Tuesday, 3 May 1994

The SPEAKER (Hon. J. E. Delzoppo) took the chair at 2.06 p.m. and read the prayer.

PHOTOGRAPHING OF PROCEEDINGS

The SPEAKER — Order! I advise the house that I have approved a request for still photographs to be taken during question time today. No additional lighting or flashlights will be used.

APPOINTMENT OF DEPUTY LEADER OF THE OPPOSITION

Mr BRUMBY (Leader of the Opposition) — I advise the house that at a party meeting today the honourable member for Richmond was elected Deputy Leader of the Parliamentary Labor Party.

QUESTIONS WITHOUT NOTICE

Melbourne casino

Mr BRUMBY (Leader of the Opposition) — I ask the Premier: given that the Chairman of the Victorian Casino Control Authority told Mr Ron Walker that he was not to be seen with the Premier prior to the announcement of the winning casino bid, why was it that the Premier visited Ron Walker at his holiday house at Sorrento and was seen with him on his private jetty prior to the announcement of the winning bid?

Mr KENNETT (Premier) — It's time we brought back Bob Sercombe! I congratulate the honourable member for Richmond on attaining the high office of Deputy Leader of the Opposition. He has had a little bit of experience in this house and the government welcomes him and congratulates him on his elevation, as we congratulate the honourable member for Broadmeadows on retaining his job as Leader of the Opposition, and we hope he continues to do so. With all that has been going on we can understand why you didn't go to the Anzac Day luncheon: you were obviously up to your eyeballs in faction meetings!

The SPEAKER — Order! The Premier is out of order.

Mr KENNETT — In respect of the question the Leader of the Opposition asked, I am not aware of any conversation that the Chairman of the Victorian Casino Control Authority may have had with Mr Walker. I was not sitting on the wall as, obviously, the Leader of the Opposition was. I cannot confirm whether that conversation is true. It is not my business to eavesdrop, as does the Leader of the Opposition; nor do I branch stack, as does the Leader of the Opposition. This government was elected to govern and we will — —

Mrs Wilson interjected.

Mr KENNETT — If you want to get your name in print — I suggest that in your case it is long overdue — and if you want the public to know that you exist you should get a car phone. It works very well indeed! I have no idea of the conversation that was taking place. Secondly, one thing I will never do — —

Mr Micallef — Was it a social visit?

Mr KENNETT — In the situation, yes. I have known that individual, who has served this state both in local government and in other positions, for over 20 years.

Mr Micallef — You look after your mates.

Mr KENNETT — I will try to define what the honourable member for Springvale means by 'mates'. Let's look at what has happened in his party today and then talk about mates. Why did the socialist left support the Leader of the Opposition today?

Honourable members interjecting.

The SPEAKER — Order! The Premier should return to answering the question he has been asked.

Mr KENNETT — I promised myself I would not get carried away today, but if inane interjections are made then I must respond.

One thing members on this side will never do is deny the relationships we have with people who are either family or friends because circumstances may change on this side of the house or on that side of the house where people will ultimately have to accept positions of responsibility. Having lived a healthy life for 46 years, I am good friends with many people in this state and this country. Not only are many of them personal friends but also I meet

with them on a professional basis. I do not run away from that; I do not hide from it, and if the temporary Leader of the Opposition believes there is something improper in that, he should either prove it or, more importantly, if he has any spine at all, make the suggestion outside the house. His track record indicates that whatever he says when attacking personalities, he will do so inside the house.

Shell refinery dispute

Mr SPRY (Bellarine) — Will the Minister for Industry and Employment inform the house of the government's present position in relation to the industrial action which is disrupting petrol supplies in Victoria?

Mr GUDE (Minister for Industry and Employment) — I thank the honourable member for his question and his concern on behalf of the Victorian community. The honourable member has referred to a dispute at the Shell oil refinery which has resulted from the downsizing of the main division of the Shell refinery by some 300 employees. Those 300 workers have taken redundancy packages and the company believes that if it is to achieve world-best practice standards and is to remain competitive more employees need to be removed from the process. Six compulsory redundancies have resulted in the balance of employees at the Shell refinery walking off the site.

This dispute is not only of interest and concern potentially to all Victorian motorists and people in industry who need access to fuel and oil, but also it demonstrates adequately some key flaws in the Brereton legislation, two of which are, firstly, the right to strike and, secondly, the provision regarding unfair dismissal on operational grounds. The legislation is the most complex and legalistic that has ever been put in place — a bit akin to the tax laws — and we are not able to get over the first hurdle. As a consequence all of Victoria may be held to ransom.

Another feature of this dispute which is of some interest is the demarcation factor, which involves the Australian Workers Union, the Federation of Industrial, Manufacturing and Engineering Employees, the Australian Services Union and the Electrical, Electronic, Plumbers and Allied Workers Union. It is a little like the warring factions in the Labor Party. The four factions including the pledge, the socialist left, the independents and the centre unity have been fighting like crazy today. To those four we could add a new faction, the SD faction — the self-destruct faction!

The Mobile refinery is continuing to put out its supplies, which cater for 45 per cent of the Victorian market. Other companies have indicated to me that they have adequate supplies, as indeed has the Shell refinery.

I wish to pay a tribute to the people of Victoria who have demonstrated a great measure of good sense in this process. There has been no shortage of scares coming from the union side, but the Victorian community has played it right down to the wire. I can assure them that there is no need to panic. Ample supplies of fuel are available for several days to come. The government will continue to monitor the process and, unlike the opposition, will always act in the public interest.

Grand prix

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the admission by the Treasurer recently that Victorian taxpayers will be required to cover any losses arising from the staging of the grand prix and ask: will the Premier now advise the house what amount of money was paid to millionaire entrepreneur, Bernie Ecclestone, or does the Premier agree with his good friend Mr Ron Walker who said last December that 'No-one will ever know how much I paid or what the conditions are. It will remain a secret forever.'?

Mr KENNETT (Premier) — What a pathetic attempt to display any form of leadership! What a pathetic attempt by a little man. Firstly, this state is fortunate in having as Treasurer a person whose integrity, capacity and preparedness to work outshine those of any other Treasurer in this whole country. As part of his natural persona and that of the government, we always try to ensure that the Victorian community is taken into our confidence and told the full facts about the grand prix.

In terms of costs, the Treasurer and I have said that we hope this event will break even. It may even make a small profit, but we cannot determine that until the sponsorship deals are concluded and ticket sales for the event, which will be held in March 1996, go on sale and are concluded. If there is a small shortfall — we do not know whether there will be but there may be and we are being open in saying so — those costs will be picked up by the community. When that is weighed against the economic activity that will be generated in this city

and the benefit that will flow to the people of Victoria and the state in terms of international promotion — —

Mr Pandazopoulos interjected.

Mr KENNETT — Listen, Garters, if you want to speak to us, you come clean about your particular concerns. All right?

Mr Pandazopoulos interjected.

The SPEAKER — Order!

Mr KENNETT — Mr Speaker, if there is any man in this place who should hold his tongue in terms of his own personal performance, it is the honourable member for Dandenong.

This event without a doubt is a major coup for this state. It is a major attraction in terms of tourism and economic opportunity, and, all being well, we will have the event for 10 years from 1996. Everything the Treasurer and I have said has been consistent. We cannot at this stage — before the event is advertised, run and finally accounted for — give anyone an accurate account, to the last dollar, of what the event will cost or what revenue we will gain. However, we have weighed up all the benefits associated with it. We believe, as did Adelaide and as do many cities around the world, that this is good for Melbourne. It is a good event for Victoria and Australia. It is a pity that, again, the only person who is opposing it in real terms is this temporary Leader of the Opposition, who is increasingly being shown — as he was this morning — to be irrelevant, negative and whingeing — and ultimately he does not have the capacity to give this state or his party the leadership it requires as we rebuild the state.

Tourism: interstate

Mr TRAYNOR (Ballarat East) — Will the Minister for Tourism inform the house of the new initiatives that Tourism Victoria and Qantas Airways Ltd have introduced to attract interstate visitors to Victoria?

Mr McNAMARA (Minister for Tourism) — Today in Bendigo, in conjunction with Qantas Airways Ltd, I launched a very important initiative that will be of significant benefit to tourism in country and regional Victoria. Tourism Victoria proposed to Qantas that we put together a package consisting of an airline ticket, a hire car and motel accommodation to enable visitors to arrive at Melbourne Airport and, when collecting their car keys from the Hertz office, be supplied with a range of brochures and other tourist information for destinations around the state.

The package includes absolutely everything, apart from the fuel in the car. It includes five days accommodation in any of 25 motels around Victoria. The package covers regional areas, including Ballarat and Bendigo and places as far afield as Mildura, Lakes Entrance, Phillip Island, Wodonga, Swan Hill and a range of places in between. We believe it will provide an impetus for people to travel throughout regional Victoria. It is interesting to note that this is the first such package offered anywhere in Australia. It was initiated by Tourism Victoria and embraced by Qantas. At the end of the day it will ensure that not only Melbourne but also regional Victoria will benefit from tourism.

Ambulance services

Mr THWAITES (Albert Park) — Will the Minister for Health inform the house why, since November last year, she has ordered the ambulance service to stop releasing monthly response time statistics for ambulance emergencies? Will she now give an undertaking to release the monthly figures immediately?

Mrs TEHAN (Minister for Health) — I am particularly interested to hear the honourable member talk about statistics and figures. Let me give a word of warning: under no circumstances make the honourable member for Albert Park Treasurer or Minister for Finance, because he has no understanding whatsoever of figures and statistics! The honourable member asked about numbers for the ambulance service.

Mr McNamara — He did the numbers for Baker.

Mrs TEHAN — He must have done. He certainly cannot read a basic capital outlay program in an economic statement. Just to illustrate how poor he is with figures, he was quoted in the *Herald Sun* last week as having said:

> Funding for capital works in health and community services will drop dramatically ... from $174.2 million ... to $44.5 million.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, I direct your attention to standing order no. 127, which provides that a minister shall not debate a question. The Minister for

Health was asked whether she would release the monthly figures for ambulance emergency response times. She is not answering that question, and I ask you, Sir, to direct her back to the question.

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

Mrs TEHAN (Minister for Health) — Thank you, Mr Speaker, but it is obvious that when reading any information about numbers the honourable member cannot understand a basic bottom line. He accused the department of having a reduced capital outlay because he cannot see the two basic bottom lines for the next two years.

The honourable member asked about a direction by me for the ambulance service not to release figures on response times. No such direction has ever been given. If those figures are available from the ambulance service, they will be provided. But I have given no direction — in any shape or form — to the Metropolitan Ambulance Service relating to response times or any other statistics.

Mews project

Mr DAVIS (Essendon) — Will the Minister for Planning inform the house of financial arrangements concerning the Mews project in East Melbourne?

