (Minister for Health) — 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. The hospital is currently 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 confirms not only that the hospital has outgrown and outlived its nearly 50-year-old buildings but that is now severely constrained by its physical environment and outdated equipment. That has serious implications for the optimum care of 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 most vital core services of the hospital. The strategy originally 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 the creation of 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. The project will result in the creation of 900 direct on-site jobs and a further 2300 indirect jobs over three years. 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 has been 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. Also 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, the incinerator and the coal-fired boilers.

Honourable members may be aware of the longstanding problems faced by patients and staff due to the critical shortage of parking spaces in the vicinity of the hospital. Included in the master plan strategy is a car park, which will be constructed under the University High School 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 will be fully restored.

The primary purpose of the 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 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 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. Appeal rights 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 concerned in the development. However, all other normal planning and environmental processes will be followed.

I shall now make a statement under section 85(5) of the Constitution Act of the reasons for altering or varying that section by the Bill.

Clause 9 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 which 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 based on the use in connection with the redevelopment of the University High School land. The land is currently 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 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
Hon. M. T. TEHAN (Central Highlands).**

Debate adjourned until next day.

MEDICAL TREATMENT (AGENTS) BILL

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. M. A. Lyster (Minister for Health) — I thank Mrs Tehan for her contribution during the second-reading debate. She drew my attention to a number of matters which, upon reflection, can add to the capacity of the community to understand more clearly the Parliament's intention in passing the Bill. That has been most constructive and I thank her for it.

Later in the Committee stage I hope to explore some of those matters so that the final product will be something Parliament can put forward to the community as a useful clarification of an issue that has been the subject of some confusion in people's minds. I again thank Mrs Tehan for the bipartisan approach that has been adopted.

Hon. M. T. TEHAN (Central Highlands) — A bipartisan approach has been adopted to the Bill and the amendments to it. During the second-reading debate I referred to the cooperation of the previous Minister when dealing with earlier legislation and I indicated that there were some difficulties with the drafting of the original Bill. The Minister has taken up the suggestions that have been made and the spirit of those suggestions is reflected in the amendments the Committee will consider.

Clause agreed to; clauses 3 to 5 agreed to.

Clause 6

Hon. M. A. LYSTER (Minister for Health) — I move:

1. Clause 6, lines 14 to 16, omit paragraph (a) and insert —
 “(a) giving details of the enquiries or information which forms the basis for the statement of belief in paragraph (b);”.
2. Clause 6, line 18, after “enquiries” insert “or that information”.
3. Clause 6, line 23, omit “or” and insert “and”.
4. Clause 6, line 26, omit “may” and insert “must”.
5. Clause 6, lines 31 to 36, omit all words and expressions on these lines and insert —
 “(i) the enquiries or information mentioned in the statutory declaration do not form a reasonable basis for the statement of belief set out in that declaration; or
 (ii) the person’s agent can be contacted and is not incompetent.”

Although it may take a little time, I want to clarify the reasons for the amendments. Amendments Nos 1 and 2 take up concerns raised about the statutory declaration which must be produced by an alternate agent. Proposed new section 5AA to be inserted by clause 6 currently requires that such a declaration: firstly, give details of the inquiries made by the alternate agent to find out whether the agent is able and available to act; and, secondly, state that as a result of those inquiries, the alternate agent believes that the agent is dead, incompetent or cannot be contacted, or that the agent’s whereabouts are unknown.

The first two proposed amendments will substitute a new paragraph (a) for that referred to above and make a consequential change to paragraph (b). The effect will be to require that the declaration give

details of the inquiries, or the information — and that last part is an important addition — on which the belief referred to in paragraph (b) is based.

The aim of the amendments is to make it easier for those to whom the declaration must be produced to determine from the document whether or not the inquiries by the alternate agent, or the information, form a reasonable basis for the statement of belief expressed by the alternate agent.

The third amendment replaces the word “or” with the word “and” in the proposed new section 5AA(2) to be inserted into the Act by clause 6 of the Bill. As drafted, the introductory words in the new subsection provide that “a person who, under section 5B(1)(a) or (b), needs to be satisfied of a matter before an alternate agent can make a decision about medical treatment” can so decline in certain circumstances. The linking word between paragraphs (a) and (b) is, however, “and” and not “or”. By changing that word, the wording of the new provision is more consistent with that of the principal Act.

Amendment No. 4 substitutes “must” for “may”. That substitution will remove the suggestion that the person has a discretion if paragraphs (a) or (b) are not complied with.

Amendment No. 5 further clarifies the intent of proposed section 5AA(2) by substituting the word “or” for the word “and” between subparagraphs (i) and (ii) of paragraph (b) and recasting the wording of the subparagraphs in a positive rather than negative form which in turn rephrases the provision in a positive rather than a negative form. Those suggestions were put forward during the second-reading debate.

Recasting the terminology of the clause will ensure that the community has a clear understanding of the intent of Parliament.

Hon. M. T. TEHAN (Central Highlands) — I endorse the reasons advanced by the Minister for the first five amendments. They cover matters raised with me by various people who had input into the Bill and I similarly agree that the amendments more precisely help to define the purpose of and the principle behind the Bill.

Prior to the proposed amendments, a statutory declaration under proposed subsections 2(a) and (b) required the provision of details of the inquiries undertaken that led to the belief that an agent was

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dead, incompetent or could not be contacted. The proposed amendments provide a more precise form of statutory declaration and, as the Minister stated, the giving of details and information about an inquiry connects that inquiry and information to the formation of a statement of belief.

The amended form of statutory declaration will necessitate details of inquiries undertaken and information provided that form the basis of the statement of belief as required under subsection 2(b). I support amendments Nos 1 and 2.

As the Minister said, amendment No. 3 does add consistency to the Bill because in the Act the reference is to a person under section 5B(1)(a) and (b) and it is sensible to ensure that the word "and" be there right from the commencement. It was obviously a technical oversight.

In amendment No. 4 the word "must" replaces the discretionary word "may". That amendment adds strength to the need for the requirements of the statutory declaration to be satisfied before further action is taken and the use of the word "must" removes a number of concerns the opposition had with the uncertainty that might have been created by the use of the word "may".

Finally amendment No. 5 puts the requirement to meet all the criteria required to be provided in a statutory declaration into a positive mode. The provision will enable a lay person to understand precisely what is needed. Although the accuracy and precision needed in this sensitive area of the Bill might have seemed pedantic it was important not to remove the ready understanding by ordinary people of the purpose of the Bill for they will be the people using the provision.

Amendment No. 5 achieves a balance between accuracy and precision and provides an opportunity for lay people to read it and understand the impact of it fairly quickly. The improvements to the provisions by the acceptance of the amendments will meet those requirements.

Amendments agreed to; amended clause agreed to.

Clause 7

Hon. M. A. LYSTER (Minister for Health) — I move:

6. Clause 7, line 6, after "may" insert "in accordance with sub-section (3), (4), (4A) or (4B)".

7. Clause 7, line 8, after "may" insert "in accordance with sub-section (4A)".

8. Clause 7, line 13, after "may" insert "in accordance with sub-section (4B)".

Clause 7 sets out the jurisdiction of the Guardianship and Administration Board and its role with the alternate agent. On an application made under this section and in accordance with proposed new subsections (3), (4), (4A) or (4B), the Guardianship and Administration Board may suspend or revoke an enduring power of attorney for medical treatment and so on.

It is important that when reading the clause people's attention is drawn to the further criteria the board must take into account before proceeding with any action. By specifying the need for the board to act in accordance with those various proposed new subsections, the Bill will be much easier for the community to understand.

Hon. M. T. TEHAN (Central Highlands) — I support the reasons for the amendments proposed. In addition to making it easier for the community to understand, the provision adds precision to what the Guardianship and Administration Board needs to take into account before it suspends, revokes or determines whether an alternate agent can authorise a decision or determine any question. As the Minister said, it provides criteria for the board to take into consideration before using its wide powers of suspending, revoking and so on.

It sets out precisely the powers of the Guardianship and Administration Board and should make its job easier because it sets out more effectively the extent of those powers.

Amendments agreed to.

Hon. M. A. LYSTER (Minister for Health) — I move:

9. Clause 7, lines 26 and 27, omit "has not made reasonable enquiries before stating in the statutory declaration" and insert "has set out in a statutory declaration inquiries or information that do not form a reasonable basis for the statement of belief, set out in the declaration,".

The amendment picks up the point that was made earlier in Committee about the value of not just conducting inquiries but the provision of other information that may be brought into consideration.

Hon. M. T. TEHAN (Central Highlands) — I agree with the Minister that this amendment adds “information” but as I said earlier the statutory declaration requires the inquiry and the information to be provided in a reasonable form that can be used as a basis for the making of a statement based on that inquiry and information. The provision has that dual role and is an important connecting link to ensure that inquiries and information form a reasonable basis for a statement of belief that triggers the mechanism for use of an alternative agency power.

Amendment agreed to.

Hon. M. A. LYSTER (Minister for Health) — I move:

10. Clause 7, line 30, omit “and” and insert “or
(iii) is not authorised by an enduring power of attorney (medical treatment) to make a particular decision because of a failure to comply with section 5AA; and”

This is a further amendment to clause 7 on the jurisdiction of the Guardianship and Administration Board. It will require an additional consideration before the board takes action. It will mean the board will have to be satisfied not only about the possible actions of an alternate agent but also that such an alternate agent is not authorised by an enduring power of attorney (medical treatment) to make a particular decision because of a failure to comply with proposed section 5AA. The amended clause would then lead on to proposed section 5C(4A)(b), which provides that the board must be satisfied that it is in the best interests of the person giving the power to do so. The amendment tightens the requirements that are placed on the Guardianship and Administration Board prior to its taking any action in that area.

Hon. M. T. TEHAN (Central Highlands) — The amendment similarly takes up matters raised in the second-reading debate about the clumsy use of terminology when referring to this requirement, such as the words “unavailable” and “unable to act”. Reference was also made to “dead”, “incompetent” and “cannot be contacted”. This provision uses one set of terminology and includes any failure to comply with section 5AA as a basis on which the board may make a finding. It removes the confusing and conflicting terminology by using one set of wording but it also introduces the requirement of compliance with section 5AA in the second criterion that the board must look at before making any conclusive decisions on matters brought before it.

Amendment agreed to.

Hon. M. A. LYSTER (Minister for Health) — I move:

11. Clause 7, page 5, line 13, after “determination” insert “about the validity or effect of any of the conflicting decisions that”.

The amendment proposes the insertion of words after the word “determination”. The intent is that a reader of the Act will be clear as to the extent of that determination. It will mean, *inter alia*, that the board may do any of the following:

- (f) make any other determination about the validity or effect of any conflicting decisions that it considers necessary to resolve the conflict.

This will mean that a reader will be clear as to the extent of the determinations that may be addressed by the board.

Hon. M. T. TEHAN (Central Highlands) — I repeat that as the Minister said, the amendment not only makes it more obvious to a lay reader but also confines more precisely the terms in which the Guardianship and Administration Board can act. Paragraph (f) of proposed section 5C(4B) currently provides that if satisfied of certain criteria the Guardianship and Administration Board may do any of the following:

- (f) make any other determination it considers necessary to resolve the conflict.

That is very wide. The amendment seeks to add words, “about the validity or effect of any of the conflicting decisions that” so the amended provision would read:

- make any other determination about the validity or effect of any of the conflicting decisions that it considers necessary to resolve the conflict.

It sets out the basis upon which the board can act both to clarify and maintain more precisely the spirit of the Bill and the requirements of the board in its involvement in certain areas and, to that degree, it will enhance the working of the legislation.

Amendment agreed to.

Hon. M. A. LYSTER (Minister for Health) — I move:

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12. Clause 7, page 5, line 16, after "(4B)" insert
"revoking or suspending an enduring power of
attorney (medical treatment)".

This is the last of the amendments on the jurisdiction of the Guardianship and Administration Board. As with the previous amendment it clarifies and to a certain extent constrains the nature of what the board has to do and any fences that should be placed around its activities. It will mean that the clause will read:

A determination of the board under sub-section (4A) or (4B) revoking or suspending an enduring power of attorney (medical treatment) does not affect the previous operation of ...

It then sets out paragraphs (a), (b) and (c). It is like the other amendment, and is a useful contribution.

Hon. M. T. TEHAN (Central Highlands) — I support the Minister's assessment of the effect of the amendment. It adds the precision and conciseness that is needed.

Amendment agreed to; amended clause agreed to.

Clause 8

Hon. M. A. LYSTER (Minister for Health) — I move:

13. Clause 8, page 6, lines 3 and 4 omit "on the date on which" and insert "when".

This is a commendable move towards plain English.

Hon. M. T. TEHAN (Central Highlands) — The amendment will make the provision not only more precise but will also read more effectively. It carries out the spirit and intent of the legislation by providing that the refusal of a treatment certificate will terminate when the declaration is made rather than on the date on which the declaration is made.

Amendment agreed to; amended clause agreed to; clause 9 agreed to.

Clause 10

Hon. R. J. LONG (Gippsland) — Has the Minister considered the issue I raised concerning appointing alternate agents? The clause provides that an enduring power of attorney (medical treatment) can provide for the appointment of an alternate agent. I suggest we should be able to appoint more than one person to act jointly as an agent in those circumstances. I actually set out to prepare a power

of attorney when I found to my horror that that could not be done. I had the Office of the Public Advocate suggesting I could.

Minister, did you consider the matter and, if not, why not? If you have considered it, why did you not accept the fact that we should be able to appoint more than one person to act jointly as an agent?

Hon. M. A. LYSTER (Minister for Health) — I thank Mr Long for raising the matter again. It was examined, and we are only now at the stage of correcting the deficiency that arose in practice following the introduction of the legislation. It has taken that amount of time to appreciate the need for an alternate agent. I shall be happy to continue monitoring the situation to see whether the rather complex set of circumstances Mr Long referred to is a major issue. I congratulate him for raising it.

Hon. M. T. Tehan — And being persistent!

Hon. M. A. LYSTER — I thank him for his persistence. I will continue monitoring the subject and will make specific inquiries of the appropriate parties to ascertain whether they believe we should be examining it further. However, at this stage I believe it would be too complex to introduce.

Hon. R. J. LONG (Gippsland) — I do not believe it is complex. When one raises what to me is a simple and straightforward proposition in this Chamber, it is disappointing that it is not taken up by the Minister's department. I blame the department entirely for that. The people of Victoria will not have the opportunity of using this Act the way it should be used. That is the problem. Your department has let you down badly, Minister, by not giving the people of Victoria that opportunity. It grieves me, and I hope before I pass on I have the chance of appointing a power of attorney — the way I want to.

Clause agreed to; clause 11 agreed to.

New clause

Hon. M. A. LYSTER (Minister for Health) — I move:

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

Consequential amendment of Schedule 3

'AA. In Schedule 3 to the Principal Act —

- (a) under the heading "NOTICE OF CANCELLATION" —

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- (i) after "completion where" insert "patient";
 - (ii) for "(Agent" substitute "(Patient, agent";
 - (iii) for "The agent" substitute "The patient, agent";
 - (iv) after "witnessing" insert "patient's";
 - (b) for "NOTE:" substitute "NOTES: 1.";
 - (c) after "covered by the Medical Treatment Act 1988," insert
- "2. An alternate agent can only make a decision about a patient's medical treatment if the alternate agent first produces to each medical practitioner who is to verify this certificate a statutory declaration that meets the requirements of section 5AA(1) of the **Medical Treatment Act 1988**.
3. If this certificate is to be completed by an alternate agent, a medical practitioner must refuse to verify this certificate if the alternate agent does not produce to him or her a statutory declaration that meets the requirements of section 5AA(1) of the **Medical Treatment Act 1988** or if the medical practitioner reasonably believes that the original agent can be contacted and is not incompetent.
- 4.";
- (d) after "the issue of this certificate," insert "whether the medical practitioner must refuse to verify it,".

The new clause, which follows clause 10, will make some consequential changes to Schedule 3, which is the prescribed form for the refusal of a medical treatment certificate by the agent or guardian of an incompetent person. More importantly, the new clause will add some additional footnotes to the form. Those footnotes are designed to further assist those completing or who have need to rely upon certificates.

Hon. M. T. TEHAN (Central Highlands) — I support the amendment. In respect of the first few amendments to Schedule 3 that insert the word "patient" in addition to "agent" or "guardian", I wonder why the words were not there in the first place. We now have an opportunity for notice of cancellation to be completed by the patient, the agent or the guardian. I presume the word "agent" incorporates an alternate agent.