Mr MACLELLAN (Minister for Planning) — The Mews project in East Melbourne comprises the former Yarra Park Primary School and surplus VicRoads land, which was purchased by the Urban Land Authority in 1991 for $1.7 million. Following a detailed feasibility study, which involved extensive consultation with planning authorities and residents and registrations of interest, a joint venture partner for the development was selected in mid-1992. Adroyal Ltd was selected as the preferred developer to finance, construct and market 46 residential units, including units developed in the former school. As a result of a downturn — as it then was — in the property market in mid-1992 the Valuer-General reduced his valuation of the project and the Urban Land Authority took a $200 000 loss on its purchase of the land for $1.7 million — which was subsequently valued at $1.5 million. The estimated profit of the project was to be $100 000.

This was another Labor lemon project. In other words, the ULA was invited to spend $1.7 million and the Labor Party chose the preferred developer, Adroyal Ltd, and Mr Andrew Hay, whom some members of the Labor Party might be inclined to describe as a mate! However, I can assure the house his performance suggests otherwise. Adroyal Ltd had some difficulty persuading banks to finance the project and I was therefore faced with the prospect of the project's collapse — in other words, Adroyal, the chosen developer, not being able to proceed with the matter — or giving authority for the Urban Land Authority to provide a mortgage over the property and a guarantee so that the project could be financed and thus go ahead.

The Auditor-General seriously questioned with the Urban Land Authority the desirability of the project in the first instance. He also questioned the granting of a guarantee without additional funds being made available to the authority. I have arranged with the authority for procedures to be put in place so that this sort of disaster is never repeated. Appropriate measures are being established in the authority so that independent assessors will check both the claims made about the costs of building and the progress on the site. I expect that, at best, the ULA will come out of the matter without a loss and that the project will be brought to completion. I hope the lesson has been learnt, and that we never again have a Labor lemon project in this state.

Ambulance services

Mr THWAITES (Albert Park) — My question is again directed to the Minister for Health. I refer to the minister's statement on Sunday in relation to ambulance response times that 97 per cent of cases are responded to in 9.5 minutes and her statement yesterday on the Neil Mitchell radio program that 97 per cent of cases are responded to in 16 minutes and ask: does the minister have any real idea what the actual response times are?

Mrs TEHAN (Minister for Health) — As is becoming more apparent, the honourable member for Albert Park has no concept of figures, statistics or the way in which any of these — —

Honourable members interjecting.

Mrs TEHAN — If he recalls, I told the house on Thursday of last week in response to his question, which was almost exactly the same as his question today, that Victoria has a 95 per cent rate of responding to calls with an average response time of 9.5 minutes, but within the accepted maximum standard of 16 minutes.

I shall explain for the sake of the honourable member. With a 9.5-minute average response time

there are many instances where the response time is less than 9.5 minutes — it could be 5, 4 or 6 minutes — but the response may take additional time over the 9.5-minute average up to 16 minutes. The standard in Victoria at present is an outside response time of 16 minutes, with an average of 9.5 minutes. As I said on Thursday, 95 per cent of the time we are right; however, the Metropolitan Ambulance Service has indicated that it is — —

Honourable members interjecting.

The SPEAKER — Order! I ask the minister to resume her seat. Unless the barrage of interjections ceases, I will call the next question.

Mrs TEHAN — As I indicated last week when comparing ambulance response times in Melbourne with those in Sydney. The Sydney ambulance service has achieved a 9-minute average response time in 97 per cent of cases. Melbourne therefore still has to cut its average response time by 0.5 minutes and achieve it in as close as possible to 100 per cent of cases.

We are currently on 95 per cent in respect of response times within an outside response time of 16 minutes and an average of 9.5 minutes, which is what we are regularly and frequently trying to achieve.

Sporting facilities

Dr DEAN (Berwick) — Will the Minister for Sport, Recreation and Racing inform the house of the need to provide major new sports infrastructure for the people of Victoria and the government's action in this matter?

Mr REYNOLDS (Minister for Sport, Recreation and Racing) — On coming to government the coalition was distressed to learn that, due to Labor mismanagement, Victoria's sporting facilities were run down; many had not been renewed and were badly in need of renewal and, beyond all that the department had 53 per cent less funding in real terms than it had in 1982. In 10 years the funding had gone down from 100 per cent to 53 per cent.

Victoria was also overburdened with a rogues' gallery of projects that were never likely to get off the ground. There was the suggestion of turning the Glasshouse or the 1956 Olympic pool back to a swimming pool and even a velodrome, with no funding. The federal government is also on the record as saying that it would not lift a finger to help Victoria in the provision of facilities for sport and recreation, and that meant that Melbourne was in danger of losing its pre-eminent position as the sporting capital of Australia.

It is interesting to note in the figures that have come out today, given that Victoria has 25 per cent of the nation's population, that no more than five Victorians were selected in the swimming squad of 33 for the Olympic Games in Barcelona; just one Victorian made the diving team of 10; and in basketball Victoria had only 3 of the 16 members chosen. The State Swimming Centre badly needs replacement: it is sinking — moving in a sea of mud — and the four court sports facilities at the northern end of Albert Park Lake are badly in need of replacement because they leak when it rains. They are in a decrepit condition; they have an asbestos problem and are unfit to host any major event.

This afternoon the Minister for Major Projects and I were happy to launch a $52 million project to be known as the Melbourne Sports Centre, which will be built at Albert Park on the corner of the light rail line at Albert Park, behind the old South Melbourne technical college. This integrated sports facility will cater for a diverse range of sports and will include a 50-metre competition pool as well as a diving and water polo pool, leisure facilities, spas, saunas, aerobics and gymnasium centres. The four court facilities currently at Albert Park Lake will be demolished to enable the Albert Park vista to be restored. The new facilities will be adequate until at least the next century.

The badminton, table tennis, squash and basketball facilities will be part of the training centre that we hope will assist in training competitors from throughout Victoria so that the number of sportsmen and sportswomen representing Victoria in the 1996 Olympic Games at Atlanta and, more importantly, the 2000 games in Sydney, will be commensurate with our state's population.

Today is a gold medal day in Victorian sports, and Melbourne — which is the sports capital of Victoria and Australia — can be justly proud of that announcement.

Ambulance services

Mr THWAITES (Albert Park) — Is the Minister for Health aware that the coroner found that the average response time for the Metropolitan Ambulance Service in June 1992 under the Labor government was 9.7 minutes, having improved by

9 per cent over the previous two years, and does she agree that the last figures released by her government in November 1993 showed that under the minister's policies response times have increased by 10 per cent to 10.7 minutes?

Mrs TEHAN (Minister for Health) — I thank the honourable member for Albert Park for his question. It obviously indicates that there is a shortage of questions on the other side of the house: three in a row!

Let me comment on the coroner's inquiry from which the honourable member quoted. The coroner looked at 10 deaths as a result of a series of cases that were brought to the media's attention over a period in 1991. There have been constant and regular inquiries and calls for inquiries. The former Labor Minister for Health, Maureen Lyster, said the government should look at those 10 cases. I have used that instance on a number of occasions during the past week when I have sought to show that since 1987 there have been constant and regular calls for inquiries, mainly at the behest of the ambulance union. That is the union's means of creating unrest, distress and certainly anxiety in the community, and that is one of the main reasons why I have said there is no need for any further inquiries at this time. The inquiry of 1991 investigated the 10 cases that the union brought forward, and the key to the coroner's findings was that the ambulance service was not found to be responsible for any of those unfortunate deaths.

Another recommendation of the coroner at that time was to put a lot more money and resources into the ambulance service, but I was also very aware over the last five years of the Labor government between 1987 and 1992 that additional funds of about 40 per cent in dollar terms were provided to the ambulance service, yet — —

Honourable members interjecting.

Mrs TEHAN — The response level remained at exactly the same rate but 12 per cent fewer cases were transported during that five-year period. Those statistics were available and formed part of the material that I used when I removed the metropolitan ambulance service board and put in an administrator.

The coroner suggested that it was time MICA ambulance officers, who had traditionally been employed in pairs — the former Labor government put that practice in place — be deployed across the whole spectrum of emergency service, and that they no longer be paired together. We acted upon that direction.

There is no doubt a significant improvement has occurred in the performance of Ambulance Services Victoria in the past 18 months, without the injection of huge amounts of additional funding to solve the problems. There is still room for improvement and we will continue to work on improving the situation, despite the strong union resistance to any change, which is backed up by the honourable member for Albert Park.

Tabcorp Holdings Ltd

Mr HYAMS (Dromana) — Will the Treasurer inform the house of the latest developments in the government's move to privatise the Victorian Totalizator Agency Board?

Mr STOCKDALE (Treasurer) — I thank the honourable member for Dromana for his question. I know he has a keen interest and expertise in business-motivated reform. Obviously he has more experience in his little finger than the whole membership of the other side could muster.

Mr Kennett — It depends on whether it is new membership or stacked membership!

Mr STOCKDALE — It's all the same, isn't it?

The government indicated in the autumn economic statement that it will be moving in a number of areas to accelerate the progress of reform. Last Thursday the government introduced, in part, the legislation that will facilitate the privatisation of the Totalizator Agency Board (TAB), with, of course, strong support from the racing industry, and, I believe, strong support throughout the community.

On Friday the Minister for Sport, Recreation and Racing and I unveiled the new corporate logo for Tabcorp Holdings Ltd at the official launch. On Sunday the advertising campaign was launched to direct the community's attention to the impending privatisation, and in probably the single most important step to date, the Premier yesterday publicly announced the names of the chairman, deputy chairman and chief executive officer of the proposed Tabcorp. The chairman will be Michael Robinson, a senior Victorian business person and solicitor. Tony Hodgson, who is well known in Victorian business and racing circles, will be the deputy chairman. The appointment that will

generate a great deal of excitement about the float is that of Mr Ross Wilson, who is one of Australia's most senior business persons. He has accepted the appointment as chief executive officer of Tabcorp.

Mr Wilson's appointment is obviously a great coup. He is one of our most successful and senior businessmen on a national and international scale. Seven years ago he took over South Australia Brewing Holdings Ltd, which has since been renamed South Corp Holdings Ltd with a turnover of $571 million. As a result of good management while he was at the helm of that company it is now a major international group with a turnover of $2.3 billion. During the same time he took that group from a profit of approximately $22 million to a profit of $122 million. Following his astute management leading up to the share market crash in 1987, his company came out of the downturn with a number of major acquisitions. The nature of the group's activities is particularly important. Mr Wilson and his company were not just dealers in paper; they took over the Gadsden group, Rheem group and Penfolds, and they continued to build all those businesses, particularly in the area of wine. Mr Wilson and his company have been at the forefront of the development of Australia's export potential.

Mr Wilson will add immensely to the value of the Tabcorp float in the interests not only of the present owners — the taxpayers of Victoria — but also of the future owners, the new shareholders of the privatised business. He has a strong record in growth promotion and his appointment will mean that Tabcorp becomes Australia's leading entertainment and leisure company. We have already received feedback from international brokers that overseas investors are encouraged and bullish about the company's future because of the composition of the board and the CEO appointment. The float is designed to attract 100 000 investors from both Australia and abroad.

There is still one Victorian who chooses to talk down this major initiative at every turn, who is out of step not only with Parliament but also with the Victorian people, and that is the Leader of the Opposition. The opposition has degenerated into a joke.

The SPEAKER — Order! The Treasurer is debating the question. I ask him to come back to his reply.

Mr STOCKDALE — The major initiative in the government business enterprise reform program is that concerning the TAB, but as of this moment the opposition has no spokesman on the TAB. The TAB involves gaming activities and with the relegation to the back bench of the former Deputy Leader of the Opposition, the opposition has no spokesman on gaming. So far as I know, the opposition has no spokesman on Treasury matters. Immediately after question time today we are due to hear the reply to the autumn economic statement.

Honourable members interjecting.

The SPEAKER — Order! The Treasurer is straying from the question. I ask him to come back to his response.

Mr STOCKDALE — It is important! The reply will no doubt address the privatisation of the TAB, which is a major issue, but the ideological blinkers of the Labor Party are presenting it with some real difficulties in delivering its parliamentary response. The Leader of the Opposition wanted to defer the response, and we can understand why. Will he deliver the reply himself and make it up as he goes along?

The SPEAKER — Order! I have already asked the Treasurer to come back to his response. Has the Treasurer completed his answer?

Mr STOCKDALE — Mr Speaker, the TAB float occupies a central position of the government's debt management strategy, and it expects that that matter will be addressed in the reply. I wonder whether the honourable member for Sunshine will let recent bygones be bygones and rush down to the table, or will it be the honourable member for Northcote? Perhaps we will have the spectacle of Mr White in another place delivering his speech from the gallery?

Honourable members interjecting.

The SPEAKER — Order! The level of interjection is too high. I ask the Treasurer not to continue down the path he is taking and to complete his answer.

Mr STOCKDALE — I noticed that Tom Roper, the former member for Coburg, was outside before Parliament sat. Perhaps he will deliver the reply.

In the view of the fact that the honourable member for Sunshine is a former minister, perhaps he will cover his head and deliver the reply from the end of the table. We would probably have no objection to that.

Grand prix

Mr DOLLIS (Richmond) — Will the Treasurer confirm that the cost of the construction of the grand prix track and associated infrastructure at Albert Park will be $10 million? How much of that money is likely to be recovered for the taxpayers in this state from Mr Ron Walker's Melbourne grand prix promotions company?

Mr STOCKDALE (Treasurer) — What an auspicious beginning! The Premier has indicated that the accounting for the grand prix will depend upon the event being finalised. As has been indicated publicly, at the moment there is a review of all the track arrangements for world grand prix events. No announcement has been made about the track but in due course the government will be in a position to report on the arrangements for the grand prix, including their financial implications.

One thing is certain: the grand prix will come to Victoria and it will be of immense benefit to the state. We aim to operate it so that it does not cost the taxpayer anything. If it does, it will be on net terms representing a phenomenal benefit to the people of Victoria through tourism by bringing overseas visitors to this state.

One thing is for sure: Victoria was in a strong position to secure the grand prix — to stop it going to Beijing or anywhere else outside Australia and to win it from Adelaide — because of the turnaround in confidence in the state's finances and the confidence that has in turn engendered in Victoria in Australia and abroad. The grand prix will be a major event in the tourism calendar for Victoria and will result in the flow to the state of a substantial net economic benefit irrespective of the direct cost, if any, of the event.

Health and community services

Mr WELLS (Wantirna) — Will the Minister for Health inform the house how the government's decision to boost capital works expenditure in the health portfolio will enhance health and community services in this state?

The SPEAKER — Order! It is broad a question; I ask the minister to be brief.

Mrs TEHAN (Minister for Health) — I thank the honourable member for his question and for his obvious interest. The Treasurer said there would be no-one opposite to give the reply speech to the economic statement. I again say: please do not ask the honourable member for Albert Park to do it because he has no concept of how to read a basic table.

The honourable member for Wantirna has asked me a question about capital outlays. Table 2.5 in the April economic statement clearly indicates that a substantial amount of money has been made available to the Department of Health and Community Services for capital works. Under the revised 1993-94 estimates and the forward estimates for this year, $174.2 million will be made available in health and community services.

The honourable member for Albert Park referred to the table when he made the comment that was reported in the *Herald Sun* of last Wednesday that the estimate for health and community services capital outlays forward expenditure for 1997-98 was $44.5 million. He read that as meaning that the government was reducing capital expenditure in the portfolio from $174 million to $44.5 million, which he described as devastating. He apparently did not see the bottom line provision of an additional $668 million for new works, a considerable part of which will be allocated to health and community services, so there will be a constant and consistent line item over the years for capital works across the department. Mr Speaker, it is important to ensure that from now on the honourable member understands how to read tables. When the table is read properly it is clear there is a very substantial commitment to health and community services.

In conclusion, the fact that $12.9 million will be spent on community-based services in the psychiatric program of the department is a clear indication of the government's support for the important change it is introducing in psychiatric services in this state. That change, which is not before time, shows the government is fully committed to the improvement of psychiatric services in Victoria.

PETITION

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

Police stations and court complexes

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

The humble petition of the residents of the municipality of Sunshine sheweth are bitterly disappointed that the government of the day has stopped funding to allow the people of Sunshine a much needed police station and court complex. The police station is overcrowded and is far too small for the number of staff stationed at the same.

Sunshine covers a large area and has a large population. The CIB which has 20 officers rents a top floor of a building across the road, which is separate from the police station. Sunshine has 56 members and Maidstone has 22 members. The courthouse is far too small and needs to be near the police station.

Your petitioners therefore pray that the Government of the day review, and alter the decision not to build any more police stations and court complexes.

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

By Mr Mildenhall (911 signatures)

Laid on table.

ECONOMIC DEVELOPMENT COMMITTEE

Victorian building and construction industry

Mr TREASURE (Gippsland East) presented report of Economic Development Committee on productivity in Victorian building and construction industry, together with appendices, minority report, extracts from proceedings and minutes of evidence.

Mr LEIGHTON (Preston) — I raise a point of order, Mr Speaker, concerning the inclusion of the minority report and what constitutes a minority report. Section 4N(4) of the Parliamentary Committees Act 1968 provides:

> Where requested so to do by one or more members of the committee, a joint investigatory committee shall include with a report made by it to the Parliament a minority report on behalf of that member or those members.

Four members of that committee — the honourable member for Thomastown, the Honourable Brian Mier and the Honourable Pat Power, respectively members for Waverley and Jika Jika provinces in another place, and I — chose to submit a joint minority report. As you are aware, Mr Speaker, there has been an argument over the inclusion of part of the material. I refer specifically to the first page of the report, which might be described as a title or cover page.

Mr Speaker, on the first occasion the chairman of the committee ruled the first page out of order, and you upheld that ruling. A second version was submitted containing the heading for the minority report, which had on it the four names of the members as well as two paragraphs of text before the title 'Productivity reform — the way forward'. That was also ruled out of order. The third version was based on your advice, Sir, as to what would be acceptable to the house. In your discussions with me you expressed your concern that the final version be in a form that fell within the confines of the motion that the report be tabled and printed.

I ask you to rule on the issue, because even if a motion is put that excludes the minority report, one could take the view, based on section 4N(4) of the act, that the minority report should be included in the full report. No member of the committee is arguing that the material in the minority report is not based on the terms of reference. Discussions even took place on ensuring that the minority report was in the correct format — the size of print and so on. We were also prepared to accommodate — —

The SPEAKER — Order! The honourable member for Preston has been on his feet for 7 minutes. I ask him to come to his point of order on the tabling and printing of the report.

Mr LEIGHTON — Mr Speaker, I ask you to rule on the question of what constitutes a minority report and whether it can be tabled with the report of the committee. The first two versions of page 1 of the minority report were clearly part of the full report and met the provisions of the Parliamentary Committees Act.

The SPEAKER — Order! The honourable member is correct when he says that I saw several copies of the front page of the minority report. I had two things in mind when adjudicating on the matter: firstly, to ensure that precedents and past practices were adhered to; and secondly, to ensure that the minority report was seen as such by any person reading it and that it could not be confused with the majority report of the committee. I do not uphold the point of order.

Laid on table.

Ordered that report, appendices, extracts from proceedings and minority report be printed.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 6

Mr PERTON (Doncaster) presented *Alert Digest* No. 6 on Treasury Corporation of Victoria (Amendment) Bill, Local Government (Competitive Tendering) Bill, Financial Agreement Bill, Control of Weapons (Amendment) Bill, Victorian Institute of Marine Sciences (Amendment) Bill, Land Conservation (Amendment) Bill, Subdivision (Further Amendment) Bill, Public Prosecutions Bill, Appropriation (Interim 1994-95) Bill, Appropriation (Parliament) (Interim 1994-95) Bill, Stamps (Securities Clearing House) Bill, Casino Control (Miscellaneous Amendments) Bill, Drugs, Poisons and Controlled Substances (Amendment) Bill and City of Greater Bendigo Bill, together with an appendix.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Casino (Management) Act 1993 — Authorised changes to Drawings of the Temporary Casino pursuant to section 16(2) (eight papers)

Pharmacy Board of Victoria — Report for the year 1993

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

Eltham Planning Scheme — No. L36 Part 1

Knox Planning Schemes — No. L47

Prahran Planning Schemes — No. L46

Rochester Planning Schemes — No. L9

Rodney Planning Schemes — Nos. L62, L66

St Kilda Planning Schemes — No. L31

Wimmera Planning Schemes — No. L12 Part 1

Royal District Nursing Service — Report for the year 1992-93.

CASINO (MANAGEMENT) ACT

The SPEAKER — Order! I advise the house that I have directed that three copies of the drawings of the authorised changes to the Casino (Management) Act be placed in the Parliamentary Library and one copy be delivered to the Leader of the Opposition.

BUSINESS OF THE HOUSE

Program

Mr GUDE (Minister for Industry and Employment) — I move:

That, pursuant to sessional order no. 6(3), the following orders of the day, government business, relating to the following bills be considered and completed by 4.30 p.m. on Friday, 6 May 1994:

Subdivision (Further Amendment) Bill

Land Conservation (Amendment) Bill

Financial Agreement Bill

Control of Weapons (Amendment) Bill

Tobacco Leaf Industry (Deregulation) Bill

In accordance with the agreement reached last week with the opposition, which was reaffirmed this morning, the house will spend today and tomorrow debating the Appropriation (Interim 1994-95) Bill and the Appropriation (Parliament) (Interim 1994-95) Bill. They do not form part of the sessional order and need not be concluded by 4.30 p.m. on Friday, 6 May.

Motion agreed to.

Shadow ministry

Mr ELDER (Ripon) — On a point of order, Mr Speaker, it is a longstanding custom that, once he has rearranged the deckchairs, the Leader of the Opposition advise the house of the new members of his shadow ministry. I hope the house will not have to wait until the by-elections for the seats of Coburg and Williamstown have been held.

The SPEAKER — Order! Although the honourable member may raise a point of order, he may not make personal reflections in doing so. If he continues in the proper form, I will hear him.

Mr ELDER — The Leader of the Opposition should advise the house of the new members of his frontbench at the first available opportunity. The

house does not know who the shadow Treasurer is, which is confusing and not good for the democratic and parliamentary processes. I seek clarification of the membership of the opposition frontbench.