As the Minister said, the substantial part of the amendment effectively clarifies what the various

players, for want of a better word, in this process can and cannot do. Certainly the addition of the amendments to the notes will read:

an alternate agent can only make a decision about a patient's medical treatment if the alternate agent first produces to each medical practitioner who is to verify this certificate a statutory declaration that meets the requirements of section 5AA(1) of the **Medical Treatment Act** —

and also —

If this certificate is to be completed by an alternate agent, a medical practitioner must refuse to verify this certificate if the alternate agent does not produce to him or her a statutory declaration that meets the requirements of section 5AA(1) of the **Medical Treatment Act 1988** or if the medical practitioner reasonably believes that the original agent can be contacted and is not incompetent.

The words "can be contacted and is not incompetent" are the words consistently used through the Bill.

I raised with Dr Russell, the representative of the health department who is now sitting in the adviser's box, the question of the intent of subclause (d) in the amendment. It inserts in the last paragraph of Schedule 3 the words "whether the medical practitioner must refuse to verify it". That insertion will make the last paragraph of Schedule 3 read:

A medical practitioner who has doubts about the circumstances of the issue of the certificate, whether the medical practitioner must refuse to verify it, the competency of the patient or the competency, good faith or motives of the agent or guardian ...

The meaning of the clause was fairly clear before the words "whether the medical practitioner must refuse to verify it" were proposed. We are asked to add those words, but I think that final paragraph, which is very important, has not come together as coherently as I should have liked. The main point of the amendment is that we are adding the opportunity, and a note in the schedule, to indicate that a medical practitioner who has any doubts about the circumstances of the issue of the certificate and whether or not he must refuse to verify it must advise the Guardianship and Administration Board.

Hon. M. A. Lyster — It would read better if it were (a), (b) or (c).

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Hon. M. T. TEHAN — Yes, Minister. I had some difficulty understanding how the amendment worked. I can see Dr Russell indicating that he thinks it fits in. I ask the Minister to examine it and indicate whether it is the intent of the legislation that the words are to be read as an additional criterion: that the “medical practitioner who has any doubts about the circumstances of the certificate” — in relation to the number of things that are there, “whether (he)” should or should not or “must refuse to verify it” — may request the Guardianship and Administration Board, and so on. The problem words are “must refuse”: if he has any doubts as to whether he should or should not verify it he may request the Guardianship and Administration Board, et cetera. As it is, it reads, “a medical practitioner who has doubts about the circumstances of the issue of the certificate, whether the medical practitioner must refuse to verify it” and so on. I ask the Minister to comment. For the record, the intent is, I hope, clearer now that I have indicated what I think it should be.

Hon. M. A. LYSTER (Minister for Health) — I certainly understand Mrs Tehan’s confusion. For the record it is important that we have a shared understanding that the intent is that the paragraph should read “a medical practitioner who has doubts about the circumstances of the issue of the certificate”. Then we go back and read “a medical practitioner who has doubts about whether the medical practitioner must refuse to verify it” and go back yet again and read “a medical practitioner who has doubts about the competency of the agent’s competency, good faith or motives”. That is the interpretation and, I believe, our shared understanding.

Perhaps in the printing of the form the layout should be such that the reader’s attention is alerted to the fact that those separate issues should be taken into account. I believe that could be done so the intention is clearer.

New clause agreed to.

Reported to House with amendments.

Passed remaining stages.

Sitting suspended 1 p.m. until 2.2 p.m.

ALPINE RESORTS (AMENDMENT) BILL

Second reading

Debate resumed from 19 May; motion of Hon. D. R. WHITE (Minister for Manufacturing and Industry Development).

Hon. G. R. CRAIGE (Central Highlands) — The Bill is small but significant because it establishes new parameters for cross-country or nordic skiing. Victorians are being attracted to cross-country skiing in increasing numbers; it is an affordable recreation and Melburnians are fortunate that Lake Mountain is situated so close to their city. That obviously adds to the numbers of people who are participating in this recreational pursuit.

Politics is involved in many aspects of our lives, including cross-country skiing. Alpine skiers refer to cross-country skiers as chicken footers because of the way they ski through alpine areas. Some skiers say it is bushwalking with skis on.

The first purpose of the Bill is to enable the Alpine Resorts Commission to enter into agreements or arrangements with adjoining management authorities so that cross-country trails can be developed. Many of the areas in which ski trails are located are environmentally sensitive and are controlled by either the Department of Conservation and Environment, the State Electricity Commission of Victoria or the Department of Forests and Lands. When entering agreements it is imperative that the Alpine Resorts Commission takes into consideration the environmental impact its decision will have on those areas and that it does not ride shotgun over other agencies involved in the agreement process.

More than 50 per cent of the \$248 000 fees collected from the last year’s snow season was from skiers at Lake Mountain. The majority of the ski trails around Lake Mountain are under the control of the Department of Conservation and Environment. Falls Creek and Mount Stirling are largely controlled by the Alpine Resorts Commission and the trails cover many State parks and forests. Areas around Craig’s Hut on Clear Hill are under the supervision of the Department of Conservation and Environment and the area near the Pinnacle or Mount No. 3 is controlled by the Department of Conservation and Environment.

Some of the land at Mount Hotham is controlled by the Department of Conservation and Environment. The Alpine Resorts Commission can make

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agreements in many areas so that it adopts the responsibility of maintaining and caring for snow trails.

The second main purpose of the Bill is to enable the Alpine Resorts Commission, through regulation, to charge what it calls a trail head fee. The fee was introduced for the 1991 snow season and was \$5 per adult, \$2 per junior or \$12 per family. The good news is that the same fees will apply for the 1992 season.

One hopes that, because the size of the fee has become popular and is more affordable, the tendency to dramatically increase it will be avoided. An increase would be detrimental to the sport because cross-country skiing — a fledgling sport — has been used for transport in Australia for many years. Now it is a popular recreational pursuit. Were the commission to increase the fee dramatically, no doubt there would be a decrease in the number who enjoy that pursuit.

The Legal and Constitutional Committee examined the question of trail head fees set by regulation for the 1991 snow season. The committee examined whether the commission had the power to set such fees and found that provisions under the Act and the regulations were such that legislation should be introduced to enable the commission to set the fees.

Part of the fee structure was provided for because the commission argued that cross-country skiers were demanding that facilities be upgraded. Skiers wanted better tracks and facilities. Last year the commission purchased equipment including machines valued at \$150 000 which mark the trails and set the grooves or tracks for the cross-country skiers. The four machines are located at Mount Stirling, Mount Hotham, Lake Mountain and Falls Creek.

Some confusion existed about why the fees were introduced; criticism was levelled at the commission because it said the fees were to be used for grooving trails. That is incorrect because the fees are used also to pay for ski patrols, for medical centres and for a degree of summer grooming on the trails. The fees were established to take into account all those services.

The commission does not charge fees at Mount Buffalo because no machine is located there. It has attempted to apply the fee only where there has been capital investment in the area, particularly where trails are packed and set.

The third main purpose of the Bill refers to the alteration to the retiring age of commissioners, from 65 to 72 years of age. I have long argued here that society loses many skilled and valuable people because of the imposition of a retiring age; many could usefully be used on committees or councils. We, the young, seem to know better and have fixed an arbitrary retiring age, but who says that at 65 years of age one can no longer make a significant contribution to the community?

Hon. R. A. Mackenzie — The older I get the more I realise you're right.

Hon. G. R. CRAIGE — Mr Mackenzie would understand my point. We should carefully consider age when we think of those who can contribute to councils and committees. I shall continue to argue on every Bill before this place in which such a stipulation is made that it is improper to say people must retire at a certain age. Now, the Bill extends the retiring age of commissioners from 65 to 72.

Hon. M. A. Birrell — That will just cater for Mr Mackenzie!

Hon. G. R. CRAIGE — Mr Mackenzie is looking forward to that when he goes, and with one year to serve.

Hon. M. A. Birrell — Just!

Hon. G. R. CRAIGE — Just! The House sees much legislation containing that restriction. Society often ignores two groups — no doubt, at its peril in the future — namely, the young and the old. We should not apply restrictions which will inhibit society from benefiting from those who have gained knowledge over so many years. Commissioners have generally given long and valuable service, and they should be able to continue to serve.

The Bill contains two clauses that allow the Alpine Resorts Commission to make arrangements and agreements with different organisations and authorities. The opposition was concerned that the commission could enter into such arrangements without any public awareness. I understand the government will be moving amendments so that the agreements and arrangements made will be placed before the public for 21 days. The opposition wholeheartedly agrees with such amendments. It must be recognised that the arrangements are made because of a concern for the preservation of public land. Any such agreements should be clearly placed in the public arena.

It would be remiss of me not to mention a few areas of the industry that are rather important and significant. The Victorian skiing industry plays a major role in our tourist industry. It is important to remember that fact when developing an overall picture of what happens in the skiing industry.

The Bill is a good move in the right direction but I sincerely hope its provisions are taken into account in an overall picture of tourism, recreation and sport and that the Bill is not treated in isolation.

As I have previously mentioned, skiing pursuits in Australia began primarily as a means of transport. In the 1860s Norwegian miners skied cross-country on makeshift skis at Kiandra in New South Wales and Harrietville in Victoria. They introduced the sport of cross-country skiing. Cross-country skiing has been used by timber cutters, graziers, fur trappers and gold miners; that is how they moved themselves around the high country of Victoria to carry out their jobs.

When I was asked to speak on this Bill I went to the library and researched the history that has been recorded on this subject. I referred to a book called *Skiing the High Plains - Stories of the exploration of Victoria's snowfields* compiled by Harry Stephenson. An article in that book called "A Tribute to 'Wilkie'" is about Robert Wood Wilkinson who, the author argues, is the father of skiing in Victoria. He was an excellent cross-country skier. He states that there is something unique about the people who were the pioneers in the skiing industry. They had a love of the country and saw things in a different way from the way a lot of us see it.

The coalition does not oppose this Bill and sees it as a significant step towards encouraging a balanced and reasonable attitude to an ever-increasing recreational activity. It must take into account the sensitivity of the environment and it must be done with the powers that have been vested in the Alpine Resorts Commission. Victoria has a precious resource and the government must ensure that it is well managed. The coalition does not oppose this Bill.

**Debate adjourned on motion of
Hon. D. M. EVANS (North Eastern).**

Debate adjourned until later this day.

ENVIRONMENT PROTECTION (RESOURCE RECOVERY) BILL

Committed.

Committee

Preamble postponed.

Clause 1

Hon. M. A. BIRRELL (East Yarra) — I move:

1. Clause 1, line 19, before "measures" insert "viable".

I indicate that a number of the amendments that I shall move are consequential and will be dealt with well before the bulk of the other substantive amendments.

The CHAIRMAN (Hon. K. I. M. Wright) — Order! Would Mr Birrell explain the principle behind the amendment?

Hon. M. A. BIRRELL — Without repeating the second-reading debate, I say that the purpose of the amendments the opposition is putting is to achieve the aims of the Bill in a manner that we do not believe will be achieved if the Bill is passed unamended. There is no dispute in our ranks that there is a need to reduce the amount of waste going to landfill by 50 per cent, nor is there any dispute that there is a need for industry waste reduction agreements or that those agreements should be detailed and any breach of them should be subject to a form of penalty.

In an historical sense this whole area has been subject to a sword of Damocles approach to management, that is, the threat of what may happen has ensured that the few companies that are not interested in recycling are taking the matter more seriously than they have in the past. We see this as a more permanent sword of Damocles and believe it will work well. We are reinforced in our views by the submissions we have received since announcing our amendments and the overwhelmingly positive response from a range of different groups.

I do not seek to put on the record the names of all the industry organisations that have said they welcome the amendments and are willing to work under the cooperative scheme we have arranged, but I do put on the record that the opposition has had meetings with a number of different conservation organisations, in particular, the Australian Conservation Foundation (ACF), to

discuss these matters. The ACF has made it clear to us that this is not the ideal position but it is willing to work with us. In a letter to me dated 22 May 1992 that organisation said:

We accept your removal of the waste creation charge —

But it wishes to see other changes in our proposals. I put that on the record because many organisations do not believe the penalty mechanism in the original Bill would ever work, and as a lawyer I have always doubted the approach of threatening someone with a massive penalty and believing that such a threat would lead to a change in behaviour. That is a naive approach.

The tribunals or courts that impose such penalties are usually reluctant to impose any penalty at all, therefore there is no effective discipline because the penalty may be so great that it would not be imposed by a court or a jury. Even more likely in this circumstance is the fact that no government would ever contemplate taxing an entire industry as it would have to do under this unamended Bill because of a minor breach by that industry or a company within it. In other words, the sledge-hammer was simply too big to deal with the far more subtle problem that is likely to arise. The opposition has a better scheme and draws strength from the positive response it has received since it announced the scheme. The opposition is not seeking only to delete key parts of the government's Bill; it will replace those parts with other provisions that will make the Bill work better.

I will not refer to all the amendments but the main ones will retitle the central body that will operate in the future from Recycle 2000, a slick market title that will be irrelevant in a few years, to "Recycling and Resource Recovery Council". The opposition seeks to give the council a wide ambit of powers. It will double the membership of local government on the body.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — On a point of order, Mr Chairman, I understood that Mr Birrell intended to explain a number of proposed amendments that were grouped together so that the Committee could perhaps test that batch of amendments, and that consequential amendments would follow. He now appears to be embarking on a second-reading speech covering all aspects of the Bill, which is a complicated measure. I suggest that approach is not appropriate.

If the honourable member were to do that for each amendment he would be repeating his second-reading speech. I am sure the Committee does not wish that to occur. On a number of occasions during the Committee stage I will be testing certain amendments and on that basis we will be able to dispose of various amendments speedily. It will not assist the Committee if the second-reading debate is repeated; it would be better to get on with the amendments.

Hon. M. A. BIRRELL (East Yarra) — On the point of order, Mr Chairman, I agree with the Minister. I just wanted to have one bite of the cherry at the beginning and leave it at that.

Hon. B. T. Pullen — Too big a bite!

Hon. M. A. BIRRELL — I am happy to have heaps and heaps of smaller bites if the Minister wishes, but as honourable members would like to go home before midnight I will round off and there will be no need for further bites of the cherry later.

The CHAIRMAN — Order! My understanding is that, although this may be a small amendment, it deals with provisions that will be proposed later on the matter of principle. Mr Birrell was merely discussing that matter of principle, but it is difficult for me to tell whether he has gone a little further than that.

Hon. M. A. BIRRELL — Trust me!

The CHAIRMAN — Order! I believe Mr Birrell has a record of being expeditious in dealing with these matters and I hope he will now proceed, as he offered, to round off. There is no point of order.

Hon. M. A. BIRRELL — The other key amendments proposed will delete the 1 cent tax in the Bill and replace it with a fine or penalty mechanism that can be imposed on industries or recalcitrant companies that do not meet expectations. Amendment No. 1 will ensure that the purpose of the Bill will create a viable framework rather than an academic framework to encourage recycling and waste reduction.

Amendment agreed to; amended clause agreed to; clauses 2 and 3 agreed to.

Clause 4

Hon. M. A. BIRRELL (East Yarra) — I move:

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2. Clause 4, line 4, omit "Recycle 2000" and insert "Recycling and Resource Recovery Council".
3. Clause 4, line 7, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".
4. Clause 4, line 8, omit "Recycle 2000" and insert "The Council".
5. Clause 4, line 16, omit "Recycle 2000" and insert "the Council".

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I have no real objection to "Recycling" being included in the title of the new body but it is redundant to also include "Resource Recovery". If the title is to be descriptive it should not repeat the recycling activity but should deal with recycling and waste minimisation, which are the two components. Recycle 2000 was meant to accomplish that aim. If the opposition really wants to make a descriptive title it should not insist on tautology because it is not an improvement. "Recycling and Waste Minimisation" would be a more expansive and descriptive title.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

6. Clause 4, lines 17 and 18, omit "executive members of Recycle 2000" and insert "Council".

The opposition believes only one body should do this work and the broader concept of establishing some kind of pressure group is dysfunctional and illogical. If any government wants to establish a general pressure group or meeting place on recycling it can do so, but the opposition believes there is no relationship between it and the industry, local government and community body that will be established under the provisions.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

7. Clause 4, line 20, omit "Recycle 2000" and insert "the Council".
8. Clause 4, line 21, omit "Recycle 2000" and insert "The Council".
9. Clause 4, line 23, omit "Recycle 2000" and insert "the Council".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

10. Clause 4, line 24, before "promote" insert "advise on,".

The amendment will highlight the fact that the new body will have an important advisory function.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

11. Clause 4, line 27, omit "establish" and insert "monitor and report on".

The opposition strongly believes this important body should monitor and report on targets and performance measures for recycling and waste reduction. The establishment of those targets will be set in the context of industry waste agreements, and the opposition looks forward to RRRC, as I am sure it will become known, doing this monitoring and reporting work.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

12. Clause 4, page 4, line 9, omit "investigate and help develop" and insert "support the development of".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

13. Clause 4, page 4, lines 11 to 14, omit paragraphs (g) and (h).

The amendment is consistent with an earlier amendment which deleted reference to the executive members of the organisation.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The honourable member is not quite accurate. The amendment seeks to delete paragraph (h), which would enable the council to report annually on the performance of the waste reduction scheme. That is a completely different matter. The amendment removes a useful function of the council and a discipline in terms of ensuring that it reports annually on the performance of aspects of its functions. I suggest it would be better if that paragraph were to remain. I see no good reason and have heard no argument why a body established under legislation should not have a responsibility to report annually on the performance of a waste reduction scheme.