The SPEAKER — Order! The Chair anticipated the point of order and had the good sense to research the question. The timing of any announcement he wishes to make is entirely up to the Leader of the Opposition. There is no point of order.

APPROPRIATION (INTERIM 1994-95) BILL

Second reading

Debate resumed from 26 April; motion of Mr STOCKDALE (Treasurer).

Mr BRUMBY (Leader of the Opposition) — The autumn economic statement is best described as a silver-service economic statement. Although it contains no relief for ordinary Victorians the statement provides $9.2 million for new offices for the Premier and the Treasurer. At a time when they are experiencing the highest levels ever of state taxes and charges, it is totally unacceptable that Victorians should be footing the bill for luxurious new offices for the Premier and Treasurer. The economic statement would make the Sheriff of Nottingham blush because it takes from those who cannot afford it, penalising ordinary families, and gives money to those who do not really need it.

Earlier the honourable member for Ripon mentioned Coburg and small business. This morning I attended a meeting of small business people in Coburg. Everyone at the meeting was concerned about the economic policies of the government, because after 18 months Victoria is still not sharing in the national economic recovery.

Neither taxes nor the debt has decreased, and retail sales have not increased. We have simply fallen further behind the rest of Australia. Honourable members opposite shake their heads. Later I will table graphs in support of my argument. I also refer honourable members to the economic statement. Under this government total budget debt and budget debt per capita are increasing and are higher than they were under former Labor governments. This is a hard-taxing and service-cutting economic statement. It provides nothing more for ambulance services, for basic infrastructure, for schools or for teachers. It simply takes away, reinforcing the injustices of the government.

At lunchtime today I launched the Australians for reconciliation program, which was initiated by the federal Parliament in 1991 when honourable members voted unanimously to endorse a program of reconciliation between indigenous and non-indigenous Australians. It is unfortunate that the Minister responsible for Aboriginal Affairs and the Premier were unable to attend the launch today because it should have been a bipartisan occasion. Reconciliation is about working together. It is a damning indictment of the economic statement that it contains nothing to encourage Victorians to work together to meet the future challenges they will face.

Worse still, the economic statement continues the government's harsh and unjust taxes, the worst of which is the $100 home levy, which was introduced as a one-off tax until the current account was back in surplus. Yet it will be levied on Victorians next year. The tax is not only unpopular but unfair. Why should a pensioner in Broadmeadows pay the same amount as a millionaire in Toorak? The economic statement should have removed and cancelled the tax.

The level of unemployment forecast in the economic statement is scandalous. Victoria now has the highest level of unemployment in mainland Australia. The Victorian economy is not recovering; this statement is all about Victoria falling further behind. The only conclusion to be drawn from the economic statement is that migration from Victoria to New South Wales and Queensland will increase, because although the budget books may be repaired, the economy of Victoria is now terminal.

There is no relief in sight for householders who are suffering under the weight of the highest taxes and charges in the country. It is essential that the Kennett government keep its promise to abolish the home levy because the economic statement shows a sustainable current account surplus. But it also shows Victoria is lagging behind the rest of the country, which will continue until we have a change in direction and a change in policies.

This statement contains no hope; it will not stop Victorians leaving the state because the government's own figures show that the economic action is occurring in the other states.

If, as the Minister for Industry and Employment says, the other states need to catch up with Victoria,

they will have to run backwards! Victoria is going backwards while they go forward. Instead of Victorians leading the other states out of recession, it is falling further behind. Even the honourable member for Monbulk would concede that it is alarming that after almost 19 months in office the government has admitted it has made no progress on jobs, growth, retail sales or debt. The state is simply falling further behind the rest of Australia. Hundreds of people have left the electorate of Monbulk to head for greener pastures and better governments in New South Wales and Queensland.

The decision not to drop the $100 home levy has everything to do with pure politics and nothing to do with economics. If the government were to put $100 dollars into the pocket of each Victorian householder, the economy would receive a great boost. It would give people the confidence to spend; it would generate jobs and increase employment in the retail sector, and it would give Australian manufacturing a boost.

The so-called increase in capital works is a sham. There is no gain for the pain Victorians have experienced. The statement is the government's own report card, in which it acknowledges the failure of its own policies.

That is best summed up by the Treasurer, when he says:

> It is not enough to point to some areas of Victoria's competitiveness that have improved in recent years. Our task is essentially relative: we have to compare ourselves not with where we were before, but with where the other Australian states and the foreign countries with which we compete are now, and where they are headed.

What is the state of the Victorian economy? Instead of Victoria's leading other states out of the recession, it is falling further behind.

The statistics on the state's underperformance are interesting. Victoria's gross state product increased by 4.7 per cent compared with 5.9 per cent for the rest of Australia. Annualised statistics for state final demand show that the figure for Victoria is 1.2 per cent compared with 1.5 per cent for the rest of Australia. The unemployment rate in Victoria is 11.7 per cent compared with the Australian rate of 10.3 per cent. At the last count there were 110 480 long-term unemployed in Victoria — which has risen from 30 per cent to almost 32 per cent of the Australian total. During the past two months there has been no growth in the retail trade in Victoria. There has been an actual decline in the past two quarters compared with a 0.4 per cent growth in Australia in the past month and 5.1 per cent in the past year.

Of course, there is also the great Victorian exodus — migration north. In the last quarter 20 000 Victorians left the state — the highest quarterly migration figure ever recorded in Victoria. It means that over the course of the year 80 000 people — equal to the population of Ballarat — will migrate to New South Wales or Queensland. That is a direct result of the policies of this government.

The regional unemployment figures prepared by the federal Department of Employment, Education and Training show what a massive problem unemployment is in Victoria. If any issue should have been the priority of the Treasurer's economic statement it is employment. Today in the press the Premier savagely attacked the federal government for its white paper on employment — only the second white paper to be produced in Australia in 45 years. Some 45 years ago Prime Minister Chifley assisted in rolling the first Holden car off the production line at Fishermens Bend, and yesterday Prime Minister Keating launched the two-millionth export engine from General Motors Holden's Automotive Ltd. The federal government is producing a white paper on employment because it believes it has to be the priority of all Australians. Premier Kennett's savage attack on the federal government's concern about unemployment says something about the vision and perspective of this government.

Let us consider the regional unemployment figures. In the seat of Frankston East in the Mornington Peninsula region the current unemployment rate is 15.1 per cent; in the seat of Geelong in the Barwon region it is 13.6 per cent; in Essendon in the outer western region it is 16.7 per cent; in Bendigo West in the Loddon-Campaspe region it is 12.3 per cent; in Tullamarine in the outer western suburbs it is 16.7 per cent; in Ballarat East and Ballarat West in the Central Highlands it is 13.9 per cent; in Oakleigh in southern Melbourne it is 11.9 per cent; in Ivanhoe in north-eastern Melbourne it is 12.8 per cent; and in Narracan in Gippsland it is 15.4 per cent. Those appalling figures are an indictment of the policies of the Victorian government because the rest of Australia is experiencing rapid economic and employment growth. In the past 12 months 200 000 new jobs have been generated, but in Premier

Kennett's Victoria fewer than 10 000 new jobs have been generated.

It is worth examining the government's forecasts for the future because they are the government's own report card, and even its projections for the future are an acknowledgment of the failure of its policies. The government's forecasts show that the gap between Victoria's performance and Australia's performance is widening. Of particular interest are Victoria's unemployment figures, which have been revised upwards from 1993-94. In summary, the statement revises Victoria's unemployment rate for the next four years as: 11.7 per cent to 12 per cent in 1993-94; 11 per cent to 11.5 per cent in 1994-95; 10.5 per cent to 11 per cent in 1995-96; and 10.05 per cent to 10.5 per cent in 1996-97. Australia's unemployment rate is just as gloomy: 10.6 per cent for 1993-94; 10 per cent for 1994-95; 9.5 per cent for 1995-96; and 9 per cent for 1996-97. Those figures are considerably lower than Victoria's; nonetheless, the economic statement shows a continuation of the voluntary departure package program, which will increase unemployment and cause more Victorians to leave the state. The unemployment forecasts are shown in graph 1.

The best information that the opposition has obtained from the Queensland Treasury estimates that around 60 per cent of people migrating from Victoria to Queensland take with them their voluntary departure packages. billions of dollars are being added to Victoria's debt to finance voluntary departure packages that are not being spent in Victoria, although they are showing up in the state's account. They have been taken by people who have packed up the family and migrated to New South Wales or Queensland. Debt borrowed on the backs of Victorians is stimulating economic growth in New South Wales and Queensland.

The growth forecasts are: 3 per cent for Victoria and 4 per cent for Australia for 1993-94; 3.3 per cent for Victoria and 4 per cent for Australia for 1994-95; 3.3 per cent for Victoria and 3.8 per cent for Australia for 1995-96; and 3 per cent for Victoria and 3.5 per cent for Australia for 1996-97. Whether it concerns private consumption, dwelling investment, non-dwelling construction, equipment, public demand or financial demand, Victoria is expected to underperform the rest of Australia in 1994-95. All the figures show that Victoria is falling behind and that the gap will only widen.

The Treasurer places great emphasis on the budget position and uses it to justify his austerity on current policies. The state government has encouraged a sense of crisis since the day it came to office. It did it with the audit commission. It has tried to shock Victorians by talking about the economic downturn and creating a pervasive environment of gloom and doom. The reality is that despite the Treasurer's tough talk the 1994-95 current account will be in surplus by about $421 million, in 1995-96 by $726 million, in 1996-97 by $788 million, and in 1997-98 by $935 million. Those considerable surpluses raise the question of why the $100 home tax cannot be removed.

I ask members of the government, particularly in marginal seats, how it can be argued that ordinary Victorian families in this, the Year of the Family, should pay the highest ever level of taxes and charges including the unfair $100 home tax when the 1994-95 budget will be substantially in surplus? The opposition and the people of Victoria want the government to honour its promise and commitment to abolish the $100 home tax. Revenue raised in this budget by taxes, fees and fines exceeds the estimates by $324 million, which is far more than the $160 million forecast to be raised by the $100 home tax.

Given that the budget revenues are much greater than the estimates and given that the budget is $421 million in surplus, the proper and reasonable thing to do is to abolish the $100 home tax. In 1993-94 the Kennett government has received $302.4 million more in taxes and charges than it expected to receive.

It is worth pointing out that in 1992-93 the total amount raised in taxes, fees and fines was $6.249 billion. Therefore the increase in taxes and charges in the past year has been a massive $910 million. This is in addition to the $451 million raised by the Kennett government in 1992-93 through new taxation initiatives. More generally, total taxes and revenue are estimated to rise by $118 million, or 1.16 per cent, notwithstanding some more buoyant growth estimates. The estimated revenue growth appears in graph 2.

However, the point about the economic statement is that the Treasurer is prepared and willing, it seems, to play games with the figures, particularly those on capital outlays. Significant attention has been given to capital works — particularly new capital works — but we must look at the truth, which is that the so-called increase in capital works is a sham. There is absolutely no gain for all the pain that Victorians

have gone through in the past 18 months of this government.