Hon. M. A. BIRRELL (East Yarra) — The opposition moved the amendment to omit paragraph (h) because subsequent amendments will give substantial powers to the Environment Protection Authority to act in that monitoring capacity.

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One of the concerns expressed by nearly all the players is the need to separate the EPA from being the policy maker on the one hand and the umpire on the other hand. In recent years particularly, the EPA has delighted in being both policy maker and umpire and forcing people to accept the decisions that are made. Under the amendment the EPA will be given the extra power to be the umpire; the Recycling and Resource Recovery Council (RRRC) will be the policy maker.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Mr Birrell seems to be missing the point. The functions of the EPA will not be cut across; a function will be denied to the RRRC.

Hon. M. A. BIRRELL (East Yarra) — It is illogical to pass a Bill that will result in two bodies having exactly the same function. We are giving the function to the EPA.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

14. Clause 4, page 4, line 16, omit "(1) Recycle 2000" and insert "The Council".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

15. Clause 4, page 4, lines 19 to 21, omit proposed sub-section (2).

This is a consequential amendment.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

16. Clause 4, page 4, lines 23 to 26, omit all words and expressions on these lines and insert —
"(1) The Council is to have 14 members."
17. Clause 4, page 4, line 30, omit "11 executive members of Recycle 2000" and insert "14 members of the Council".

Our aim is to expand slightly the size of the RRRC and therefore ensure that it provides a useful meeting place for all the players in waste minimisation. Any Minister for Conservation and Environment in the future will want to be confident that the meeting of players is being conducted frequently and that all the relevant players are present. In the size proposed by the government, the RRRC will be a touch too small to achieve that outcome.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I do not have any quarrel with changing the number of members of the council from 11 to 14, because the proportions stay reasonably much the same. However, some consequential changes will have to be made to the quorums that are currently related to 11 members and therefore are 7 members. If it is agreed that the council be comprised of 14 members, for consistency the quorum should be adjusted to 9 members.

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

18. Clause 4, page 5, line 5, omit "2" and insert "4".

The amendment provides that the number of representatives of local government is doubled. We do this because we believe that having only two representatives from local government will not cover the varying regional interests. The amendment is an attempt to ensure that local government has a greater role to play.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

1. Clause 4, page 5, line 5, omit "representatives of local government" and insert "municipal councillors".

The change in the description is made because representatives of local government put to me their concerns that "representatives of local government" could be interpreted to mean people other than councillors. I have agreed to amend the description so that it is "municipal councillors".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

19. Clause 4, page 5, lines 10 to 17, omit paragraphs (d) and (e) and insert —
"(d) 3 representatives of community, employee, conservation or consumer interests chosen by the Minister;"

The real difference made by the amendment is that the employee representative will not have to be chosen by the Trades Hall Council (THC). We see no reason why the THC should be regarded as an arbiter of good taste, nor do we agree that it has anything to do with the matter. If anything, the union movement could be regarded as a body that set back the economics of recycling. We do not want

to give them the time of day, much less have a representative on this body.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Honourable members have heard an unbelievable contribution by Mr Birrell. Apparently he does not realise that many of the people who collect garbage and are involved in the recycling industry are members of unions or employees and that substantial health and safety issues are involved in working in the industry. The Bill was drafted in the usual form, providing that representatives of the Trades Hall Council would be chosen from a list of three names submitted. A similar provision will allow for the appointment of representatives from conservation and consumer interests, again chosen from lists of three names submitted. Creating a vagueness to the extent that the Bill provides only that an employee representative is to be chosen could result in the representative being anyone from general management level down. The provision could be used to try to substitute someone who is not directly involved in working in the industry for a proper representative of the people who are working in jobs directly involved in handling waste materials for recycling. If their positive involvement is not secured, then invariably the involvement will be negative.

It is not unreasonable that a council of 14 members should include a representative of the people directly involved in the industry on it. The opposition shows its antipathy to those people being involved by moving an unnecessary amendment both in respect of the words proposed to be inserted and the way Mr Birrell has described them in supporting his amendment.

Hon. M. A. Birrell — I have exhausted all my tolerance in dealing with MAV; you cannot expect me to extend it.

Hon. B. T. PULLEN — I notice Mr Birrell extends his views to the MAV, and that is on the record.

Hon. M. A. Birrell — It is on the record; I said it last night on Radio 3AW.

If I were to chose a union, I would probably have someone from the former Australian timber workers union. That union is doing an outstanding job in the area and its members believe strongly that the Bill must be amended. The question is not whether a union member should be chosen as a member of the council, but whether that person should be an

employee in the industry. We are happy to have an employee in the industry appointed as a member of the council; we have no problem with that. I have told industry groups that we intend to appoint an employee to the council and they have no problem with that. The real problem lies with whether a person is an employee in the industry or just someone the Trades Hall Council wants to put on the council. In the past, honourable members have seen what happened with the Recycling and Litter Advisory Committee (RALAC) which had good employee representatives as members. Unfortunately, they were agreeing too much with the industry so the Minister removed them and appointed people from the Trades Hall Council whose single role was to disturb the committee. We are not interested in having them and they will not be there.

Hon. D. M. EVANS (North Eastern) — I think honourable members should remember that the intention, supported by all members of the opposition, is to arrive at a sensible and proper form of council, not so much on the basis of voting power based on the force of argument, but on the basis of what would be the proper use of the term of the 1980s, "consensus".

Committee divided on omission (Members in favour vote No):

Ayes, 16

Crawford, Mr	Lyster, Mrs
Davidson, Mr	Mackenzie, Mr
Henshaw, Mr	McLean, Mrs
Hogg, Mrs	Mier, Mr
Ives, Mr	Pullen, Mr
Kennedy, Mr	Theophanous, Mr T
Kokocinski, Ms	Van Buren, Mr (Teller)
Landeryou, Mr	Walker, Mr (Teller)

Noes, 19

Ashman, Mr	Hallam, Mr
Baxter, Mr	Knowles, Mr
Best, Mr (Teller)	Lawson, Mr (Teller)
Birrell, Mr	Long, Mr
Chamberlain, Mr	Miles, Mr
Connard, Mr	Skeggs, Mr
Cox, Mr	Storey, Mr
Craige, Mr	Tehan, Mrs
Evans, Mr	Varty, Mrs
Hall, Mr	

Pairs

Mrs Coxsedge	Mr de Fegely
Mr Sgro	Mr Guest
Mr White	Mr Smith

Omission agreed to; insertion agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

20. Clause 4, page 5, line 18, omit "(f)" and insert "(e)".
21. Clause 4, page 5, line 22, omit "(g) 3" and insert "(f) 4".
22. Clause 4, page 5, line 26, omit "Recycle 2000" and insert "the Council".
23. Clause 4, page 5, line 28, omit "Recycle 2000" and insert "members of the Council".
24. Clause 4, page 5, lines 29 and 30, omit "executive members of Recycle 2000" and insert "the Council".
25. Clause 4, page 5, line 31, omit "49E" and insert "49D".
26. Clause 4, page 5, line 32, omit "An executive member" and insert "A member of the Council".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

27. Clause 4, page 6, after line 6 insert —
 "(f) is to be paid, and is to be paid from the council's funds."

This is simply to ensure that members of the council are paid some kind of reasonable expense allowance. That is up to the council to determine, but we believe these days it is unfair to have some people who cannot afford it exposed to cost when their expenses should be paid for. We are not anticipating a full salary, of course.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

28. Clause 4, page 6, lines 7 and 8, omit "an executive" and insert "a".
29. Clause 4, page 6, lines 14 and 15, omit "an executive" and insert "a".
30. Clause 4, page 6, line 16, omit "49F" and insert "49E".
31. Clause 4, page 6, line 19, omit "an executive" and insert "a".
32. Clause 4, page 6, line 22, omit "executive".
33. Clause 4, page 6, line 23, omit "executive".
34. Clause 4, page 6, line 26, omit "an executive" and insert "a".
35. Clause 4, page 6, line 28, omit "executive".
36. Clause 4, page 6, line 35, omit "executive".

37. Clause 4, page 7, line 1, omit "49E" and insert "49D".
38. Clause 4, page 7, lines 2 and 3, omit "an executive" and insert "a".
39. Clause 4, page 7, line 5, omit "49G" and insert "49F".
40. Clause 4, page 7, line 6, omit "executive members of Recycle 2000" and insert "members of the Council".
41. Clause 4, page 7, line 9, omit "7 executive" and insert "9".
42. Clause 4, page 7, line 12, omit "executive".
43. Clause 4, page 7, line 14, omit "Recycle 2000" and insert "the Council".
44. Clause 4, page 7, line 25, omit "executive".
45. Clause 4, page 7, line 26, omit "executive".

Amendments agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

2. Clause 4, page 7, lines 29 to 34, omit proposed sub-section (8) and insert —
 "(8) If a matter is validly put to a postal vote and at least 7 executive members return their votes to the Chairperson in writing within 15 days of the day the voting papers are sent to them, then the decision of the majority of those executive members is the decision of Recycle 2000."

This provides for protection for postal voters. Before continuing, I seek leave to have the figure "7", referring to seven executive members, changed to "9"; so the amendment would read:

2. Clause 4, page 7, lines 29 to 34, omit proposed sub-section (8) and insert —
 "(8) If a matter is validly put to a postal vote and at least 9 executive members return their votes to the Chairperson in writing within 15 days of the day the voting papers are sent to them, then the decision of the majority of those executive members is the decision of Recycle 2000."

Mr Pullen's amendment No. 2 amended by leave.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The amended amendment provides protection to ensure that, if such a vote is carried out, it is not decided by a minority of the council.

Amended amendment agreed to.

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Hon. M. A. BIRRELL (East Yarra) — I should like to add that the opposition accepts the Minister's amendment, but it includes the words "Recycle 2000" which should now be "Council". It also includes the word "executive" which has already been deleted. Therefore, I seek leave to remove the word "executive" and to replace "Recycle 2000" with the word "Council". Therefore, I move:

That the amendment be amended by substituting the word "Council" for the words "Recycle 2000", and by omitting the word "executive."

Amendment on amended amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

48. Clause 4, page 7, line 35, omit "an executive" and insert "a".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

49. Clause 4, page 8, line 5, omit "Recycle 2000" and insert "The Council".
50. Clause 4, page 8, line 7, omit "49H" and insert "49G".
51. Clause 4, page 8, line 8, omit "An executive" and insert "A".
52. Clause 4, page 8, line 10, omit "Recycle 2000" and insert "the Council".
53. Clause 4, page 8, line 11, omit "Recycle 2000" and insert "the Council".
54. Clause 4, page 8, line 19, omit "Recycle 2000" and insert "The Council".
55. Clause 4, page 8, line 21, omit "Recycle 2000" and insert "The Council".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

56. Clause 4, page 8, lines 24 to 33, and page 9, lines 1 to 36, omit proposed sections 49J and 49K.

This is a consequential amendment.

Amendment agreed to.

The CHAIRMAN — Order! The Minister's amendment No. 3 is superseded.

Hon. M. A. BIRRELL (East Yarra) — I move:

57. Clause 4, page 10, line 1, omit "49L" and insert "49H".

58. Clause 4, page 10, lines 2 and 3, omit "Recycle 2000" and insert "the Council".

59. Clause 4, page 10, line 3, omit "executive".

60. Clause 4, page 10, line 4, omit "Recycle 2000" and insert "the Council".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

61. Clause 4, page 10, line 6, omit "a member" and insert "2 members".

The amendment increases from one member to two the number of representatives appointed under what is now a reworded section.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

62. Clause 4, page 10, line 6, omit "49D" and insert "49C".
63. Clause 4, page 10, line 8, omit "49D" and insert "49C".
64. Clause 4, page 10, line 10, omit "a member" and insert "2 members".
65. Clause 4, page 10, lines 10 and 11, omit "49D(3)(g)" and insert "49C(3)(f)".
66. Clause 4, page 10, line 18, omit "49D" and insert "49C".
67. Clause 4, page 10, line 19, omit "executive".
68. Clause 4, page 10, line 20, omit "49D" and insert "49C".
69. Clause 4, page 10, line 28, omit "2" and insert "3".
70. Clause 4, page 11, line 1, omit "49M" and insert "49I".
71. Clause 4, page 11, line 2, omit "Recycle 2000" and insert "The Council".
72. Clause 4, page 11, line 4, omit "Recycle 2000" and insert "the Council".
73. Clause 4, page 11, line 9, omit "Recycle 2000" and insert "the Council".
74. Clause 4, page 11, line 12, omit "Recycle 2000" and insert "the Council".
75. Clause 4, page 11, line 14, omit "Recycle 2000's" and insert "The Council's".
76. Clause 4, page 11, line 16, omit "49N" and insert "49J".

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77. Clause 4, page 11, lines 19 and 20, omit "Recycle 2000's" and insert "the Council's".
78. Clause 4, page 11, line 23, omit "Recycle 2000" and insert "the Council".
79. Clause 4, page 11, line 28, omit "49O" and insert "49K".
80. Clause 4, page 11, line 29, omit "Recycle 2000" and insert "The Council".
81. Clause 4, page 11, line 31, omit "Recycle 2000" and insert "the Council".
82. Clause 4, page 12, line 1, omit "Recycle 2000" and insert "The Council".
83. Clause 4, page 12, line 19, omit "49P" and insert "49L".
84. Clause 4, page 12, line 20, omit "Recycle 2000" and insert "The Council".
85. Clause 4, page 12, line 30, omit "Recycle 2000" and insert "the Council".
86. Clause 4, page 13, line 6, omit "Recycle 2000" and insert "the Council".
87. Clause 4, page 13, line 8, omit "Recycle 2000" and insert "the Council".
88. Clause 4, page 13, line 12, omit "Recycle 2000" and insert "the Council".
89. Clause 4, page 13, line 17, omit "Recycle 2000" and insert "the Council".
90. Clause 4, page 13, line 20, omit "Recycle 2000" and insert "the Council".
91. Clause 4, page 13, line 28, omit "49Q" and insert "49M".
92. Clause 4, page 13, line 34, omit "Recycle 2000" and insert "the Council".
93. Clause 4, page 14, line 1, omit "Recycle 2000" and insert "the Council".
94. Clause 4, page 14, line 3, omit "Recycle 2000" and insert "the Council".
95. Clause 4, page 14, line 5, omit "49Q" and insert "49M".
96. Clause 4, page 14, line 7, omit "49O" and insert "49K".
97. Clause 4, page 14, line 16, omit "Recycle 2000" and insert "the Council".
98. Clause 4, page 14, line 18, omit "Recycle 2000" and insert "the Council".

99. Clause 4, page 14, line 22, omit "Recycle 2000" and insert "The Council".

The amendments are all consequential amendments.

Amendments agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

4. Clause 4, page 15, line 9, omit "executive" and insert "Board".

The amendment substitutes the word "Board" for the word "executive".

Hon. M. A. BIRRELL (East Yarra) — The problem I have is that I am not sure what the board is — it has been previously described as "members". The council is the body; I do not think there is any such thing as the board. If the word "executive" is taken out, I think the clause stands without the need to insert the word "board".

Hon. B. T. PULLEN (Minister for Conservation and Environment) — By way of explanation, if "executive" is removed there will still be a need to define the body in some way; and the word "board" has been used elsewhere in the Bill. Proposed section 50D speaks about the initial membership of the board of the council, and "board" is defined there.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

5. Clause 4, page 15, lines 17 to 22, omit proposed sub-sections (1) and (2) and insert —
 - "(1) The chairpersons of Groups listed in Schedule C must prepare a draft constitution for the Waste Management Council.
 - (2) If the draft constitution has the approval of a majority of the chairpersons, it must be submitted to the Minister for his or her approval."