The increase in gross fixed capital expenditure from 1993-94 to 1994-95 would have been only $15.6 million, or 1.4 per cent — and not $303.6 million, or 31 per cent, as detailed in the autumn economic statement — if not for the failure to spend $144 million in 1993-94. There is a pea-and-thimble trick in relation to the new capital works program, which is evident from graph 6. The reality is that $144 million of departmental capital works was deferred from 1993-94 to 1994-95, and that resulted in the revision of 1993-94 capital expenditure down to $862.2 million. It is worth pointing out that if the amount originally intended to be spent on gross fixed capital expenditure in 1993-94 was spent rather than being delayed until 1994-95, in 1993-94 gross fixed capital expenditure would have been $1.109 billion and expenditure would have been $1.125 billion.

It is also worth noting in relation to the new capital works program that, of a total of $1.14 billion, which is to be spent over a period of years, $476 million comes from the commonwealth government. In other words, virtually half of the amount which is heralded and claimed in the economic statement to be state initiatives is commonwealth funds. This situation is demonstrated in graphs 3 and 5. Moreover, of the $655 million of state funds, $410 million are dedicated funds — that is, they are derived from the 3-cent road levy, the casino sale and school asset sales. Therefore, the situation is worse than forecast for 1994-95, where $444 million of funds for total capital works of $1.269 billion is commonwealth money.

The amount to be spent on new schools and additions is $68.5 million, which is about the same as the amount raised through school asset sales. Moreover it does nothing to make up for the backlog of underspending in the past two years.

The issue of road funding is also worth noting. Of the $144 million underspent in 1993-94, $93 million was in relation to the Better Roads program. I know that in your electorate, Mr Deputy Speaker, people are desperate for money for better roads. People want better roads in the bush. However, last year the budget for that purpose was underspent by $93 million. The money was allocated, available and could have been spent on roads, but it was not.

Mr McArthur interjected.

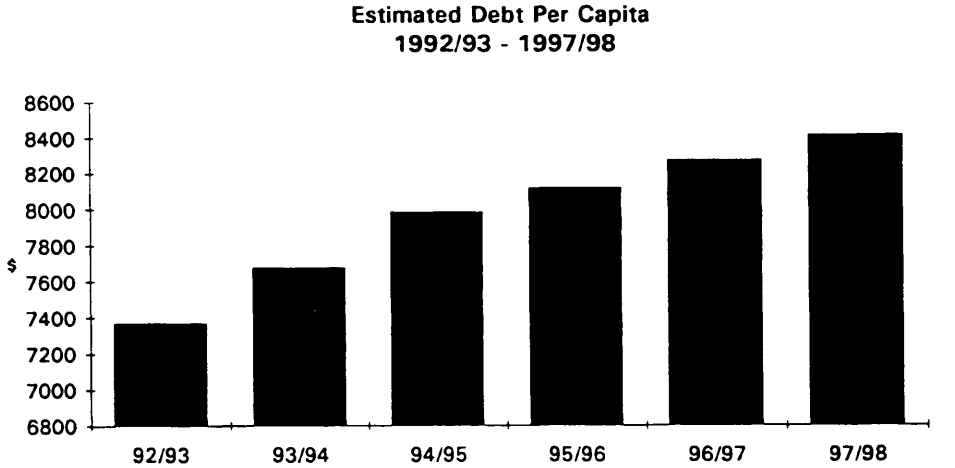
Mr BRUMBY — The honourable member for Monbulk interjects. The reality is that the Monbulk electorate has needs, particularly funding for tourist roads. Some $93 million was available last year to be spent on road projects, but not a cent of it was spent. The honourable member should consider that, particularly in view of the fact that his electorate has an unemployment rate of some 14.5 per cent. Not a cent of it was spent in the Monbulk electorate or anywhere else. I would have thought it was an embarrassment to the Treasurer and honourable members when their constituents are crying out for additional money for roads.

I turn now to the question of debt. Prior to and since its election the government has focused heavily on the issue of debt. One of the graphs shows that in 1992-93 Victoria had the highest debt per head of population in Australia. It sets out an estimate of debt per capita, given forecast debt levels and the extrapolation of Victorian population growth. I seek leave to have the graph incorporated in *Hansard*.

The DEPUTY SPEAKER (Mr J. F. McGrath) — Order! I understand the Leader of the Opposition has spoken to the Speaker and the Treasurer about this incorporation. He may proceed.

Leave granted; graph as follows:

A



Mr BRUMBY — Graph A shows an horrendous increase in debt per head in Victoria as a result of measures introduced by the government. It shows that in 1992-93 debt per head in Victoria was just below $7400. On the basis of the projections in this mini-budget, by 1993-94 it will be some $7700; by 1994-95 it will be $8000; by 1995-96 it will be $8200; by 1996-97 it will be slightly more than $8200; and by 1997-98 it will be $8400. Therefore the net effect of the borrowing programs to finance voluntary departure packages and the fact that Victorians are taking their suitcases of money, packing up the family cars and heading north to New South Wales and Queensland is that fewer and fewer Victorians are left to shoulder the increasing debt burden.

This government was elected on a crusade about debt. It said we would see the results of its policies within a matter of months. The only results we are seeing are higher unemployment, higher debt, the highest ever level of taxes and charges and the highest ever level of net migration out of Victoria to New South Wales and Queensland. I would have thought that was a fairly dismal report card for this government. The calculation I have used, which is shown in graph 4, is based on forecasts for total public sector net debt, and it is clear from the government's own figures that debt levels are continuing to increase.

We need a totally different approach to economic policy in this state. We need a fundamental view about Victoria's strengths, which are its people. Victoria is the cultural, intellectual and manufacturing capital of Australia. Therefore, if Victoria is to progress, create opportunities and build the sort of society we all want to see, we have to invest in those strengths. There is nothing in this bill that shows any vision for the future apart from an obsession with recording higher and higher current account surpluses. More money is being spent on new offices for the Premier and the Treasurer than is being spent on industry policy initiatives.

I have been delighted with recent figures that show Victoria is leading Australia's export growth — some 16 or 17 per cent. However, it is important to

point out, and I am sure the Treasurer would acknowledge, that the growth in exports is coming from a range of industries — predominantly food processing, pharmaceuticals, motor vehicles and Kodak, to name just a few — which have been the subject of federal, state and private sector industry development plans in the past. It is great news that Victoria's percentage increase in exports has been the highest in Australia, but that is occurring only because of the vision of past Labor governments in putting in place industrial policies which built on strengths, focused on employment and targeted export markets. Pharmaceuticals, food processing, motor vehicles, Kodak and so on are the industries that have shown dramatic increases in export performance. We need a whole range of industries producing that sort of export growth across Victoria.

Victoria is a region and it must compete with the rest of the world, not only with other states in Australia. Whether we are talking about individual enterprises, specific regions or the state as a whole, Victoria must compete with Australia and the rest of the world. To do that we must have government policies that support enterprise and the growth of small and medium-sized businesses. One thing, among others, about which the budget disappointed me was the lack of any commitment to our small and medium-sized business sector. The experience in Europe over the past few years is that 70 per cent of jobs come from small and medium-sized businesses — they are the engine-rooms of future growth.

Government policies must nurture, encourage and support the development of small and medium-sized businesses. Small businesses are increasingly being set up. They are family concerns that have $1 million or $2 million available for capital but they must borrow for their recurrent funding. The people setting up those businesses want to locate them in an environment where their families can grow up with opportunities in education, good health services, a good transport system and good sport and recreation facilities, so quality of life is important.

Instead of Victoria getting its share in the growth of small and medium-sized businesses, the vast majority of them are being set up in New South Wales and Queensland. That is happening not only because there are better premiers and better governments with better policies in those states but also because the quality of life and the infrastructure provided by governments in those states are better than they are here.

The Treasurer has been defensive about migration from the state but he cannot continue to avoid the issue. We cannot continue to lose more than 200 Victorians a day. Over a year the total population of a city the size of Ballarat is migrating to New South Wales and Queensland. With a net migration of 40 000 a year, on the basis of an average gross domestic product of $25 000 a head we are losing $1 billion a year in production, and we cannot afford to do so.

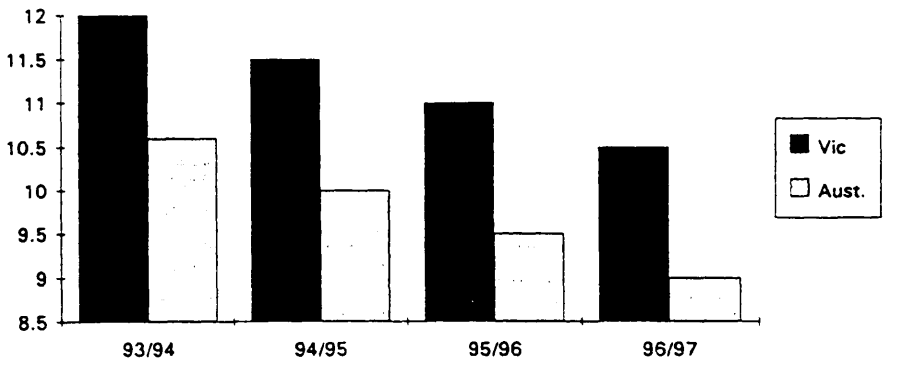
The Treasurer wonders why we have to support retail sales, which continue to fall. With the new casino coming on board, which the opposition fully supports, there will be a further shift away from retail sales expenditure to gambling expenditure. Victorians are underconsumers in gambling but my guess is that when the casino is operating spending on gambling will increase. The trouble is that the pot of money available is limited, so retail sales and savings available for investment will decline. That is why now is the time to abolish the $100 home tax and to put that money into people's pockets so they will be encouraged to spend. Victorians need to have confidence that there will be gain as a result of all the pain they have been through over the past few years.

Mr Deputy Speaker, I seek leave to have graphs and tables incorporated in *Hansard*. The Treasurer and the Speaker have approved them. They show unemployment rate forecasts comparing Victoria and Australia; the estimated revenue growth versus estimated GDP growth for 1994-95 to 1996-97; funding arrangements for new capital works program; the dramatic increase under this government of public sector debt from $32 billion in 1992-93 to $38 billion in 1997-98; capital works expenditure to be undertaken in 1994-95 and the amount that has been deferred and the funding of capital works.

Leave granted; tables and graphs as follows:

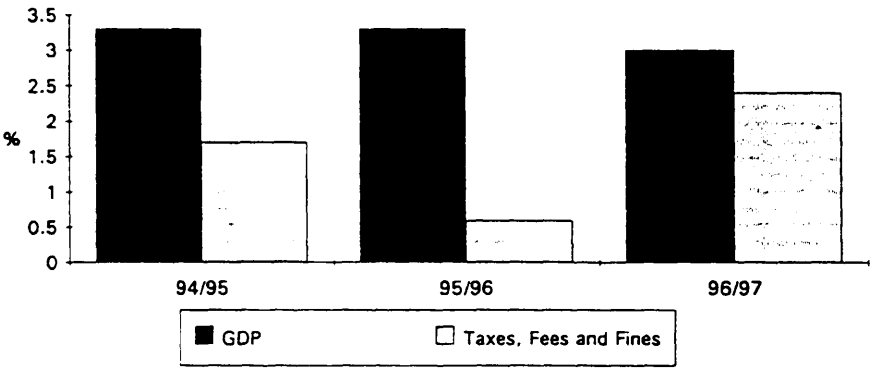
UNEMPLOYMENT RATE FORECASTS - VIC/AUST
APRIL ECONOMIC STATEMENT

1



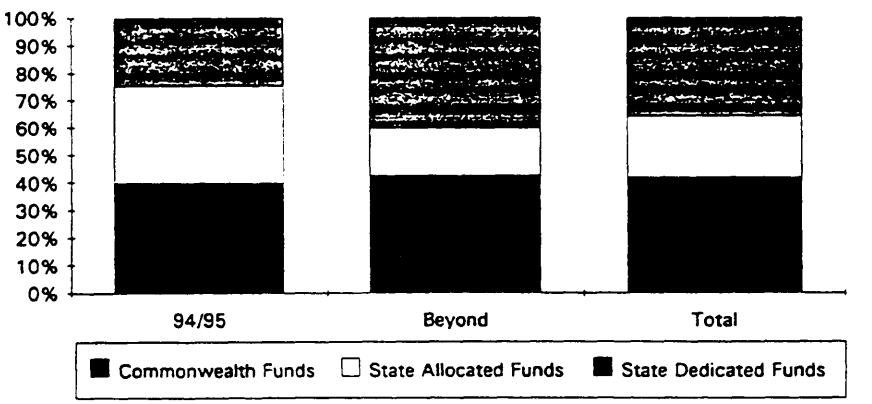
2

Estimated Revenue Growth vs Estimated GDP Growth
April Economic Statement



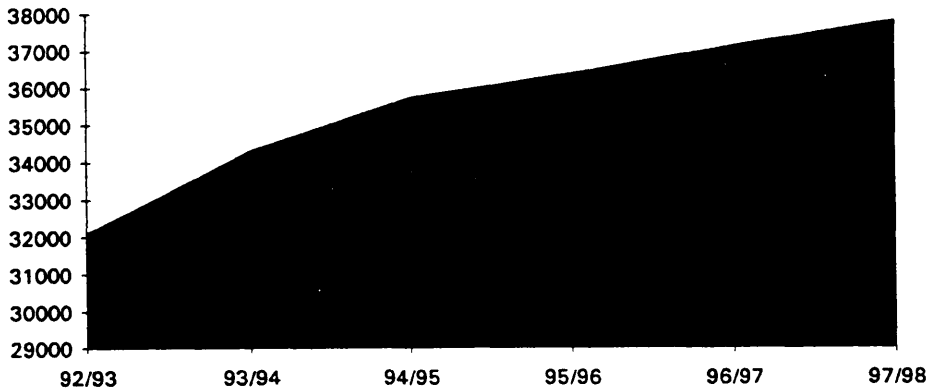
3

New Capital Works Program - Funding Arrangements



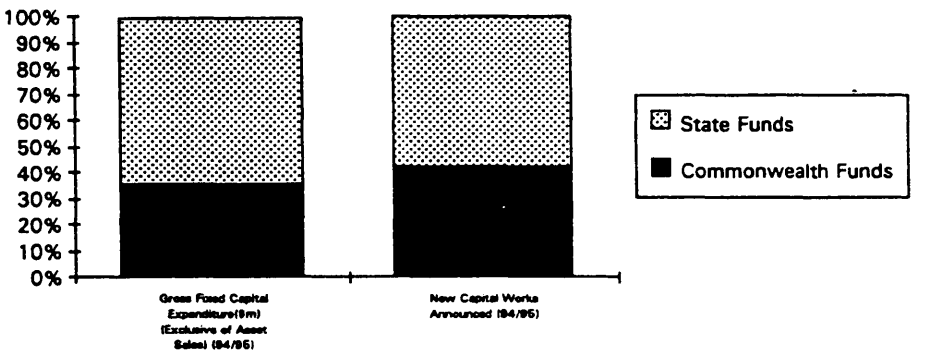
Public Sector Debt
($million)

4



FUNDING OF CAPITAL WORKS
Capital Work to be undertaken in 1994/95
and New Capital Works announced for 1994/95

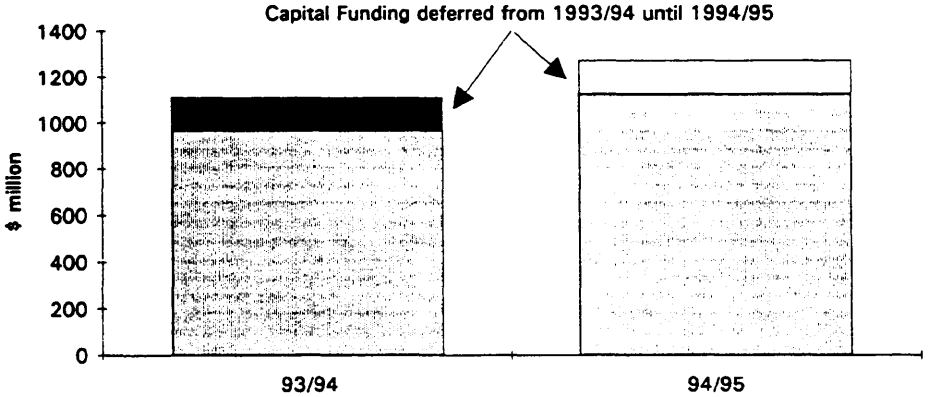
5



Gross New Capital Expenditure
(1993/94 - 1994/95)

6

Capital Funding deferred from 1993/94 until 1994/95



Mr BRUMBY — Victoria needs a change of approach. Much more money needs to be allocated to industry policy. Every advanced economy and successful manufacturing economy around the world builds on its strengths and supports its industries. That does not mean picking winners; it means rather making clear policy guidelines. One does not simply hand over $5 million to Australia Air International under secret guidelines, as the Treasurer described them on radio, one has a more interventionist industry policy. We must go out and grab industry for Victoria.

Currently we have the bizarre situation where the Minister for Industry and Employment is spending more money on advertisements than on providing assistance to industries. A number of industries that have been advertised at taxpayers' expense as so-called achievements of this government are actually industries that receive significant levels of commonwealth assistance. That is why tomorrow's white paper and the jobs compact are so important for Victoria.

It stands to reason that if Victoria has 40 per cent of the nation's capital city long-term unemployment and 32 per cent of the nation's total unemployment, anything the federal government does to tackle long-term unemployment must benefit Victoria proportionately more than it does other states. That is why I was so dismayed at the Premier's statement attacking the federal government's white paper.

Today in question time the opposition asked a series of questions about ambulances. People in this state have died because ambulances have not been able to respond quickly enough to meet emergency needs. Response times are slow because the number of ambulances has been reduced, and I am reminded by the shadow Minister for Health, the honourable member for Albert Park, that there are 100 fewer staff. It is totally unacceptable that this interim budget for 1994-95 will produce a minimum surplus of $421 million. If the priorities, values and concerns were right, if people actually mattered to this government, $2 million, $5 million, $10 million or perhaps $20 million could have been found for ambulance services.

Perhaps $9.2 million could have been found, which just happens to be the amount needed for the new Taj Mahal offices for the Treasurer and the Premier, whose comments about a previous government spending $30 000 on new offices are remembered by honourable members. This government has no shame.

The government cannot find money for preschools — $11.5 million was taken out from preschool funding. It cannot find money to employ 100 additional ambulance staff to ensure that people suffering asthma attacks or other emergencies do not die before ambulances reach them. But, in the history of this government, is has been able to find money for pay rises for ministers, extra parliamentary secretaries, new offices for the Minister for Health, improvements to the Attorney-General's office, improvements to the office of the Minister for Police and Emergency Services, improvements to the office of the Minister for Energy and Minerals and now $9.2 million for the silver-service government, the gold-plated government.

I understand that the biggest debate around the cabinet table at the moment, what ministers queue for every morning, is to find out who is next in line for a new ministerial office. They are not interested in ambulance services, preschools, schools, or the fact that students are dropping out of the Victorian certificate of education. They do not care that the unemployment rate in Geelong is 13.6 per cent; in Essendon it is 16.7 per cent; in Narracan, the seat represented by the Speaker, it is 15.4 per cent; and in Frankston East, 15.1 per cent. They do not care about unemployment rates. They do not care that 112 000 Victorians have been out of work for more than a year or that Victorians are paying the highest ever level of taxes and charges with the lowest ever level of service provision.

They do not care that more lives are being lost than ever before and that we have an ambulance service that is not working. They also do not care that 219 Victorians a day are being lost to New South Wales and Queensland. Victorians care, and that is why they are becoming increasingly embittered and cynical about the government.

The other feature, if I can put it that way, of the statement is its large-scale privatisation program. The opposition considers the privatisation of government assets on a case-by-case basis. It is guided by what is in the best interests of the Victorian community and of Victorian consumers. There are occasions when the opposition supports the privatisation of assets. It has supported the sale of Tullamarine airport because it believes that, properly handled and with proper freight links established between the Dynon Road rail yards and the Dynon Road freight centre and with a fast rail link to the Melbourne central business district, that

can be positive for Victoria and Victorians, building on our strength as the transport capital of Australia.

But the opposition does not support the splitting up and what is effectively the privatisation of the former State Electricity Commission of Victoria. The opposition believes passionately that every Victorian has the right to a uniform electricity tariff. Members of the National Party in this place, all representing rural areas, should be absolutely clear about what the break-up and privatisation of the former State Electricity Commission of Victoria will mean for the state. Consumers will pay considerably more. That has been the experience in Britain, where prices almost doubled. The government got nothing out of it; consumers got nothing out of it. The only people who benefited from that privatisation were the entrepreneurs, the ones in the middle, the ones raking in the cream that used to be available to consumers in the form of low prices.

Electricity tariffs in Victoria are very competitive. Over the past four to five years major productivity gains were made in the former SECV. The splitting up of the former SECV means that the uniform tariff — the system by which a consumer in Mildura would pay the same as a consumer in Albert Park — will come to an end. Country people will be hit savagely; make no mistake about that. That is why the opposition has made it absolutely clear that upon winning government in 1996 it reserves the right to introduce regulatory changes that will guarantee consumers across Victoria a fair go and a uniform tariff. The opposition puts potential buyers following the split up of the former SECV on notice that it reserves the right to do that.

The opposition is driven by two fundamental concerns: firstly, to protect the interests of Victorians as a whole and, secondly, to ensure that consumers are not ripped off and get decent value for money in electricity supplies.

No other state in Australia is embarking on the type of electricity reform this government is embarking on. The Liberal government of New South Wales is not doing it; the Liberal government of South Australia is not doing it; the Liberal government of Tasmania is not doing it; the Liberal government of Western Australia is not doing it. The Victorian Kennett-Stockdale government is the only government so ideologically obsessed with this model.

The government also has plans in store for Melbourne Water. There is no doubt that the government has in mind splitting up and selling off part of Melbourne Water. Again the opposition is guided by the best interests of consumers. It wants Melbourne Water to be run as efficiently as possible so that consumers get the best value for money. The experience overseas has been that it is an absolute disaster. Again, consumers are ripped off. Prices have virtually doubled. No substantial return to the state has resulted from asset sales. The only people appropriating the monopoly profit are the middle players, the entrepreneurs.