The amendment is the result of discussions held with local government about a constitution for the Waste Management Council. The amendment allows for that to occur with a minimum of frustration by having the chairpersons of the groups listed in the schedule prepare a draft constitution. If the draft is approved by a majority of the chairpersons it will be submitted to the Minister.

Amendment agreed to.

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Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

6. Clause 4, page 15, lines 29 to 31, omit paragraphs (c) and (d) and insert —

“(c) the election of the Council’s Chairperson by all members of the Waste Management Council;”.

The amendment arises from the same discussions mentioned in relation to the previous amendment and concerns the election of the chairperson of the Waste Management Council.

Hon. M. A. BIRRELL (East Yarra) — The opposition will have to take on trust the Minister’s statement that the amendment is a result of his discussions and that it has been agreed to.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

7. Clause 4, page 15, line 32, omit “(e)” and insert “(d)”.
8. Clause 4, page 16, line 1, omit “(f)” and insert “(e)”.
9. Clause 4, page 16, line 3, omit “(g)” and insert “(f)”.
10. Clause 4, page 16, line 5, omit “(h)” and insert “(g)”.
11. Clause 4, page 16, line 8, omit “(i)” and insert “(h)”.
12. Clause 4, page 16, line 10, omit “(j)” and insert “(i)”.
13. Clause 4, page 16, line 13, omit “(k)” and insert “(j)”.
14. Clause 4, page 16, line 15, omit “(l)” and insert “(k)”.
15. Clause 4, page 16, line 17, omit “(m)” and insert “(l)”.
16. Clause 4, page 16, line 18, omit “(n)” and insert “(m)”.

The amendments are consequential.

Amendments agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

17. Clause 4, page 16, line 19, after “accounts” insert —
“after the reports have been approved by the majority of the members of the Council.”.

The amendment inserts a qualifying clause.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

18. Clause 4, page 16, line 30, omit “30 June” and insert “31 December”.

The date has been adjusted after consultation.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

19. Clause 4, page 16, after line 31 insert —

“(7) The Minister must ensure that such a constitution makes adequate provision for the matters set out in sub-section (3).”.

The amendment ensures that the constitution makes adequate provision for the matters set out. That is the basic criteria which councils have to go through in order to reach a satisfactory conclusion. The Minister will have due regard to the criteria of such a constitution.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

20. Clause 4, page 16, line 32, omit “(7)” and insert “(8)”.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

21. Clause 4, page 16, lines 35 to 37, and page 17, lines 1 to 6, omit proposed sub-sections (8) and (9) and insert —

“(9) The fixing of a constitution by the Minister is to be regarded as if it were the approval of the constitution by the Minister under sub-section (4).”.

The amendment provides for the process of establishing a constitution and the fixing of the constitution by the Minister.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

100. Clause 4, page 17, lines 16 to 19, omit paragraph (c) and insert —

“(c) to encourage municipal councils to —

- (i) adopt schemes for composting domestic waste, mulching garden waste and recycling rubble;
- (ii) collect recyclable items wherever practicable;

- (iii) set performance targets for municipal waste reduction programs;".

The amendment is designed to seek an outcome where municipalities have adopted schemes not only for composting, mulching and recycling but also to have each council introduce a scheme for collecting recyclable items wherever that is practicable and reasonable. They should also have performance targets. It is of concern to everybody that there is a small minority of councils that are not strong participants in recycling schemes for some deeply held philosophical beliefs, but that should not stand in the way of ratepayers getting the service that most people expect.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

101. Clause 4, page 17, lines 21 and 22, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

22. Clause 4, page 17, lines 24 and 25, omit "Strategies for waste reduction and disposal" and insert "Waste Management Plans". The amendment to omit "Strategies for Waste reduction and disposal to "Waste Management Plans".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

102. Clause 4, page 18, lines 22 and 23, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

103. Clause 4, page 18, after line 23 insert —

"(n) to promote research into landfill disposal costs and charges."

The aim of the amendment is to ensure that waste management councils see it as their task to promote research into landfill disposal costs and charges. Clearly in the wake of the Industry Commission report there is a need to ensure a market base for all charging and if that does not occur the overall market for recycling and for waste minimisation will be improperly distorted. The opposition looks

forward to the Waste Management Council being active in this area.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

23. Clause 4, page 19, before line 1 insert —

"(c) a representative of the Trades Hall Council chosen by the Minister from a list of at least 3 names submitted by that Council; and".

The amendment seeks to provide a representative who is directly involved in garbage collection and recycling by adding to the Waste Management Council a representative of the Trades Hall Council chosen by the Minister from a list of at least three names submitted by that council.

As I indicated in the previous case, The provision is for someone who is working in the area in a body that is working out plans and looking at processes which can improve recycling and waste management schemes in a cooperative way. There should be a cooperative effort by the community, local government, people working in the area and industry, manufacturers and retailers if we are to make real progress. It is important that there be representation on the principal bodies by workers, and that is best obtained through their unions, hence the reason for the amendment.

Hon. M. A. BIRRELL (East Yarra) — There is no guarantee that a representative of the Trades Hall Council is an employee in industry let alone an employee in industry affected by the Bill. There should be an employee on the Recycling and Resource Recovery Council. The opposition opposes the amendment.

Amendment negated.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

25. Clause 4, page 19, lines 3 and 4, omit "by all municipal councils in Victoria".

The amendment basically requires that the council's chairperson is elected in accordance with the council's constitution. The council's constitution has been amended to cover that.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

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26. Clause 4, page 19, after line 4, insert —

“; and

(d) 1 representative from any new member of the Council”.

The amendment provides for representation from any new member who may join the council. It allows for more flexibility and development.

Amendment agreed to.

The CHAIRMAN — Order! Does the Minister wish to amend the reference to clause 4(e) to clause 4(d)?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Yes, Mr Chairman, it corrects a typing error.

Mr Pullen's amendment No. 26 amended, by leave; amended amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

28. Clause 4, page 19, line 17, after “waste” insert “collected at origin and”.

Although the amendment may not be necessary, it will clarify the clause. Local councils have urged me to make sure that the charge of \$2 per tonne of waste relates only to waste collected by the councils. As amended proposed section 50(S)(1) will read in part “collected at origin and deposited by or on behalf of a municipal council”, which will make the intention of the provisions perfectly clear.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

29. Clause 4, page 20, line 1, omit “1993” and insert “1994”.

The adjustment to the dates referred to in the Bill is necessary because of the longer than expected time between the introduction and the passing of the Bill.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

104. Clause 4, page 22, lines 26 to 34, pages 23 to 33, and page 34, lines 1 to 31, omit proposed Sub-divisions 1 to 3 of Division 4 and insert —

“51. Application of this Division

- (1) This Division applies to any person or industry that creates, manages or disposes of solid waste in Victoria.
- (2) For the purposes of this Division, if a person is a body corporate, a reference to that person includes a reference to any subsidiary of that person within the meaning of the Corporations Law.
- (3) In this Division a reference to an industry may be read as a reference to a sector of an industry.

51A. Industry waste reduction agreements

- (1) The Authority may enter into an industry waste reduction agreement with any person or with any association representing an industry.
- (2) Such an agreement must, in accordance with the regulations —
 - (a) identify the solid wastes that are likely to arise as a result of the activities of the person or industry; and
 - (b) set out what steps the person or industry will take to do all or any of the following —
 - (i) to reduce those wastes or to keep those wastes to a minimum; or
 - (ii) to recover, recycle or re-use those wastes; or
 - (iii) to reduce litter; or
 - (iv) to safely dispose of the wastes that cannot be recovered, recycled or re-used; and
 - (c) specify targets to be achieved by the person or industry with respect to those steps; and
 - (d) provide an economic assessment of the market for the wastes that can be recovered (if applicable); and
 - (e) set out the steps that the person or association proposes to take to ensure a stable and viable collection system for those wastes in the light of the assessment made under paragraph (d) (if applicable); and
 - (f) provide for the person or association to give the Authority and the Recycling and Resource Recovery Council a report every 6 months on the progress made with respect to the implementation of the agreement; and
 - (g) specify the period or periods for which it is to be in force.
- (3) The agreement may provide for any other incidental matter.

51B. Criteria to be satisfied before Authority may enter agreement.

The Authority must enter into an industry waste reduction agreement with any person, or with any association representing an industry, to whom this Division applies who has submitted a draft industry waste reduction agreement which deals with the matters listed in section 51A(2) after the Authority —

- (a) has consulted the Recycling and Resource Recovery Council with regard to the agreement and any targets and performance measures in the agreement; and
- (b) is satisfied that the agreement is consistent with any national strategy or industry plan that has been endorsed by that Council.

51C. Monitoring by the Authority

- (1) The Authority must monitor industry waste reduction agreements.
- (2) The monitoring must take into account the environmental, economic, commercial and social issues involved in the agreement and must seek, and take into account, the views of the public generally, local government and industry.
- (3) The Authority must keep a record of products or materials for which there are no industry waste reduction agreements.

51D. Amendments to agreements

The Authority must agree to amend an industry waste reduction agreement at any time if —

- (a) it is of the opinion that the amended agreement would satisfy section 51B were it a new agreement; and
- (b) it has consulted the Recycling and Resource Recovery Council with regard to the amendment; and
- (c) the amendment does not deal with a matter that is subject to a notice under section 51F.

51E. Authority may require a person to enter agreement

- (1) The Authority may require any person or industry to whom this Division applies and who is not a party to an industry waste reduction agreement to submit to the Authority a draft industry waste reduction agreement that complies with section 51A(2).
- (2) Notice of the requirement must be in writing and must specify the date by which the draft agreement must be submitted.

- (3) The date specified must be at least 6 months after the date of the notice.

- (4) The Authority may withdraw the notice at any time.

- (5) A person who fails to comply with a requirement under this section is guilty of an offence.

Penalty: 100 penalty units.

51F. Notice of breach of agreement

- (1) If at any time the Authority, acting reasonably, believes a person or an industry is in breach of an industry waste reduction agreement, the Authority may give the person, or the association representing the industry, a notice of breach.
- (2) The notice must —
 - (a) be in writing; and
 - (b) specify the breach; and
 - (c) specify the date by which the Authority requires the breach to be rectified.
- (3) The date specified must be at least 3 months after the date of the notice.
- (4) A person to whom a notice is given under this section must rectify the breach in accordance with the requirement in the notice.

Penalty: 100 penalty units.

51G. Reports to Parliament

- (1) The Authority may, from time to time, submit to the Minister —
 - (a) a report on industry waste reduction agreements;
 - (b) a report identifying any person or industry to whom this Division applies and who is not a party to an industry waste reduction agreement;
 - (c) a report identifying any person or industry who has failed to submit a draft industry waste reduction agreement under section 51E;
 - (d) a report identifying any person or industry who has failed to provide a satisfactory explanation for any variation of performance from that set out in their industry waste reduction agreement.
- (2) Amongst other matters, any such report must —
 - (a) include an economic assessment of the market for the wastes that can be recovered by the person or industry (if relevant); and
 - (b) take into account relevant environmental, economic, commercial and social issues.

- (3) The Minister must cause any such report to be laid before each House of Parliament before the end of the seventh sitting day of that House after the report is received by the Minister.
- (4) The Authority must not name any person, or any association representing an industry, in a report under sub-section (1)(b), (c) or (d) unless, at least 28 days before the report is submitted to the Minister, it has given that person or association a notice in writing advising that it intends to take that action.
- (5) The notice must also specify the reasons why the Authority intends to name the person or association."

This is a major amendment. Consistent with the commitment I gave when speaking to clause 1, I shall not restate the issues raised during the second-reading debate; but I shall be happy to discuss with the Minister any matter arising from the amendment.

The CHAIRMAN — Order! In speaking to Mr Birrell's amendment, the Minister may foreshadow his amendments Nos 31 and 31, if he wishes.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The amendment will result in a major change in the legislation and will remove much of the force and intent of the Bill. In one fell swoop it will remove the proposed section that deals with industry waste agreements and the processes that will ensure that those agreements are kept and that waste minimisation and recycling targets are achieved.

The coalition deserves to be criticised for moving the amendment, because local councils believe the amendment will weaken the provisions of the Bill dealing with manufacturers or importers of products that become part of the waste stream and end up as landfill.

Local government is trying to deal with the problem through kerbside collection and resource recovery programs, yet it is concerned that manufacturers and importers will not be required to make similar efforts to minimise waste and take part in recycling programs. The landfill levy and recycling, waste reduction and anti-litter programs are all vital to the success of the Bill, and proposed section 51 is designed to ensure that industry matches the efforts of local government.

One of the bugbears of recycling programs throughout the world is the lack of programs that

require manufacturers to utilise recycled material in planned and sustained ways, and to pay reasonable prices for that material. One of the aims of the Bill is to bring those two processes together, and any attempt to weaken the proposed section runs the risk of failing in an area where the community expects us to succeed.

Local government argues that it is accepting its obligations, and it believes industry should do the same. Local government is at the end of what I call a cradle to grave process. Councils are playing their part to protect the environment, and they believe manufacturing industries should play their part in the recovery and reuse of waste material. Recycling is at the heart of the process, which is why it is regrettable that the opposition has caved in, as a result of which a rare opportunity may be lost.

The opposition has said it supports the concepts underlying Recycle 2000, which, as a result of an opposition amendment, will be renamed the Recycling and Resource Recovery Council. The council will bring together the major players or stakeholders in the recycling and resource recovery industry, which will assist in the development of ideas and the promotion of publicity and education campaigns to make sure the Bill is as effective as possible.

The opposition says it supports the Waste Management Council, which provides a focus for local government and which will enable local government authorities and regional bodies to upgrade and expand their kerbside recycling programs and waste minimisation programs. Although the opposition has accepted that notion, it is not prepared to accept the need to oblige manufacturers and importers to play their part, which is where the process begins.

The government believes the opposition is letting down the people of Victoria by sweeping aside such an important part of the Bill. During the second-reading debate members of the opposition expressed support for the Bill because they said they realised the people of Victoria support recycling and resource recovery programs; yet by introducing the amendment the opposition has shown that it is prepared to jeopardise the success of such programs.

That can be likened to the opposition's attitude to recent government legislation. Although it claimed to support the Heritage Rivers Bill, the opposition introduced amendments to allow the construction of dams on heritage rivers without the necessary

scrutiny. The opposition has also foreshadowed amendments to the (National Parks) Wilderness Bill to allow grazing, logging and shooting in wilderness areas. That is utterly consistent with the opposition's behaviour of being heard to be saying one thing while being seen to be doing another. That action is regrettable, and that is the reason why the government will oppose the amendment.

Hon. D. M. EVANS (North Eastern) — The Minister's comments are evidence of the government's highly interventionist and impractical approach to the issue. As Mr Birrell and other coalition speakers have said resource recovery and recycling programs enjoy widespread support. But the approach taken by the government will significantly increase costs to Victorian industry, and that is likely to have the undesirable result of driving those industries either interstate or overseas. It is for this reason that the opposition is concerned to make the amendments that have been proposed by my colleague, Mr Birrell.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The proposals by the opposition are quite imperfect because they could be interpreted to mean that they affect only manufacturers in this State. If it is the intention, as the honourable member has just indicated, to provide some support for industry in this State, the opposition should have drafted its amendments to clearly indicate that the provision cover material brought in from other States or overseas. Currently that is not clear.

Hon. M. A. BIRRELL (East Yarra) — This is not a debate about what outcome we want; it is a debate about how we can reach the outcome. The opposition amendments are designed to achieve the outcome outlined by the Minister and which are explicit and implicit in the Bill. The opposition does not believe that a tax-based form of compulsion will achieve the outcome, but it does believe that this form of system, which is based on goodwill but backed up with a penalty-based safety net, will achieve the result that we all desire.

I shall quote from a letter from the Australian Conservation Foundation dated 25 October 1991:

... the legislation is appropriately built around the provision of industry plans. Some of the plans which have been submitted to ANZEC Ministers and the present and foreshadowed activity of most industry sectors leads us to believe that most industries will be able to produce satisfactory plans. It therefore seems

unlikely that many, if any, of the items listed in Schedule B will be subject to a 1 cent per item charge.

The opposition agrees that this is a sledge-hammer approach in dealing with what might not be a problem at all according to one of the major supporters of this Bill, the Australian Conservation Foundation. I respect the views of the foundation on this issue because it is a legitimate pressure group in terms of raising consciousness. It has said in its own correspondence that the taxing power the government is seeking to impose may never be needed.

I hark back to my earlier comment: if a large taxing power is put into place, it is highly likely that no government would have the nerve to use it and that it will not be effective. The opposition believes it has established an effective sword of Damocles that will achieve the same outcome. I do not see how honourable members can get any sense of satisfaction from passing a law that will not be practical.

As to the Minister's comment about whether the amendment applies to all solid waste in Victoria, I take his suggestion that proposed subsection 51(1) may need to be amended. He has been good enough to suggest a change, which is consistent with my request made during the second-reading debate that he make some suggestions, and the opposition will accept his proposed amendment No. 104, which is yet to be moved, to change proposed subsection 51(1) so that it includes a person or industry that first sells items in Victoria that could result in waste being deposited in Victoria.

It is a nonsense to think we are only trying to regulate companies that make and sell products in Victoria when we are clearly trying to establish a system that covers everyone regardless of where a product is made. As to the minor point the Minister makes, the opposition accepts his constructive suggestion. As to the broader point, members of the opposition are not at odds with his aim; we just do not think the current Bill will work.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Mr Birrell is guilty of utilising an argument in exactly the opposite way to what was intended. From my understanding of the quote he read, the Australian Conservation Foundation (ACF) is arguing the same point a number of people have also argued, and that is that the 1 cent penalty is only there as an incentive for people to bring forward proper plans and is not intended to be

utilised. It is understood that the majority of manufacturers and people who have been involved in recycling perform well and will continue to do good jobs. The Bill will enhance that by encouraging the development of properly integrated plans. For most of those people, the 1 cent penalty or levy will not apply at all.

The argument that has been put forward by the ACF is exactly the argument that I would put: the penalty is only residual and should not be seen as a sledge-hammer. In fact, the argument put forward by the ACF supports the introduction of the levy.

The difference between the approach taken in the Bill and what is foreshadowed by the opposition is evident. The incentive for people to do the right thing by meeting targets and adopting appropriate plans for waste minimisation and recycling in the government's plan is to use a commercial method that is related to the volume and type of product. The opposition has introduced the idea of a criminal penalty which is not really linked to the magnitude of the waste contribution. A criminal penalty of \$10 000 would be a significant amount to small fry. However, it is a fleabite of a penalty when one considers the volume and magnitude of the waste created by large manufacturers. It is a token attempt to try to introduce some sort of incentive through the use of a criminal provision when it would be far more appropriate to use a commercial incentive.

I stress that a commercial incentive is very unlikely to apply and is basically an incentive for people to get their act together and come forward with appropriate plans. The government knows that in most cases people already have appropriate plans. It is a question of maintaining that activity and Victoria's well-established leadership position in the recycling area. Victoria's recycling rate is better than the national average but is not as good as South Australia's recycling rate with regard to glass, aluminium and beverage containers. South Australia is also ahead of the national average with regard to the recycling of all containers. Victoria has a good record compared with those of other States and especially in relation to the Australian average. The purpose of this Bill is to make sure that we do not slip back.

Mr Birrell continues to insist that the provision adopts a sledge-hammer approach. It is a commercial incentive and is substitutes a criminal provision which would not have a lot of force when dealing with the large companies that cause the major problems. If anything, the criminal provision

picks on the small companies and lets the large ones off the hook.

To correct some of the failings in the thrust of the amendment put forward by Mr Birrell, I have prepared some further amendments which go some way to repairing the damage caused by the removal of this section. I have circulated the amendments so that honourable members can consider them before the Committee deals with them. The first one I foreshadow is an amendment to Mr Birrell's amendment No. 104, which has the effect of clarifying that the provision would apply to products brought into Victoria as well as products manufactured in Victoria. We know that liquid paper containers are totally imported. They come into Victoria in a form in which they can be assembled here. Without the amendment it would not be clear that they would be covered by any of the provisions brought forward by Mr Birrell. The amendments I foreshadow will ensure that all products, whether they are imported from overseas, come from interstate or are manufactured in Victoria, are covered by the proposed changes. I shall deal with them separately.

Hon. M. A. BIRRELL (East Yarra) — The penalty we are imposing is effectively the sword of Damocles, not a criminal offence, as the Minister suggests; it is a statutory fine of \$10 000, which can be applied to each breach by each company of the industry waste reduction agreement that the industry voluntarily put forward. It is improper to call it a criminal offence because it is not an indictable offence. It is simply a statutory fine.

Secondly, for the Minister to say that \$10 000 is not much flies in the face of virtually everything the Environment Protection Authority has been saying in its annual reports and public documents about the fines it has been able to levy on industry. It is ecstatic when it can get a \$1000 fine from the courts. A fine of \$10 000 is an indication of the severity of the offence if a breach occurs.

To say a large company would not be stung by a \$10 000 fine flies in the face of reality. Large corporations will be affected not simply by the size of the fine but also by the sheer embarrassment of having it levied against them because most of them are more concerned than anything else about their reputations as corporate citizens. Linking our proposed \$10 000 fine with the new capacity for the recalcitrant companies to be named in Parliament and specifically singled out is a solid and sure way of controlling recalcitrant players. It is hoped that

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method will never be used but it will be able to be used and, with regard to jurisprudence, will be most likely used without concern for whether it is an appropriate penalty or whether, as the Minister suggests, it is far too great a penalty for what might be a minor or trivial offence.

The other point is that the Minister has missed one of the key improved elements of our amendment. The Minister's proposal would mean that industry waste reduction agreements would apply only to people who are listed in Schedule B. Schedule B is by no means all-encompassing; it applies to only a certain number of players in industry. Our amendment would mean that this part of the Act, and therefore all of the Act, will apply to all industry and all people who generate waste that ends up in Victoria. That gives the provision a far wider ambit.

Industry has asked why we are focusing on the good players and not putting all our efforts into setting up a new system that applies particularly to newspapers, aluminium and plastics. We are concerned with everything that goes to landfill and there is increasing awareness that the type of waste prescribed in the Minister's Bill is not the only waste going to landfill in Victoria.

It has been directed to our attention by a number of groups that this is one of the most significant changes. It happens to be one that the bulk of industry supports. No doubt some players will not support it. Most people are more than happy to be covered in some way by a voluntary industry waste reduction agreement that is not in any way covered by the Bill, as the Minister suggested, but there are other people who need to have a more community-minded attitude to waste minimisation.

This Bill will be broader but more reasonable and that is a point that has not been discussed by the Minister who seeks to restrict his controls to Schedule B.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The opposition may be doing some things it has not intended. On my advice not complying with the legislation will be seen to be a criminal offence rather than a sword of Damocles, as Mr Birrell described it.

Hon. M. A. Birrell — What does that mean?

Hon. B. T. PULLEN — Offences will be recorded.

Hon. M. A. Birrell — Under whose power? It is not part of the Crimes Act.

Hon. B. T. PULLEN — These amendments relate to the basic Environment Protection Authority Act. My advice is that if you follow through with what you want to do you may have done something you did not intend.

Hon. M. A. Birrell — Such as what?

Hon. B. T. PULLEN — These offences will be recorded as criminal offences. You will be using a power other than the power you intended.

Hon. M. A. Birrell — But we are not using a power, we are creating a fine.

Hon. B. T. PULLEN — I am passing on to you the advice I have had about the way you are attempting to go about setting penalties.

Hon. M. A. Birrell — You should elaborate on that because I do not know what you are talking about. If you want to run that argument you must say under what section of the principal Act you think it applies. What leads you to that conclusion?

Hon. B. T. PULLEN — Your amendment will provide a form of penalty, which you do not want. If your amendment is accepted any breaches will be recorded as criminal offences.

The second point is that Mr Birrell said the Bill will be improved by widening it. I do not believe that will be so because part of the need for action is to have something which is manageable and which one can plan and focus upon. Mr Birrell has generalised it to the point that it could cover anything from shoelaces to a bomb of a car. If we are to make progress we must deal with the waste litter stream and what can be recycled. We need strategies to tackle the issue.

By generalising and trying to put everything in the one process Mr Birrell will create an opportunity for people to be let off the hook. So many factors, such as insufficient volume and lack of economic capacity, are impracticable to deal with. Mr Birrell's amendment will inadvertently set up a situation where less recycling would be carried out. I do not know whether anyone has realised that fact. The whole area is complicated. Many people involved in lobbying, one way or another, are looking at it in fairly broad terms. The force of Mr Birrell's amendment is to place virtually everybody and

every type of activity in a position where they may face a penalty if they do not come up with some sort of plan or approach, irrespective of whether it makes a practical contribution to changing the situation. The purpose of Schedule B is to start off with something manageable where there has been a track record.

Hon. M. A. Birrell — To start off with the proven performers!

Hon. B. T. PULLEN — Not just a proven performance, but something that is actually being handled with a capacity for being extended. As we move we will do so in company with the community and with the processors so that we have some control over their environmental impact. Under Mr Birrell's amendment there would be a much more generalised approach, with penalties that are neither powerful enough nor effective enough to do the job at one end of the scale, and at the other end of the scale they are likely to affect a lot of people who do not deserve to suffer penalties. In relation to amendment No. 104, I move:

1. *Amendment No. 104* — omit proposed section 51(1) and insert —

"(1) This Division applies to any person or industry that creates, manages, disposes of or first sells items in Victoria that could result in wastes being deposited in Victoria."

It is designed to clarify the situation that applies to production, imports or manufacturing in Victoria or elsewhere.

Hon. M. A. BIRRELL (East Yarra) — As I indicated, we accept the Minister's amendment No. 1, which is an amendment to my amendment No. 104, because it puts in place something we regard as logical. I strongly place on record that we disagree with what the Minister has said in his most recent comments about penalties. He has introduced an argument but has totally failed to sustain his argument on whether this is a criminal penalty. In essence it is a red herring that is as big as a blue whale. Who gives a hoot whether it is a criminal penalty anyway?

He seems to be saying that this is some kind of failure. There is nothing worse than people putting forward legal propositions without justifying them, or when they are asked to justify them, simply repeating them as the Minister has done. What he has said about criminal penalties is nothing more than claptrap. It is utterly irrelevant. It is a statutory penalty. To be a criminal offence it would have to be

an indictable offence, and it is not. That fact that the penalty will be recorded can be regarded as a strength rather than a weakness. Is this some kind of secret penalty? What is this discussion about criminality? It is utter garbage. If the Minister does not sustain his argument we will treat this as being trivial nonsense and the act of a bush lawyer.

On the issue of penalties, the Minister suggests there will be a problem with the 100 penalty units, but he seeks to increase the penalty amount in his amendment. He should work out where he is going. He has said he is against the 100 penalty units and wants to lower them. He also actually suggested that they be doubled and that there be a charge of another 80 penalty units for each day. The Minister is all over the place. If he wants a rolling scale between 10 penalty units and 100 penalty units so that we do not crash a minor player I shall be happy to agree to such a scale. I want to establish what his logic is. We have been told time and again by the people dealing with him that he did not put a point of view. If he wishes to sustain his argument, he should sustain it. He should reach some conclusion. His advice is like something that would come from a donkey.

If the Minister wants to make a point about penalties, he should move an amendment. He may want a scale of 10 to 100 penalty units. If he believes the penalties are too high he should move an amendment to decrease them. We will not deal with it with any sympathy.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I have moved an amendment. I have indicated I do not believe the way Mr Birrell's amendment was worded is satisfactory in terms of the contributions that various creators of waste make. That is why I believe a penalty that is linked to the amount of waste created is better than a set penalty. If we are to have a penalty it ought to be more substantial than the penalties Mr Birrell has put forward. The amendment I have moved seeks at least to increase the scale of penalties. If it is possible to come up with a staggered scale, I shall be prepared to consider it. I suggest that the penalty at the moment would be treated as trivial by the people involved in these activities on any large scale, and they may prefer to take action to be part of a serious recycling or waste minimisation project.

Hon. M. A. BIRRELL (East Yarra) — I believe we are on the Minister's amendment No. 1. We support the amendment to our amendment No. 104.

Amendment on amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

2. *Amendment No. 104* — in proposed section 51A(2) omit “, in accordance with the regulations”.

It seeks to identify waste that is likely to increase as the result of a sale or use of an item both in the short and long term. I believe the amendment gives greater capacity for this section to work.

Hon. M. A. BIRRELL (East Yarra) — We do not agree with the amendment and therefore we do not agree with the other amendment, which is a consequential amendment to amendment No. 104. I do not know whether this was suggested by the Minister or Parliamentary Counsel. We want to ensure that there is a modest regulatory power that is disallowable in either House. We believe this is the best way of doing it rather than deleting this and inserting a far more substantial power, which is suggested in a further amendment by the Minister. We are happy with the status quo.

Amendment on amendment negated.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

3. *Amendment No. 104* — in proposed section 51A(2) omit paragraph (a) and insert —

“(a) identify the wastes that are likely to arise as a result of the sale and use of the item (both in the short term and the long term); and”.

This was circulated to identify waste that was likely to be used both in the short and long term.

Amendment on amendment negated.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

4. *Amendment No. 104* — in proposed section 51A(2) after paragraph (g) insert —

“; and

- (h) provide for an annual payment by the person or association to the Recycling and Resource Recovery Council.”.

This amendment seeks to strengthen the provision by providing for payments by a person, an association or a recycling resource. The amendment moved by the opposition does not enable a guarantee of support to be made by industry commensurate with the support provided by local

government. The amendment seeks to provide a mechanism by which people who are involved in creating consumable goods that end up as waste or litter can make some contribution.

Hon. M. A. BIRRELL (East Yarra) — We do not accept the amendment to our amendment. It is a backdoor way of soliciting a large and totally unspecified payment to the Ministry of a so-called annual payment, which could be anything between a few dollars and a few million dollars. We do not regard that as a productive way of dealing with the problem and ensuring that industry makes payments in this area. We are confident that industry will continue to make substantial contributions both directly and indirectly in this field and we have no doubt that industry will be motivated if by nothing else then by its own self-interest in providing funding. That funding will not be simply product-specific, business-specific or industry-specific but will support recycling initiatives that are agreed to collectively.

Equally, we realise this is an area of some concern to bodies for which we have a great deal of time. As recently as this morning we discussed this matter with the Recyclers Association of Victoria which made it clear that there is a need to ensure that the funds that come from both the landfill levy and from industry are sufficient to support recycling through the tough times when recycling schemes might otherwise fall down because of market variations or some other, even seasonal, factors. We accept that. Recycling is very important and as much as can be done should be done. The new Recycling and Resource Recovery Council should be the body that puts together the policies and coordination practices to ensure that recycling schemes are predictable and are not interrupted and that there is a market base for them.

Industry itself has said it will continue its contributions which it has done so well in the past. The Minister is on the record numerous times saying how good Victoria is compared with other States. That is because industry has come to the table and done quite brilliant work. I particularly commend the pioneering work of the Litter and Recycling Research Association of Victoria (LRRV). On behalf of industry groups the Packaging Council of Australia Inc. has made it clear it will continue its financial contributions and will not simply be providing financial contributions that are unique to individual companies but contributions that have a more general scope. In a letter dated 21 May the council states:

... industry is guaranteeing the continuance of industry program funding as has previously been provided. This funding has helped to build cooperatively with local government the world's most successful voluntary recycling scheme.

We are now committed to making the system even better. Industry has committed itself, over the next three years, to support promotional and educational programs, and marketing of recycling collections, recycling processes, recycled products and promotion of other waste reduction methods.

We take industry at its word. There is no doubt that over time this will be the best. I have no doubt that in the middle of a recession it is hard for industry to provide the funds and for the recycling association, which is very much the shop front, to ensure that its programs are economically viable. The last thing we want to suggest is that this will be easy. We have no doubt that industry will come to the party and ensure it makes a contribution. The Recyclers Association of Victoria has stressed this point to us time and again. We accept the message it puts to us because often when the system falls down the association is the one that gets the blame. It is also usually at the mercy of much larger organised groups, be they local government, industry, trade unions, the consumer movement or just a section of public outrage when there is a hiccup in a collection system. In a letter dated 28 May 1992 the association states:

Local government must be committed to pay collectors realistic service fees that represent the collection costs of various recyclable materials. It appears that the proposed legislation will allow local government to use the available funding on any recycling-related project it may care to nominate.

For too long local government have ignored the savings in waste disposal costs generated through kerbside recycling programs.

There must be a tripartisan agreement between the packaging industry, local government and the Recyclers Association of Victoria for the aims of the legislation to be achieved.

We agree with that. We recognise that in this area there is a need for ongoing deliberations. If we thought that the day after the passing of the legislation industry would withdraw all funding and not make contributions we would not pass the Bill. We do not believe that but we will be back in a flash with industry representatives and individual

corporations if they do not deliver in the way they have committed themselves to deliver in discussions with us.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I think Mr Birrell is not addressing himself to a point that must be made. It is not a problem that all industries are not contributing. There are good players and there are not so good players. A recession adds to the pressures of the situation and there is less willingness from people who have been good players to keep on contributing if they see that other people are not required to contribute. It becomes infectious and can drag down what has been built up.