The system in Victoria is good. More investment and more capital works are needed to ensure that the water and sewerage infrastructure is the best in the world. There are many jobs in the research and development of technologies relating to water, but the government is totally silent on the environment and jobs.

The minister's statement lacks vision, structure and any view on the type of Victoria, the type of society, Victorians would like to see in the future. Victoria's great strength is its people. It is the intellectual, cultural and manufacturing capital of Australia. The way to build Victoria is to get Victorians working together, not against each other. Divisiveness should not be created, but that is what we have at the moment. Views, including political views, are highly polarised. People have to feel that they are part of a group effort, working towards a better Victoria. That is not happening at the moment. There is no sense of reconciliation, recovery or working together. Victoria's strengths have to be built on — its intellectual base, its research and development and manufacturing base. That can be achieved through stronger, clearer and more transparent policies, increased intervention and support of small and medium-sized, export-oriented businesses.

Above all, the government has to invest in our education system, going right back to preschools. There are far fewer preschools today than there were 18 months ago.

Ms Garbutt — Forty fewer!

Mr BRUMBY — There are 40 fewer preschools. The parents of thousands of children across Victoria can no longer afford to have them participate in preschool education. The opposition believes every child deserves a decent start in life, a head start, and this state is wealthy enough to afford to support a year of preschool education for every Victorian child. With a surplus of $420 million and $9 million going into new offices, the opposition wonders why

the government cannot find the $11.5 million that would have restored funding to the preschool system, kept fees at a reasonable level and enabled almost universal participation. Yet more money is being dragged out of the education system.

The government makes great play of the fact that it is building some new schools. For goodness sake, the responsibility of every government is to build schools. What else is a government for? Let us not make a song and dance about half a dozen new schools in Bendigo, Lara, Roxburgh Park, Glen Eagles and Endeavour Hills, where new schools are needed and new schools should be funded and where the responsibility of the government is to support local communities.

Through its local government reforms and its attitude to school closures, this government has shown that it rides roughshod over the interests of communities. The opposition views this economic statement as bad; it has been made 19 months after this government came to office and it is an admission of failure.

Instead of catching up, Victoria is falling further behind. Unless there is a change of direction and policy, the outlook is bleak. The government must start by abolishing the $100 home tax. It must get its priorities right; it must find funds for ambulances, preschools and a decent school education system. It must invest in Victorians and in their quality of life. If that is not done, Victorians will continue to flee from the state.

Every 12 months a city the size of Ballarat is migrating lock, stock and barrel over the northern border to better premiers, governments and policies. That will be the case every year until the next election when the present government will be removed from office. Victoria cannot afford to lose the equivalent of Ballarat every year; the situation must be reversed.

The opposition rejects the philosophy behind the economic statement. It calls on the government to abolish the $100 home tax and to provide additional resources to key priority areas in our community, including ambulance services, preschools and schools. It calls on the government to introduce a stronger and more transparent industry policy targeted towards export-oriented small to medium-sized businesses.

Mr ROWE (Cranbourne) — It is with pleasure that I rise to speak on the Appropriation (Interim 1994-95) Bill after listening to the inane ramblings of a leader under threat who is supported by a declining number of members of his party. On his own side of the house 13 members commenced supporting him but that has been reduced to 11, 9 and then 6. It shows how much support he has in his own party.

I recall some comments of the late Sir Henry Bolte regarding migration out of Victoria. It has happened for some considerable time. I am sure it would apply appropriately to the Leader of the Opposition; if he were to migrate the collective IQ of Victoria would be greatly improved.

The Leader of the Opposition mentioned in his ramblings many places with significantly high unemployment levels. I notice he failed to mention the seat of Cranbourne, where the unemployment rate has fallen to the vicinity of 8 per cent. Under this government — —

Ms Garbutt — Mr Deputy Speaker, I point out there are only two members of the government listening to this boring speech by the honourable member for Cranbourne and I do not believe that constitutes a quorum.

Quorum formed.

Mr ROWE — I thank the opposition for bringing in an audience to hear my speech. It is a great improvement on the number who were here supporting the Leader of the Opposition. One can almost count the number of knives in his back.

Under the previous Labor government the people of Cranbourne were left without adequate services for the fastest growing municipality in Victoria. The Labor Party failed to provide the necessary funding for infrastructures to establish schools and preschools and provided totally inadequate funding for health services and so on.

In the 18 or 19 months this government has held office the Premier and the Treasurer have addressed the needs of the growing outer metropolitan regions, such as Cranbourne. That can be demonstrated by referring to the number of projects and organisations that have received funding from this government over that period: $314 000 was awarded to the Shire of Cranbourne for sport and recreation facilities; $70 000 was awarded for the extension of the Warneet boat ramp, an important recreational fishing spot on Westernport Bay; and $1300 was awarded to the Langwarrin Living and Learning

program, an extremely important program in my electorate. It provides services to many women at home, including educational, childminding and preschool services, and it has been recognised by the government through the provision of that grant.

The government also recognises the previous government's total lack of funding to address the accident spots on the Dandenong-Hastings Road, one of the most dangerous roads in Victoria. Last year this government provided funding of approximately $600 000 for the construction of a roundabout at the Baxter-Tooradin and Dandenong-Hastings roads. That funding has been necessary for a long time. When I was a councillor with the City of Cranbourne I constantly requested various ministers in the previous government with responsibility for roads to provide funding for the black spots where many deaths and serious accidents occurred. Nothing was done. Within months of coming to office, this government has provided $600 000 for that purpose.

Even though the government is cutting back in many areas, it recognises the needs in the growth corridor and has provided approximately $240 000 for the Willara Kindergarten in Duff Street, Cranbourne. The kindergarten provides not only preschool services but also a home for the Biala Early Intervention Centre.

The government has also addressed the imbalance of funding for community health centres. It has increased the funding to the Cranbourne Community Health Centre by more than $100 000 over the next two years. It has provided grants for the Grant Street community house of $1150, and the Merinda Park Community Centre has also received a grant.

The City of Cranbourne will receive a further grant of $44 000 each year for the next three years to assist people with disabilities in that municipality. One of the problems with the fastest growing municipality is that everything increases, including the number of disabled, sick and aged people. The total population increases and therefore all aspects must be addressed by government.

The government also provided a $19 900 grant to the Cranbourne Community Health Centre to enable it to purchase another car for outreach services. It provided $115 000 to improve facilities at the important Cranbourne training complex, which on completion will be the largest horseracing and training complex in the Southern Hemisphere. Support of the racing industry is important to the Cranbourne electorate because other than the municipality it is the largest employer in the region.

The government provided a $20 000 grant to the City of Cranbourne to develop a local strategy on conservation, which is very important to my constituents.

Mr Pandazopoulos — We announced it!

Mr ROWE — We gave it to them.

Mr McArthur — They made lots of false promises before the election.

Mr ROWE — Prior to the elections the Labor Party always said it would give Cranbourne something but it never delivered. Under the coalition government we continue to deliver. The former government announced that it would provide the region with a diesel rail service, but with the assistance of the federal government the coalition was able to change that to an electrified service.

Education is an important issue in my electorate. The south-eastern growth area education task force, of which I am a member, has identified that a number of schools are required in Cranbourne. Fortunately in its first year the government was able to find $3.7 million for the construction of the Courtenay Avenue Primary School, which is on the border of my electorate in the township of Cranbourne. Although the school was needed it was never funded under the former administration.

Earlier today honourable members heard the inane ramblings of the Leader of the Opposition about road funding. The City of Cranbourne received $4.7 million to repair the Berwick-Cranbourne Road and the Dandenong-Hastings Road and for further works south of the Cranbourne–Frankston Road. A new roundabout at Hall and Thompsons roads will be constructed. In addition, the Minister for Roads and Ports, the Honourable Bill Baxter, recently attended a function at the end of the Mulgrave Freeway and announced that $9 million will be made available to complete the duplication of the Dandenong-Hastings Road from the end of the freeway through to the Cranbourne-Frankston Road. The government will provide that amount just for the Dandenong-Hastings Road. The coalition government is certainly delivering to electorates such as Cranbourne as it is to other electorates in the

metropolitan area. It is spreading its funding to all areas that require it.

The government provided a $10 000 sport and recreation grant on request from the City of Cranbourne to complete a study into the feasibility of an aquatic centre for the city complex, which will be the largest undercover sporting complex in the southern hemisphere when completed.

The Cranbourne little athletics centre received $1250 for the purchase of safety hurdles. That money has been well spent on the young sporting people of Cranbourne. I regularly attend the little athletics centre and I am sure there will be a number of our young people from Cranbourne representing Australia at the Sydney Olympics in the year 2000.

The DEPUTY SPEAKER — Order! I thought you were about to say that you tested the hurdles yourself!

Mr ROWE — No, that may be taking things a little too far.

The youth of Cranbourne were neglected by the former government and urgently required assistance. The Office of Youth Affairs has provided $17 500 to the Cranbourne Youth Accommodation Group and $10 000 to the Noble Park Family Mediation Centre for outreach services. Those services were previously not available in Cranbourne. I was delighted that the Minister responsible for Youth Affairs was able to provide that money and address a definite need in Cranbourne.

The opposition has often ranted and raved about the cuts that have been made to the maternal and child health service. An article in the *Cranbourne Sun* reports that the director of community services at the City of Cranbourne thanked the government for providing additional services to the municipality. An additional $390 800 was provided by the Department of Health and Community Services to the municipality.

The government is addressing the needs of growing communities in electorates such as Cranbourne. Under the former government the maintenance and upgrading of existing schools was neglected. The government has provided $460 000 to the Cranbourne South Primary School, the Skye Primary School and the Lyndhurst Secondary College to address needs of urgent maintenance and to provide upgrading of buildings that were in disrepair.

The Minister for Tertiary Education and Training, the Honourable Haddon Storey, has been under significant pressure from my upper house colleague, the Honourable Ken Smith, and me and has responded by providing $1.2 million for the purchase of a new TAFE site on the corner of the Berwick-Cranbourne Road and Cameron Street. That project was developed by the municipality to create an education precinct within the township of Cranbourne. It had the foresight to purchase a large parcel of land and subdivide it into three blocks, one of which was ideally sized and suited for a TAFE college. The management and directors of the Casey College of TAFE in Dandenong saw the wisdom of opening a campus of the college in the Cranbourne township. The site will be of significant advantage to the people of Cranbourne and south-west Gippsland in providing easy access to a level of tertiary education. This is important because in the past under the Labor government Cranbourne had the lowest tertiary participation rate of any municipality in the metropolitan area. The people of Cranbourne were concerned about that and fully supported the municipality in preparing for the establishment of the campus. I am pleased to advise the house that the classes at the Cranbourne campus of the Casey TAFE college have commenced.

A number of projects in education are also under way. The government recently announced the construction of the Potts Road Primary School, which is in the Cranbourne electorate, not the Berwick electorate as reported in the budget papers. I was quick to point that out to my colleagues and made sure that the funds would be made available to this school in my electorate.