It is unreasonable for those people who have been making a contribution, and in a structured way through the Environment Protection Authority or through a collective mechanism such as Recycle 2000 or the Recycling and Resource Recovery Council. Rather than make it at their own whim and part of their own promotion, those who have been prepared to do it surely are not impressed by those who do not. That is where there is a lack of consistency in the approach Mr Birrell is taking. He is relying on the good will of many and has no way of ensuring some sort of contribution from others who help to sustain the good will of the many who are good players by putting in actual sums of money and being prepared to make the contribution as part of a collective process.

That is not being addressed and my amendment will provide that everybody has to be involved in the process. I have not seen any mechanism which has been suggested by the honourable member in his amendment to ensure that those who are bad players will be encouraged to lift their game.

Amendment on amendment negatived.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

5. *Amendment No. 104* — in proposed section 51B after paragraph (b) insert —

“; and

- (c) is satisfied the targets include consideration of special circumstances and development of kerbside collection infrastructure affecting Victoria which might justify attainment of a higher level of recycling than is practicable in other States.”.

This amendment is designed to provide flexibility in relation to the operation of recycling kerbside collections, to recognise that circumstances between States vary and that we should not simply set targets which are the average of conditions all over Australia. From time to time, depending on the product mix and the extent of the development of recycling kerbside collections and refuse, there will be variable figures between States. In Victoria the figures will be higher in some cases. It indicates that, given those special circumstances and the development of kerbside collection infrastructure which might justify attainment of a higher level of recycling than is practical in other States, we accept a common denominator or approach in that if we are advanced in terms of the issue and performance of recycling, it will fall back to a national average. In those circumstances we should build on that base and not set lower targets. This amendment provides a strengthening of the basis for doing that and I commend it to the Committee.

Hon. M. A. BIRRELL (East Yarra) — It has been put to the coalition that there is a weakness in its amendments which appear on page 9 of my amendment documents, being proposed section 51B(b). It would certainly be illogical for the Recycling and Resource Recovery Council to find that it was not satisfied with a Victorian waste reduction agreement because it was inconsistent with the national strategy or industry plan in that the Victorian recovery rate suggested it was higher than the national recovery rate. That would be an absurdity and it is not the coalition's intention to reject plans that seek a greater performance than the national strategy.

It is my intention, by leave, to seek to insert the word "generally" before the word "consistent" in proposed section 51B(1)(iii), which would give sufficient flexibility. I do not accept the Minister's more descriptive attempt to do that, but I do not disagree with his comment that in certain cases Victorian-based industry reduction targets may be higher than national targets and should be higher than national targets. The coalition must ensure that the Bill does not prohibit that occurring, and because the coalition will move an amendment in that regard at a later time it cannot accept the amendment proposed by the government.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Mr Birrell accepts my point, but he is doing something that is worse in proposing to insert "generally" as a qualifier because that could mean accepting targets less than the national

average. If the coalition wants to move an amendment to strengthen its current position it should set a bottom line so that "generally" relates to an improvement to the target rather than a reduction to a figure below the national average.

Hon. M. A. BIRRELL (East Yarra) — I have no hidden agenda because neither the government nor the Minister will make the decision; it will be made by the proposed new council on which neither the government nor industry has a majority. I am prepared to rely on its commonsense. I want to ensure that my proposed amendment will not prohibit the council from reaching a commonsense solution. In reaching a logical conclusion it will make the council assess each draft agreement in the context of the national strategy and industry plans.

Amendment on amendment negated.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

6. *Amendment No. 104* — in proposed section 51E for sub-section (1) substitute —

"(1) The Authority may require any person to whom this Division applies and who is not a party to an industry waste agreement to enter into an industry waste reduction agreement with the Authority that complies with section 51A(2) and section 51B(b) and (c)."

The amendment gives certainty to the process. It is not clear to me that a real mechanism exists for dealing with an industry that is recalcitrant in complying with the agreement.

Hon. M. A. Birrell — What effect will the addition of the words "and section 51B(b)" have on the proposed section?

Hon. B. T. PULLEN — The words "and section 51B(b)" will link in the other proposed sections. If the amendment is not made, a plan with 1 per cent or 2 per cent recycling targets could be offered but there will be no criteria on which to judge whether it is satisfactory in terms of the national criteria or the aims of the Bill.

Hon. M. A. BIRRELL (East Yarra) — I am not certain that the requirements of proposed section 51B(b) do not already apply. Under proposed section 51E the authority can require someone to enter into an agreement. The agreement would be accepted by the authority under the provisions of proposed section 51B. I believe the Minister's amendment is superfluous.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The amendment does not indicate that authority cannot enter into an agreement if the requirement is less than that. The amendment includes a condition that the authority must do so if it is satisfied, but it does not indicate that it has to be powerless if it is less than that. That is the point that is unclear, and I am unsure whether it will be clarified in the way I have suggested or in some other way.

It must be clear that agreements which are presented as agreements but which do not necessarily have purposeful targets, whether related to national or better targets, are not really acceptable agreements.

Hon. M. A. BIRRELL (East Yarra) — I think we are talking at cross-purposes. I honestly believe this is not a substantive issue. These matters are dealt with in the clause. Proposed section 51E is the empowerment provision to instruct the person to enter into an agreement that would then be considered in the light of proposed sections 51A and 51B. I do not think we have a dispute. I think the status quo meets the concerns.

Amendment on amendment negated.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

7. *Amendment No. 104* — in proposed section 51E(3) omit "6" and insert "3".

This amendment changes the date specified so that it is reduced to three months. A period of six months seems too long a time given the importance of the matter.

Hon. M. A. BIRRELL (East Yarra) — We believe most if not all industries will submit a draft agreement well before six months is up, although if we compare that with the time it took to get plans adopted in a cooperative manner at the Federal level, three months may be too short a time. We believe six months is a reasonable upper limit.

Amendment on amendment negated.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

8. *Amendment No. 104* — in proposed section 51E omit "100 penalty units" and insert "200 penalty units and a daily penalty of not more than 80 penalty units for each day after service by the Authority on the person or industry of a notice."

This amendment was referred to previously in general discussion. If we are to have penalty units they need to be more substantial. This amendment seeks to increase the penalty to make it more effective — namely, 200 units — and to provide for a daily penalty if there is no compliance.

Amendment on amendment negated.

The CHAIRMAN — Order! We now revert to amendment No. 104, as amended.

Hon. M. A. BIRRELL (East Yarra) — By leave, I seek to insert the word "generally" before the word "consistent" at page 9, line 6 of my circulated amendments, dealing with proposed section 51B(b).

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I am sure Mr Birrell is not thinking of using the insertion to justify a lowering of the standard. Before granting leave I would want some assurances that "generally" will apply in circumstances where an agreement would be an improvement on the national situation but will not be used as an excuse to accept agreements that fall below that standard.

Hon. M. A. BIRRELL (East Yarra) — That is my belief. Inserting the word "generally" will ensure that the RRRC does not have the power to reject a plan simply because it has a higher target than the national plan.

Mr Birrell's amended amendment No. 104 further amended by leave.

The CHAIRMAN — Order! The question is that the subdivisions proposed to be omitted stand part of the Bill.

Committee divided on omission (Members in favour vote No):

Ayes, 17

Crawford, Mr	McLean, Mrs (<i>Teller</i>)
Davidson, Mr	Mackenzie, Mr
Henshaw, Mr	Mier, Mr
Hogg, Mrs	Pullen, Mr
Ives, Mr	Theophanous, Mr T
Kennedy, Mr	Van Buren, Mr
Kokocinski, Ms	Walker, Mr
Landeryou, Mr (<i>Teller</i>)	White, Mr
Lyster, Mrs	

Noes, 21

Ashman, Mr	Hall, Mr
Baxter, Mr	Hallam, Mr

Best, Mr	Lawson, Mr
Birrell, Mr	Long, Mr
Chamberlain, Mr	Macey, Mr
Connard, Mr (<i>Teller</i>)	Miles, Mr
Cox, Mr	Skeggs, Mr
Craige, Mr	Smith, Mr (<i>Teller</i>)
de Fegely, Mr	Storey, Mr
Evans, Mr	Tehan, Mrs
Guest, Mr	
	<i>Pairs</i>
Mrs Coxsedge	Mrs Varty
Mr Sgro	Mr Knowles

Omission agreed to; insertion agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

105. Clause 4, page 34, lines 33 to 35, and page 35, lines 1 to 9, omit proposed section 51Q.

This is largely a consequential amendment to delete schedule B, which we have dealt with in the debate.

Amendment agreed to.

The CHAIRMAN — Order! The Minister's amendments Nos 32 to 37 are superseded.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I no longer want to proceed with those amendments. I move:

38. Clause 4, page 35, lines 18 and 19, omit "regional corporation formed under section" and insert "corporation formed under section 193 or".

This amendment is designed to give additional flexibility in the way that the Waste Management Council is formed. It is suggested that section 196 of the Local Government Act has some restrictions and therefore this amendment would allow section 193 to be applied. It provides additional flexibility in the use of the Local Government Act.

Hon. M. A. Birrell — Does this come from a request of local government?

Hon. B. T. PULLEN — It arises out of discussions with local government in terms of the way in which the Waste Management Council can be formed.

Hon. M. A. Birrell — I take the Minister on trust.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

106. Clause 4, pages 36 to 40, and page 41, lines 1 to 16, omit proposed Divisions 6 and 7.

This amendment aims to omit proposed Division 6, which relates to the control of environmentally damaging products, and Division 7, which relates to the deposits and disposal charges on durable goods. I am happy for any product that is unsafe to be banned. A product may need to be controlled if its marketing or packaging is outrageously deceptive. Different health and consumer protection Acts offer substantial controls over such products. Without exception it was Division 6 that caused enormous concern among people who thought this power was excessive and that arguments for its inclusion had not been sustained. They claimed that was not, in the light of clear argument or debate, about the need to act in this area, and that the provision could be misused by a bad government.

I do not suggest that the government has such a bad intent, but that is not the test we applied. The test is whether it is possible that this power could be abused, and we believe it could. It is interesting that proposed section 52(1) states that the division will not apply to newspapers. You have to ask yourself why that is so. The reason that was given to the opposition for newspapers being excluded from this provision was that when this provision was first suggested the newspaper industry, in particular, the *Herald-Sun* and *Age*, said they objected to it. The newspapers ran a campaign against the clause and, lo and behold, they were exempted from it. That may well suit the newspaper industry, but if the clause is faulty why is it still in the Bill? Why should other companies and industries be included while newspaper proprietors who can air their views through their publications are excluded? That was a most improper response.

Instead of the government remedying what would have been a faulty law, it simply accepted the view of the group that was making the most fuss. George Orwell would love that type of approach, particularly when EPA officers in their first briefing of the opposition on the proposal made the breathtaking statement that one area it was most concerned about was the *Saturday Age*. Fresh from their ivory tower they made the ludicrous suggestion that the *Saturday Age* should be sold in two sections, the front pages and the back pages, so that the government could regulate the newspaper.

Hon. M. T. Tehan — Good Lord!

Hon. M. A. BIRRELL — This is serious. I could not believe it. Usually I dismiss most of the

complaints about the EPA because I think they could not possibly be true, but when I heard what EPA officers said about the Saturday *Age* being sold in two parts, I recognised that it was an example of intervention going mad.

At first the *Age* representatives were duly upset but then they took a practical approach. They said the solution was simple. They would split the *Age* into two, the front pages would be sold for \$45 and the purchaser would be refunded \$44 to take the back pages! That is how dumb the policy was, but it was a serious suggestion by the policy people from the EPA.

Here is the challenge for the Minister: to introduce such a enormous power — a power unprecedented in Australia — the Minister must outline the massive problem that has to be solved or the imminent problem that is about to evolve. What is the Minister trying to save us from that cannot be resolved through the raft of Acts of Parliament?

It would not take much to motivate me to ban anything that I thought was threatening to children or dangerous for humans. Honourable members have spent almost half this sessional period talking about protecting animals from danger. This Bill proposes to introduce a substantial power without providing any evidence or substance about the dangers, so on that basis alone the opposition proposes to delete the provision.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The amendment proposes to omit Divisions 6 and 7. Mr Chairman, is it possible to deal with the two divisions separately? I have a different response in respect of each of them.

Hon. M. A. Birrell — Treat them separately.

The CHAIRMAN — Order! It appears obvious that both the opposition and the government agree on Division 7, so the question will refer only to Division 6.

Mr Birrell's amendment No. 106 amended by leave.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The intention of Division 6 is to control environmental products. Mr Birrell asked what types of products we were trying to guard against. The products that can have a serious impact on effective recycling are those designed inadvertently in such a way as to make them extremely difficult to recycle or those that disrupt

other recycling processes. For example, ceramic bottles are causing problems in the collection of glass bottles and the ACI company has rejected them. There is a specific PET container that has an aluminium lid that makes it difficult to recycle that product. There are also certain types of marine and paint containers that create problems in dealing with other recycled products.

The provision has a substantial protection mechanism in that any action taken would have to be approved by Parliament because it could be disallowed by either House. Therefore it would be put into operation only in the case of a detrimental impact on the environment or a process that was beneficial to the environment. It seems to me it is not a very strong power but it could be useful in dealing with particular products or circumstances.

The opposition's proposal to omit a provision that could be used to control products that may cause damage to the environment is not forward looking and is unnecessary, given that Parliament has the protection that the power will not be overused or abused.

Hon. M. A. BIRRELL (East Yarra) — I am trying to follow the Minister's logic. He has suggested that under this power a product would be banned only if the Minister wanted to use the power and came to Parliament asking for its approval to ban the product. He is suggesting that no product will be banned without the matter being raised in Parliament. In that case, if he wanted to ban a product, he could introduce a Bill into Parliament and explain that the product was harmful to the environment in the extreme sense, and Parliament would then pass the Bill. So there is no practical difference in having a provision in this Bill or in introducing a specific purpose Bill. The opposition believes there is no need for this power.

What is the hidden agenda? It is the classic bludgeoning tactic the EPA likes to use to threaten companies that it will ban their products if certain action is not taken. The EPA can go to organisations and hit them with a sledge-hammer if they do not respond. The measure will be a vehicle for bribes and deception. In that context the opposition finds it totally objectionable.

The Minister has not suggested one product that he currently wants to ban. Why has he not referred to a single product? The answer is that there is nothing out there that should be banned because of proposed environmental damage. We do not need

the power at all. Why should the opposition act when the government has not made out a case?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — It is a different matter to act on something when a regulation is brought before Parliament and Parliament has an opportunity to disallow it than to go through the process of preparing and introducing a Bill relating to a specific product. Mr Birrell is not suggesting that a Bill should be introduced for every product that is released.

Hon. M. A. Birrell — Only the ones you want to ban?

Hon. B. T. PULLEN — That is not a credible approach. The provision introduces a process that has the security of the regulation being laid before Parliament. Parliament will then have the opportunity of disallowing it. That is a much clearer and speedier process. It will ensure that any product that is dealt with in this way will be treated with caution. Mr Birrell's argument about undue pressure or bribery does not hold water. It is something that is not in the power of the authority to use as a threat, because the matter has to be brought before Parliament to be disallowed if the power is seen to have been used inappropriately.

Mr Birrell has put forward two arguments: first, that another avenue is available. I reject that because it would be awkward to introduce a Bill to deal with one product and to debate whether it was damaging the environment. Secondly, he suggested the power would be used in a way that would put pressure on companies. That would not occur because Parliament could exercise its role by disallowing it.

Hon. M. A. BIRRELL (East Yarra) — I would welcome the Minister's outlining how the process would be any faster under the proposed provision than by bringing a Bill before Parliament. Currently Parliament must give its assent to the action and therefore the action has no implication or control until Parliamentary approval is given. If the Minister is suggesting that the current provision will be better because the alternative will result in lots and lots of Bills being introduced by which products will be banned, I seek an indication from him as to which products he wants to ban.

The EPA has told us that it wanted to ban the Saturday edition of the *Age*. It has exempted newspapers since it realised the absurdity of that proposal. It also wants to ban disposable nappies, to

force the expansion of some other product. The suggestion was made that disposable nappies should be banned until a plastic bag is inserted in each pack of disposable nappies. The disposable nappies would be stored in the plastic bag and disposed of in it, rather than being thrown away as they are currently. The suggestion is absurd.

The Minister has said that lots of Bills will have to be introduced to ban products. If that is the case, he should tell us what products will need to be banned and when.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I make it clear on the record that the examples Mr Birrell is using are false. They are not things on which the EPA has taken an initiative.

Hon. M. A. Birrell — That is what they suggested when they briefed us on the Bill.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — It is regrettable that in order to sustain his argument Mr Birrell is making accusations against an authority and describing it as being involved in activities that, to my knowledge or on the advice given to me, it has not embarked upon. It is easy to make accusations about things and try to ridicule a process that is introduced in an attempt to improve the current situation in the community. The process is intended to lead to something being done about products that can degrade the environment. Mr Birrell has avoided the responsibility of doing that by introducing extraneous matters such as not wanting to ban the *Saturday Age*. He seems to be walking away from his responsibilities. At the beginning of the debate Mr Birrell did not seem to be proceeding that way.

The point is that the provision relates to handling environmentally damaging products. The process is pretty fair and includes the check of coming to Parliament. It is similar to the process for the disallowance of a regulation. It has the protection of not being open to abuse. Basically Mr Birrell is setting his face against it — he cannot squirm away from that — by suggesting that the provision is aimed at the *Saturday Age* or disposable nappies.

Hon. M. A. Birrell — What is it aimed at?

Hon. B. T. PULLEN — It is aimed at the increasing number of products that need to be considered in light of their impact on the environment. The alternative will be a proliferation

of products that will be more and more expensive for the community to deal with. The debate is not only about recycling; it is about waste minimisation. It puts some responsibility on the designers of products who must think about how the product can be handled in the litter and waste streams.

I refer to examples of products that are detrimental to the environment. Honourable members will be aware of products in which fish are caught up or that affect wildlife. Action has been taken to ensure that products will be redesigned because they are environmentally damaging.

Mr Birrell is not facing up to the facts. The relatively mild requirement will result in an opportunity being given to designers to address the design of products that have a potentially bad environmental impact. As I said, the provision allows for sufficient checks.

It is disappointing that Mr Birrell has apparently caved in on this one to the extent that he is using the arguments he has presented. The provision is set out clearly and is a relatively mild requirement. The community wants some action taken on the matter.

Hon. R. J. LONG (Gippsland) — Proposed new Division 6 will put a citizen of this State in double jeopardy because it provides that a citizen will be called upon by the EPA to provide an environmental impact report. Such reports are not cheap. After the EPA has examined the report, it will decide whether to issue a written suspension notice. Only then will the citizen have to decide whether Parliament will support or oppose him. By that stage he will have spent a lot of money; and distribution of his product will probably have ceased. The provision is unreasonable.

Hon. D. M. EVANS (North Eastern) — Honourable members must consider a more important issue. Goods are packaged to ensure their safe delivery as well as their safety on health and other grounds. Some people imagine that packaging is only a promotional gimmick. While it has certainly been used for that purpose, the clear reason for packaging goods is, as I said, to ensure their safe delivery and their compliance with health regulations. In the past we used to wrap our fish and chips in sheets of newspaper.

Hon. M. T. Tehan — And they used to taste better!

Hon. D. M. EVANS — We no longer use newspaper; we use better products. The proposed

legislation would create a significant bar to any firm introducing a new form of packaging despite the enormous advantages that that new form of packaging could have in a better and safer manner of delivery. It will cement in position the existing forms of packaging and restrict the possibility of anyone taking the risk of introducing new forms of packaging in this State.

Hon. M. A. BIRRELL (East Yarra) — To assist the Committee, I should be happy to pass this clause of the Bill right now on a product-specific basis, if the Minister can indicate now a product he thinks needs to be banned.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — It is not appropriate for me to nominate a particular product. A product should go through the process that enables the person to be involved in discussions with the EPA. It is not appropriate for me to damn a particular product by naming it in Parliament, if that is what Mr Birrell wants. There are products known to have detrimental effects on the environment but it may be that the people who manufacture the products are able to satisfy the EPA that they can change them or that there are arguments in support of them. Simply to name a product is inviting the attraction to that product of a condition that it may not warrant having imposed upon it. The result would be to abrogate the process set out.

Hon. M. A. Birrell — Name one that should go through the process.

Hon. B. T. PULLEN — That is the same thing.

Hon. M. A. Birrell — You can't even think of one that might be subject to the process!

Hon. B. T. PULLEN — I know of some products but it seems to me inappropriate to name them in that way.

Hon. M. A. Birrell — It must be a towering risk if you cannot even name one!

Committee divided on omission (Members in favour vote No):

Ayes, 17

Coxsedge, Mrs
Crawford, Mr
Davidson, Mr
Henshaw, Mr
Hogg, Mrs

Lyster, Mrs
Mackenzie, Mr
McLean, Mrs
Mier, Mr (*Teller*)
Pullen, Mr

ENVIRONMENT PROTECTION (RESOURCE RECOVERY) BILL

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Ives, Mr
Kennedy, Mr
Kokocinski, Ms
Landeryou, Mr

Theophanous, Mr
Van Buren, Mr (*Teller*)
White, Mr

Noes, 21

Ashman, Mr
Baxter, Mr
Best, Mr
Birrell, Mr
Chamberlain, Mr
Connard, Mr
Cox, Mr (*Teller*)
Craigie, Mr
de Fegely, Mr
Evans, Mr
Guest, Mr

Hall, Mr
Hallam, Mr
Lawson, Mr (*Teller*)
Long, Mr
Macey, Mr
Miles, Mr
Skeggs, Mr
Smith, Mr
Storey, Mr
Tehan, Mrs

Pairs

Sgro, Mr
Walker, Mr

Varty, Mrs
Knowles, Mr

Omission agreed to and amended amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

Clause 4, pages 38 to 40, and page 41, lines 1 to 16, omit proposed Division 7.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

107. Clause 4, page 41, line 17, omit "8" and insert "6".

108. Clause 4, page 41, line 18, omit "53D" and insert "52".

109. Clause 4, page 41, lines 20 and 21, omit "The Authority, after consultation with Recycle 2000" and insert "The Recycling and Resource Recovery Council, after consultation with the Authority".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

110. Clause 4, page 41, line 23, omit "establish" and insert "publish".

This makes it clear that the Recycling and Resource Recovery Council legitimately has a role in publishing guidelines in this area but not in being the final arbiter of what those guidelines should be. It is desirable that there be a body that sets a suggested format.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

111. Clause 4, page 41, line 27, omit "9" and insert "7".

112. Clause 4, page 41, line 28, omit "53E" and insert "52A".

Amendments agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

44. Clause 4, page 41, line 31, and page 42, line 1, omit "(other than fines)".

The amendment removes the words "other than fines" so that people can see what is intended. Even though it is covered by the general situation in any case, people were concerned about the provision and the amendment seeks to clarify the situation.

Hon. M. A. BIRRELL (East Yarra) — Is it appropriate to handle this issue in this House?

The ACTING CHAIRMAN (Hon. Robert Lawson) — Order! I rule that it can be done in this House.

Hon. M. A. BIRRELL — Can the Minister explain why it is necessary?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The authority must keep a fund called the Resource Recovery Fund and must ensure that all moneys received by it or on its behalf under that Part of the Bill are paid into the fund. There was a suggestion that money from some fines would have to go into Consolidated Revenue. This amendment simply makes it clear that all moneys received by the authority are to be paid into the fund. It is to provide surety that no funds will be siphoned off into other areas.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

113. Clause 4, page 42, line 6, omit "53F" and insert "52B".

114. Clause 4, page 42, line 17, omit "53G" and insert "52C".

115. Clause 4, page 42, line 20, omit "53F" and insert "52B".

Amendments agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

48. Clause 4, page 42, lines 24 and 25, omit "a member of a Regional Waste Management Group" and insert "listed in Schedule C or D".

The amendment provides clarification.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

49. Clause 4, page 42, lines 29 to 34, omit all words and expressions on these lines and insert —

"Group (if any) of which that council is a member, if that council is listed in Schedule D; or

(B) to a nominated representative municipal council, if that council is listed as a member of a geographical grouping in Schedule D and the councils in that grouping have nominated a council to act as their representative to receive payments made under this section; or

(C) to the Waste Management Council, if that council is listed in Schedule C or is not a member of any Regional Management Group or geographical grouping that has nominated a representative under sub-sub-paragraph (B); and".

A situation could arise where a council, such as Geelong council, may not wish to be forced into a particular grouping but still wants to be part of the council. The amendment provides the flexibility for natural groupings to arise and to be part of the process as it extends throughout Victoria.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

116. Clause 4, page 43, lines 1 and 2, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

50. Clause 4, page 43, lines 15 to 19, omit all words and expressions on these lines and insert —

"(B) to a nominated representative municipal council, if that council is listed as a member of a geographical grouping in Schedule D and the councils in that grouping have nominated a council to act as their representative to receive payments made under this section; or

(C) to the Waste Management Council, if that council is listed in Schedule C or is not a member of any Regional Management Group or geographical grouping that has nominated a representative under sub-sub-paragraph (B); and".

The amendment is virtually a repeat of the situation that I referred to in relation to my previous amendment and will provide flexibility.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

117. Clause 4, page 43, lines 20 and 21, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

118. Clause 4, page 43, line 23, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

119. Clause 4, page 43, line 24, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

120. Clause 4, page 43, line 25, omit "Recycle 2000" and insert "the Council".

Amendments agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

51. Clause 4, page 43, after line 29 insert —

"(3) The Authority must comply with sub-section (1) not more than 60 days after receiving any money under section 50S."

The amendment is to ensure that funds are handed over by the authority — in this case the Environment Protection Authority — to the Waste Management Council in a reasonable period of time. A period of 60 days is proposed.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

121. Clause 4, page 43, line 30, omit "53H" and insert "52D".

122. Clause 4, page 43, line 31, omit "53F and 53G" and insert "52B and 52C".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

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123. Clause 4, page 43, line 32, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

124. Clause 4, page 44, line 1, omit "53I" and insert "52E".

125. Clause 4, page 44, line 3, omit "53G" and insert "52C".

Amendments agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

126. Clause 4, page 44, line 4, omit "Recycle 2000" and insert "the Recycling and Resource Recovery Council".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

127. Clause 4, page 44, lines 16 to 30, omit proposed Division 10.

The amendment will delete Division 10. The opposition does not believe a sunset clause should be part of the Bill and that it is a bit foolish to set a 1 July 1998 timetable for the committee to review the performance of the Waste Management Council. That date is so far away it is almost meaningless. It is highly unlikely the committee would even exist at that date.

In any event, if Parliament wishes to review that body at some stage in the future it can do that. Why a 1998 date would be set for a Parliamentary committee to review a body when there may be no reason at all for that to occur eludes the opposition.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Removing the whole of Division 10 seems to be an overkill simply because there is a provision in that division to allow a review by an all-party Parliamentary committee.

Much of this activity originally stemmed from a report of the Natural Resources and Environment Committee of Parliament. Many people realise that if that committee had not dealt with the issues and produced a report much of the action in this area would not have taken place.

Hon. M. A. Birrell — I think the original members of the committee may be dead by 1998!

Hon. B. T. PULLEN — A joint Parliamentary process performed a role in dealing originally with the question of the deposit legislation that came under other processes and management plans. This provision was intended to keep alive the link with the Parliamentary committee. It is disappointing that the opposition is not prepared to allow scrutiny by an all-party Parliamentary committee of the performance over time of the process.

To some extent I accept the point that a sunset clause is neither here nor there, but the link with the Parliamentary committee is more substantial. I should have thought a more intuitive amendment would deal only with a sunset clause and leave untouched the situation of a review by an all-party Parliamentary committee.

Amendment agreed to.

Hon. R. J. LONG (Gippsland) — As a member of the Subordinate Legislation Subcommittee of the Legal and Constitutional Committee I wish to record my objection and castigate the government and whoever was responsible for proposed section 51R, which states:

The Governor in Council on the recommendation of the Authority, may by Order published in the Government Gazette, add, delete, or amend an item in Schedule C or D.

In drafting parlance, that is commonly called a Henry VIII clause. It takes away from the Parliament the right to legislate and gives it to the Governor in Council. That is why anyone who has any respect for Parliament should object to a Henry VIII clause.

Amended clause agreed to.

Clause 5

Hon. M. A. BIRRELL (East Yarra) — I move:

128. Clause 5, lines 2 to 10, omit all words and expressions on these lines and insert —

'(1) In section 4(1) of the Principal Act, after the definition of "licence" insert —'

This is one of the amendments suggested by Parliamentary Counsel and for that reason I am humbled by the suggestion.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

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129. Clause 5, line 12, omit "16" and insert "9".

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

130. Clause 5, lines 15 to 20, omit paragraphs (d) and (e).

Amendment agreed to; amended clause agreed to.

Clause 6

The ACTING CHAIRMAN — Order! Does the Minister wish to proceed with amendment No. 61 standing in his name?

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I think the matter has been dealt with earlier. It concerns definitions that would have applied if the particular products were to be put into Schedule B. Since I have already taken that action, there is no point in going on with the definitions.

Hon. M. A. Birrell (East Yarra) — I move:

131. Clause 6, omit this clause.

Amendment agreed to.

Clause negated.

Clause 7

Hon. M. A. BIRRELL (East Yarra) — I move:

132. Clause 7, omit this clause.

The clause would give the Environment Protection Authority two new powers: to enter into industry waste reduction agreements; and to enter into agreements concerning intellectual property. With the latter, we are not convinced that it is desirable for the EPA to become a commercial trading enterprise with intellectual property owned by the authority, nor are we sure what its true intentions are. The sale of logos by an independent statutory authority can be used as a form of control in that the logos may be sold only to people who meet the peculiar criteria of the EPA from time to time. That may or may not be in the public interest and it is a power that the coalition is not presently prepared to give to the EPA.

Proposed section 7(nd) will be deleted from what has transpired today.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The opposition shows its

negative attitude to public authorities in general. If an authority develops something it is developed with the resources of the taxpayers and that has some value. In the interests of creating jobs and developing things, the authority should have the ability to gain something from that intellectual property or the development work that is put into it.

It is negative not to recognise that if an authority is capable of doing that it should be able to apply it. If it is seen to have value throughout the business community, and people do not give them away, why does the coalition want to knock the EPA? For instance, the authority develops computer modelling and other software at the taxpayers' expense and it is entitled to have commercial regard for that.

In this case, if it develops and promotes and gives credibility to a particular process or activity which is symbolised by a logo, why should it not be in a position to offer that logo in a commercial setting? It is the people's choice if they want to use it. No real argument has been advanced by the coalition about why it would not permit an authority from having this enabling power.

Amendment agreed to.

Clause negated.

Clause 8

Hon. M. A. BIRRELL (East Yarra) — I move:

133. Clause 8, omit this clause.

Amendment agreed to.

Clause negated.

Clause 9

Hon. M. A. BIRRELL (East Yarra) — I move:

134. Clause 9, lines 19 to 24, omit sub-clause (1) and insert —

'(1) After section 16(1A) of the Principal Act insert —

"(1B) the Governor in Council may, by Order, declare State environment protection policy with respect to the removal, disposal or reduction of litter in the environment.".

Amendment agreed to; amended clause agreed to.

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Clause 10

Hon. M. A. BIRRELL (East Yarra) — I move:

135. Clause 10, omit this clause.

Amendment agreed to.

Clause negated.

Clause 11

Hon. M. A. BIRRELL (East Yarra) — I move:

136. Clause 11, omit this clause.

Amendment agreed to.

Clause negated.

Clause 12 agreed to.

Clause 13

Hon. M. A. BIRRELL (East Yarra) — I move:

137. Clause 13, omit this clause.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — The clause indicates that the funds that would have been obtained from the sale of intellectual property would have gone into areas that would have assisted the environment because they would have gone into the environment protection funds. Not only is the coalition taking an ideological position in not allowing a public authority to reap the rewards of its work but also it is denying the application of that money through a fund that would assist work on the environment. It is an unbelievable position for the coalition to take.

Hon. M. A. BIRRELL (East Yarra) — Without taking up the Minister's invitation to debate the matter, to put it bluntly the coalition cannot trust the Environment Protection Authority with that power. The authority is prone to making unilateral, State-based decisions that fly in the face of national objectives. A good example of that is its ill-fated Green Spot campaign, which was a gee whiz gimmick that quickly died. The power in the clause could have been used to sell the Green Spot logo to certain companies as a way of penalising others. The Green Spot campaign was a stupid scheme that simply did not work. That is something that should have been dealt with nationally — and it is now being dealt with on a national scale.

Simply put, we do not trust the EPA with this power. The question boils down to whether the

coalition believes the authority should have such a power. I am not ruling it out for time immemorial; but the coalition believes the authority should not have the power now.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — That is the most pathetic argument I have ever heard. It is wrong to attack the authority to justify a specious action, especially since the Commonwealth and New South Wales governments are in the process of establishing similar projects that are modelled on programs set up by the Environment Protection Authority. The EPA has been an Australian pioneer of such programs. An analysis of the programs and successes of the Environment Protection Authority would be better undertaken in a national context. The coalition is taking cheap shots at the EPA because it cannot put a sound argument against a measure which would do something for the State and which would enable the authority to receive some commercial reward from the marketing of intellectual property agreements.

If the coalition intends to knock out the clause, it should not have a shot at an authority in an attempt to justify its position.

Hon. M. A. BIRRELL (East Yarra) — The Environment Protection Authority is not a sacred cow that is immune from criticism. As the shadow spokesperson on the environment I closely follow the performance of the authority from day to day, month to month and year to year to see whether it is up to the mark.

The EPA has been shown to be deficient and to have made mistakes. If the authority were given the power in the clause it would be able not only to make its own mistakes but to impose those mistakes on others. That is a logical argument for not giving it the power.

Hon. B. T. Pullen — It's no imposition.

Hon. M. A. BIRRELL — Of course it is an imposition, because the EPA could use the power to sell trademarks as a way of controlling those parts of industry it refused to sell the trademarks to. It could produce a logo to sell to companies it favours and refuse to sell it to others in an attempt to control them. That is why the coalition is not prepared to accept the EPA's being given that power.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — On a point of clarification, the

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Green Spot campaign was not an EPA program. Although you say you closely monitor the performance of the authority, you obviously do not monitor it enough.

Hon. M. A. BIRRELL (East Yarra) — The Minister's saying that he has been advised that the EPA had nothing to do with the campaign is a clear example of the EPA's dishonesty. The EPA was very much involved, and the Minister responsible received advice about the campaign from the authority. To talk about lineal differences in the authority's involvement in the campaign is a good example of the fact that the authority would use this type of power in a manner based on a similar degree of sophistry.

Amendment agreed to.

Clause negated.

Clause 14 agreed to.

Clause 15

Hon. M. A. BIRRELL (East Yarra) — I move:

138. Clause 15, omit this clause.

Amendment agreed to.

Clause negated.

Clause 16

Hon. M. A. BIRRELL (East Yarra) — I move:

139. Clause 16, page 49, omit proposed Schedule B.

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

Clause 18

Hon. M. A. BIRRELL (East Yarra) — I move:

140. Clause 18, line 3, omit "(1)".

Hon. B. T. Pullen — What is the point of the amendment?

Hon. M. A. BIRRELL — It is consequential.

Amendment agreed to.

Hon. B. T. PULLEN (Minister for Conservation and Environment) — I move:

69. Clause 18, line 7, omit "1 January" and insert "1 October".

The amendment is necessary because of the time between the introduction and passing of the Bill.

Amendment agreed to.

Hon. M. A. BIRRELL (East Yarra) — I move:

141. Clause 18, lines 8 to 10, omit sub-clause (2).

Amendment agreed to; amended clause agreed to.

Clause 19

Hon. M. A. BIRRELL (East Yarra) — I move:

142. Clause 19, line 13, omit "16" and insert "9".

This is another consequential amendment.

Amendment agreed to; amended clause agreed to.

Clause 20

Hon. M. A. BIRRELL (East Yarra) — I move:

143. Clause 20, omit this clause.

Amendment agreed to.

Clause negated.

Postponed preamble agreed to.

Reported to House with amendments.

Passed remaining stages.

SMOKING IN PARLIAMENT BUILDINGS

Hon. W. A. LANDERYOU (Doutta Galla) — I move:

That this House is of the opinion that all buildings located within the Parliamentary reserve should be designated as "smoke-free areas" and that smoking should be prohibited within such buildings and in all areas occupied by Committees of this Parliament.

The report of the House Committee on this subject succinctly and intelligently argues the case for that conclusion. I want to remind the House of something I read recently. In the United States of America in 1986, the Surgeon-General's report was as significant for non-smokers as the 1964 report was for smokers.

The Surgeon-General, Dr Koops, reached three major conclusions: firstly, that involuntary smoking

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is a cause of disease, including lung cancer, in healthy non-smokers; secondly, compared with children of non-smoking parents, children of parents who smoke have an increased frequency of respiratory infections, increased respiratory symptoms and slightly smaller rates of increase in lung function as the lungs mature; and, thirdly, the simple separation of smokers and non-smokers within the same air space may reduce, but does not eliminate, exposure of non-smokers to environmental tobacco smoke.

It is topical to remind the House that the courts of this country have indicated that passive smoking is harmful and does damage. Page 6 of the report of the House Committee states:

Smoking in the workplace is an occupational health and safety issue.

I suggest that smoking in public places is also a community health and safety issue.

I commend the motion to the House.

Debate adjourned on motion of
Hon. R. S. de FEGELY (Ballarat).

Debate adjourned until next day.

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Hon. D. R. WHITE (Minister for Manufacturing and Industry Development) — I move:

That the House do now adjourn.

Department of Conservation and Environment

Hon. G. R. CRAIGE (Central Highlands) — I direct to the attention of the Minister for Conservation and Environment the recent engagement of personnel within the Department of Conservation and Environment under the system announced in the Priority Victoria statement with particular reference to the Healesville operational area.

My understanding is that the Commonwealth Employment Service (CES) at Lilydale was asked to ensure that the applicants fulfilled the criteria laid down, one of which I believe was that one had to be unemployed for 12 months.

Hon. B. T. Pullen — No.

Hon. G. R. CRAIGE — No criteria at all?

Hon. B. T. Pullen — There were criteria, but that was not one of them.

Hon. G. R. CRAIGE — Criteria were laid down in respect of those people who would be engaged under this system, and I thought they had to have been unemployed for a certain period. Some 11 positions were advertised through the Lilydale CES and far more than 11 people showed an interest and filled out applications for those jobs. It has come to my attention that there seems to be an anomaly involving the people who were engaged. A coach of the local football team, who is also a Department of Conservation and Environment manager, engaged two members from the local football team under this scheme. The de facto wife of a manager of the Department of Conservation and Environment was also engaged under this scheme.

That has caused a great deal of conflict between the Lilydale CES and the regional Department of Conservation and Environment. It is believed by many in the community that an unjust procedure has been followed. I urge the Minister to look into the anomalies involved in the engagement of those workers to fill the 11 positions advertised in the Healesville regional area through the Lilydale CES.

Acupuncture

Hon. G. P. CONNARD (Higinbotham) — The Minister for Health would be aware that a large number of acupuncturists practice their profession in this State. She would equally be aware that there is a general bipartisan policy that the practice of what is commonly called body intrusion, anything that penetrates the skin, should be governed by a proper registry board so that the people of this State are confident of the high quality of people practising these various professions.

Acupuncture and traditional Chinese medicine are becoming very well known throughout both this State and Australia and a large number of people practice it. Western trained doctors from Australia have gone to China and undertaken six-week courses in acupuncture and are now practising as acupuncturists. Those courses can be described as mickey mouse courses that are not recognised by competent acupuncturists.

For the general information of the House, a doctor from a respected institution in China tells me that the practice of acupuncture should involve a five or

six-year course and that it is difficult for Westerners to grasp the details of that course.

This is a difficult issue because we do not know the quality of traditional Chinese acupuncturists nor the quality of the universities or colleges in which they have been trained. The Minister is aware that several hospitals in Victoria have sister relationships with hospitals in China and I suggest that she should use those links to bring to Australia a small delegation of highly qualified practitioners of traditional Chinese medicine and acupuncturists who could advise her on the qualifications of the people practising in Victoria, some of whom are called professors or doctors. The Minister would also be aware that La Trobe University and the Royal Melbourne Institute of Technology are contemplating courses for traditional Chinese medicine and acupuncture courses, which may pose problems as to the status of the lecturers and examiners.

I ask the Minister to accept my suggestion about a delegation from China so that the qualifications of people practising acupuncture in this State can be explored.

Federal pamphlet on land management

Hon. D. M. EVANS (North Eastern) — I direct to the attention of the Minister for Conservation and Environment who is the representative in this place of the Minister for Food and Agriculture a kit directed at schoolchildren that arrived in my office, and was probably received in many other offices, a week or so ago from Ros Kelly, the Federal Minister for the Arts, Sport, the Environment and Territories. The kit contains a large number of documents relating to land management and agriculture and covers other subjects such as geography, commerce, history, art and English. One document is headed "Down on the Farm".

I am concerned that the information in the document gives a one-sided view. In many cases it borders on being completely erroneous and it does not give the balanced view that should be presented to schoolchildren. It refers to the constant use of fertilisers reducing soil health and structure while increasing acidity. Fertilisers can do that but in good farming practice it does not happen.

It also says that animals are often kept packed in pens where they can hardly move. The implication is that that is normal practice in Australia, whereas that is not the case. Given all the problems farmers in our community face, their animals are generally

extremely well looked after by caring people. The pamphlet does not give the other side of the picture.

The pamphlet is clearly in favour of organic farming and permaculture. I have no objection to those activities which have their place in the scheme of things, but the pamphlet does not include the fact that organic farming and permaculture could not produce the amounts of good quality produce required for the Australian consumer. If we all relied on those methods of farming we would not be able to feed ourselves.

I ask the Minister to take up with his colleague, the Minister for Food and Agriculture, the concern I have about the material distributed for Ms Kelly to Victorian school students. It will significantly damage the farming industry and it needs to be put under the spotlight. If this sort of material is given to our young school students at least the other side of the picture should also be given.

Victorian Ambulance Services Review

Hon. M. T. TEHAN (Central Highlands) — I raise a matter for the attention of the Minister for Health. On 23 January this year the Minister set up the Victorian Ambulance Services Review which I understand is likely to report, if it has not already done so, by the end of this month, which is fairly soon. I am concerned on two counts. Country and regional ambulance boards are concerned that there may be a directive or a recommendation — I understand the review will not go into options but will give a firm recommendation — for a centralised administration of ambulance services throughout Victoria. That was the recommendation of the Metropolitan Ambulance Service in its submission to the review panel.

I am similarly concerned that the third term of reference of the review was that the extent to which changes may be recommended can be implemented within existing legislation. That leads me to suspect that the Minister will not be anxious to receive recommendations that can be implemented outside Parliament. It might well be that the requirement to make those changes outside Parliament is because the Minister does not envisage being in government for another session of Parliament, in which case I will be delighted. However, the more likely reason, unfortunately, is that the Minister does not want the changes to be scrutinised by Parliament.

Hon. D. M. Evans — We could have another shot at the Alexandra ambulance service.

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Hon. M. T. TEHAN — We could speak on that, Mr Evans, but is important that honourable members realise that the recommendations could be implemented without the scrutiny of Parliament or without the input of the opposition's views on them. The Alexandra ambulance service has contacted me about its concerns.

Hon. M. A. Lyster — That would require legislation.

Hon. M. T. TEHAN — The ambulance service is probably protected in that case.

In view of the concerns I have raised — and it is likely at this stage there will be another Parliamentary session with the Labor Party in government — when the Minister receives the report I ask that it be tabled and made available for discussion before it is implemented.

Responses

Hon. B. T. PULLEN (Minister for Conservation and Environment) — Mr Craige raised the application of Priority Victoria in the Lilydale area. I am pleased to see that as a local member he has taken an interest in the scheme because when I outlined the scheme to Parliament opposition members did not take much interest.

Hon. G. R. Craige — I yelled out then.

Hon. B. T. PULLEN — There are 668 positions throughout Victoria — and I shall provide documentation to Mr Craige's office to underpin my remarks — the first 400 of which are funded by the State. The basic requirement is that applicants are people who are unemployed. The remaining 268 positions receive funding from Commonwealth sources and the criteria is that people must have been unemployed for more than 12 months and must be under 21 years of age. They are specific requirements because of the Commonwealth program being brought together with our program. The positions concerned would have been targeted to people who had been unemployed for 12 months. It is a normal situation.

They would have been recruited through the Commonwealth Employment Service. In some circumstances, due to their specialities, they could have been recruited by another party, but that would not be the norm. I am taking the question in a positive light. I will provide Mr Craige with the information so that he is able to assist the people

with their inquiries. I will investigate the particular situation that he has raised in case there are any irregularities that need to be addressed.

Mr Evans raised the question of a kit put out by the Federal Minister for the Arts, Sport, the Environment and Territories, Mrs Kelly, which he says is not a balanced document.

Hon. D. M. Evans — My understanding is that the Minister has withdrawn her endorsement.

Hon. B. T. PULLEN — I am aware of that. To some extent she has chastised her department for the inaccuracies in the kit. She is having that reviewed. Given that that seems to be the end of the matter, I shall make the information available to the Minister for Food and Agriculture, although I am confident that he is already aware of it.

Hon. M. A. Lyster (Minister for Health) — Mr Connard referred to the registration of and qualifications claimed by people who practise acupuncture. Mr Connard is aware that I was most impressed when I visited the Jiangsu Hospital of Traditional Medicine on my visit to China earlier this year. Obviously acupuncture plays an extremely important role in the practice of medicine in that country. Western people are increasingly turning to the sort of treatment that has served Asian cultures for literally thousands of years.

Mr Connard was equally correct when he said that a great variety of qualifications is claimed by people practising acupuncture. We have spoken before about the changes in registration, which is moving rapidly towards being a national and an international matter. I am happy to consider Mr Connard's proposal. I shall need to investigate it by seeking the advice of respected practitioners from China.

Hon. G. P. Connard interjected.

Hon. M. A. Lyster — I would want to know how it would fit in with the work done by the national bodies. I also want the advice of the Minister for Employment, Post-Secondary Education and Training because a suggestion has been made about qualifications and registration by universities.

Hon. G. P. Connard — That is one area I am concerned about.

Hon. M. A. Lyster — I am happy to take his proposal on board and see how it fits in with other

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mechanisms with respect to national registration but I endorse the concern about ascertaining qualifications claimed by various practitioners.

Mrs Tehan referred to the Victorian Ambulance Services Review. By way of background, I believe it is the first time that this has been mentioned in this House. Honourable members will recall that in 1984 the Public Bodies Review Committee proposed a complete review of the structure of the Victorian ambulance services to be undertaken in 1990. Because there was a significant time delay in implementing regionalisation, the 1990 review did not take place. It would be timely to examine the way in which the changes that have been made since the inquiry by the Public Bodies Review Committee was undertaken — the measure of success would be the best way to put it. Because it is required by legislation, I sought the advice of the Victorian Ambulance Board. It was agreed that the board could conduct a review of the current structure and that it would provide me with advice on any necessary changes.

I shall deal first with the second matter raised by Mrs Tehan. She referred to the third term of reference of the review, which dealt with the extent to which changes that may be recommended can be implemented within the existing registration. I believe too much may have been read into that term of reference. I certainly anticipate we will have another sessional period for this government when we could consider the recommendations of the review. I believe, one way or another, that all members of Parliament should have access to the report of the review and also have the opportunity of some involvement. Each honourable member has the opportunity to undertake appropriate consultation.

I have not received the report and I have no indication of when it will be available. I stress that because Mrs Tehan put out a press release in early May, which I believe was pre-emptive. I know it has caused concern among country ambulance services.

Hon. M. T. Tehan — The concern was there before the press statement.

Hon. M. A. LYSTER — It is most unfortunate when we get to a stage when it is not possible for the government to initiate a review of a service without fears being generated in the community about the outcome of that review.

Hon. M. T. Tehan — The fears were brought to me.

Hon. M. A. LYSTER — There are plenty of instances over recent times when that has happened. It makes it difficult for any government and for any Parliament to act constructively and objectively to assess the efficacy of certain government agencies if the notion of examining the operations of those agencies causes a bunker mentality and immediately provokes a defensive response.

I have been heartened by the way the people conducting the review have approached it. They have made every effort to consult widely. I have no idea when the recommendations will be made but since the review team consists of people who are well experienced in the ambulance industry and because they are making a special point of consulting widely, I shall take their recommendations seriously. Equally I expect each member of the House to be interested in the recommendations of the review as I know every person throughout the State is. I make a special mention of the dedicated volunteers who have made it possible for the ambulance services to be available to communities, which could not possibly have been achieved had we been relying solely on the professional work force in our ambulance services.

Equally, I pay tribute to the professionalism of our paid ambulance officers and trust that the outcome of the Victorian Ambulance Services Review will ensure that the people of Victoria continue to be served by both professional and volunteer workers who will maintain the same quality of service that has always been the mark of ambulance services in Victoria.

Motion agreed to.

House adjourned 6.11 p.m. until Tuesday, 2 June.