The school is sorely needed because Langwarrin Park Primary School is rapidly heading towards an enrolment of 800 students on a site originally intended for 450. In addressing this need we are taking the pressure off a school in Langwarrin Park and are constructing a facility to the north of Cranbourne-Frankston Road, which is an area where Langwarrin will develop the most. The school is due to open at the start of the 1996 school year.

The government has also provided $45 000 for the widening of the racecourse proper at Cranbourne to make it safer for the horses. We get large fields at Cranbourne racecourse because, as I said, it is the heart of racing in Victoria. It is an area from which great horses have come; we also have excellent trainers. The funding will obviously go a long way towards attracting more trainers and owners to the Cranbourne area.

The government has provided a $300 000 capital grant to the City of Cranbourne to allow it to continue with the development of the city complex, which was formerly the Ford-New Holland tractor factory. The factory was established many years ago and went through many phases. It was originally Sperry-New Holland, then Ford-New Holland and was eventually purchased by the City of Cranbourne for a bargain basement price of $5 million. The government has provided a $300 000 capital grant to assist in the development of the site.

The government has also provided another grant of $265 000 to the Cranbourne racing training complex for the refurbishment of the fibrewood track. It provided the Friends of the Botanic Gardens with a grant of $4000 and some $9 million to the Dandenong-Hastings Road duplication and widening project, which will make that road much safer.The road will also open up the port of Hastings, which is very important to my area. As the member for Cranbourne, it is pleasing for me to be able to continually deliver good news to the people of Cranbourne, who for so long were denied and deprived services and facilities by the Labor government.

During the past 18 months more than $30 million has been spent in the City of Cranbourne, expenditure that was not available under the former Labor government. The Treasurer is providing funds on a can-do basis. The government is not borrowing to undertake these works; it is funding them out of the state's income. The government is about getting Victoria back on a financial footing that is the envy of all other states. I imagine Victoria is the envy of the federal Treasurer. The government has the full support of not only the Prime Minister, Mr Keating, but also his many Treasurers over the past two years.

The people of Cranbourne will continue to receive the services a growing municipality needs, such as schools, roads, preschools and community health centres and recreational support. The government will deliver those services on a can-do basis. I am pleased that the government is able to continue to deliver those services to the people of Cranbourne. I commend the mini-budget to the house.

Mr SHEEHAN (Northcote) — The honourable member for Cranbourne is correct when he speaks of the government not borrowing for capital works — the government is borrowing to sack people in ways that are unprecedented in Australia, let alone Victoria! In responding to the *Autumn Economic Statement April 1994* a number of points must be addressed. The first is that it is not an economic statement: it is a financial statement of forward estimates. If this is a genuine economic statement, it falls short of providing a strategic direction for the people of Victoria. It is a statement of forward estimates and a foreshadowing of the ripping off of Victoria's assets.

The most disturbing aspect of the autumn economic statement, however, is that it has been described in some quarters as an economic miracle. Everyone would be pleased if an economic miracle were taking place in Victoria. When I read the headline in the *Australian Financial Review* about Victoria's economic miracle I thought, 'This is great; it's just what we need'. In a genuine spirit of inquiry I thought, 'What would be the criteria for an economic miracle? How would we measure it?'.

My guess is that an economic miracle would constitute improved economic growth, reduced unemployment and better prospects for employment. It would be reflected in greater confidence in the community and a greater sense of wellbeing among Victorians. A fourth criterion would be that of demonstrably better services in education, health, community services and transport. If Victorians witnessed those four improvements they would say, 'Yes, we are on the way to an economic miracle in Victoria'.

A fifth criterion could involve state finances. The three factors we could examine in that respect are budget outcomes, whether we are projecting a budget deficit or surplus and examining the budget components to check the direction in which that outcome is heading over the next few years. The second financial criterion could involve an examination of state finances and debt. We all know how important debt is. After all, the Premier used to say Victoria's debt was $70 billion. Although he has stopped using that figure of late, I have some recollection of debt being considered an important issue in Victoria. Another criteria is debt servicing — the amount of revenue that goes to service debt each year. If Victoria had a better budget surplus, lower debt and a lower proportion of revenue going to service debt, Victorians would say, 'Yes, we do have an economic miracle in just 18 months to two years'. If all those things were achieved — economic growth, better employment prospects, a greater sense of confidence and wellbeing in the community, better services and an improvement in state finances — we would be looking at a miracle in the state.

With an open, inquiring mind I went in search of the miracle. I wanted to find the evidence. After all, Australia's premier financial journal, the *Australian Financial Review*, said there was a miracle. Let us examine the facts. Do not rely on the newspapers for this; let us look at the government's own documents. Surely if there is a miracle it will be found somewhere in the Treasurer's *Autumn Economic Statement April 1994*. This government is not shy about trumpeting its triumphs — it is not even shy about telling the odd pork pie! I saw a table headed 'Economic Assumptions' and thought, 'That will be it'. So I turned to page 5-11. Table 5.2 on that page is a table of economic assumptions on which the government is planning the future of Victorians. The Treasurer has set down Australia's figures alongside those for Victoria. He has taken federal Treasury figures — no doubt they have tickled their own figures up a bit as happens in Treasury from time to time — and put Australia's gross domestic product, employment, unemployment, inflation and average weekly earnings against those of Victoria.

If there were an economic miracle in Victoria — presumably it is not taking place in the rest of Australia because it has been reported only in Victoria — we would assume that that table would indicate that Victoria is doing better than the rest of Australia on all of those counts. If Victoria is not doing better than Australia, where is that miracle? What are the growth, employment or unemployment, and inflation figures? It is a hard argument to sustain if the figures are not also miraculous.

For example, gross domestic product: the Australian economy is projected to grow over the next four years at rates of 4 per cent, 4 per cent, 2.5 per cent and 3.8 per cent. Victoria is projected to grow at the rates of 3 per cent, 3.3 per cent, 2 per cent and 2.9 per cent. The Treasurer has acknowledged that the figures are inflated by the $2 billion payment for redundancies, which has given a false boost to its GDP. There is no miracle in Victoria; it is recovering more slowly than the rest of Australia and is expected to do so for the next four years. In four years the government will still be saying that it is the fault of the former government.

Victoria should also be doing better on the employment front. The figures suggest that in the next four years employment will grow in Australia by 1.9 per cent, 2.5 per cent, 2 per cent and 1.7 per cent. If there is to be a miracle in Victoria it must be in the employment area, but is that the case? Table 5.2 at page 5-11 clearly shows that Victoria's employment rate will improve 3 per cent less than the overall Australian rate. It will improve by 5 per cent over a four-year period, but employment in Australia as a whole will improve by 8.1 per cent. That is an enormous difference — Victoria's result is hardly miraculous. Some would say it is disastrous. Over the next four years Victoria will miss one full year of economic activity — down the drain one full year — all attributable to the policies of the government. On the first two criteria there are no grounds for assuming a miracle.

Confidence is more difficult to measure. Where would one look for confidence? To Queensland. Victorians are leaving at the rate of the population of a large provincial city a year — that is a population equivalent to that of Ballarat. That is hardly an expression of confidence. When things are going well people come to you, but when one is not doing so well people stay away. There is not much to inspire Victorians.

I turn to services. Is Victoria doing better in education, health or community services than before? Certainly there is less money available, yet we know from anecdotal evidence — which will shortly be confirmed in statistical returns — that Victoria's health services are deteriorating. One of the obvious signs is ambulance services. The Minister for Health is under siege, refuses to release statistics and is unable to answer the question of why Victorians are dying because of inadequate ambulance services. We all know health services have deteriorated and country Victorians know what is happening and will happen to their hospitals over the next few years. One would be hard put to find a country Victorian who will say that health services have improved under a Liberal government. One would also be hard pressed to find a government member who would say publicly in his or her electorate, as distinct from the comfort of this place, that health services have improved.

I turn to education. Is one to believe that Victoria's schools are better today than they were two or three years ago? Is there any evidence to support the view that education has improved in Victoria? The only statistic is that the retention rate has dropped in the lifetime of this government. What the former Labor government did very well in education in comparison with the rest of Australia, which is the most meaningful statistic, was to improve the pupil:teacher ratio. Victoria's retention rate was the best in Australia. Now its retention rate is slipping to the middle of the pack and lower. Why? Because that is where Victoria's funding is going. A

reduction in funding has certain outcomes, and education services are deteriorating because of that reduction.

I shall now deal with community services. What government member would go to his or her local preschool or kindergarten and say that community services have improved? We know from the petitions that have been presented here that there is fury in the community over cutbacks in community services. There is not a shred of evidence that services have improved during the time of this government. To the contrary, services in health, education and community services have declined. Victoria has lost out on improved economic growth and employment, and the community is losing confidence.

Is there a miracle in state finances? I think not. Once again I turn to the government's figures, because they are the best reference. Table 6.2 at page 6-4 shows the financial liabilities for the budget sector. Under the former Labor government in 1990 the gross debt was $14 862 billion, in 1991 it was $16 380 billion and in 1992 it was $18 807 billion; but in 1993 it had risen to $19 885. There was an enormous increase in budget sector debt. When the government came to office it said it would reduce budget sector debt. We have all heard what has been said about the appalling level of debt in Victoria under a Labor government, but the fact is that debt has skyrocketed under this government. Budget papers indicate that the government expects that budget sector debt will rise from $18.8 billion in 1992 to $24.6 billion in 1996. The so-called economic statement does not provide all the figures that are contained in the budget documents. The debt created by this government will result in a 35 per cent increase in the level of budget sector debt. That is a phenomenal increase. Where has it gone? It has gone into sacking people. Those borrowings have not resulted in any capital works; they have simply resulted in high interest payments. Debt has not been reduced, and the government's own papers say that.

The percentage of revenue for debt servicing has also increased. Chart 6.7 at page 6.11 of the *Autumn Economic Statement April 1994* shows that the proportion of revenue devoted to servicing debt has increased dramatically over the past two years. In 1992-93 revenue for debt servicing was almost 18 per cent, and it rises to almost that again in 1994-95 after dropping to 13.9 per cent in 1993-94. That is no miracle. The government is now paying a higher proportion of revenue for debt servicing than ever before. Those figures have not been concocted by the opposition, they are the government's own figures and a particular problem is illustrated by them. They show not only a deterioration of total debt outcome and the amount of revenue going to debt servicing, but also the fact that Victoria is now far more vulnerable to interest rate increases than at any time in its past. In fact, a 1 per cent increase in the borrowing rate would cost Victoria $250 million annually, and it would be a brave person who argued that interest rates were not going to increase in the next 12 months, particularly as a large part of its borrowings are now done in the United States of America where interest rates are starting to increase.

Where is the miracle? The figures the government has produced do not indicate a miracle. The economic and financial reality in Victoria is a level of unemployment 10 per cent higher than that of the rest of Australia, a 19 per cent increase in taxes and charges, a 35 per cent increase in budget sector debt and a greater exposure to interest rate fluctuations than ever before. I suggest that the miracle is not in the forward estimates document. I suggest it has been subjected to far less scrutiny than any other government financial document.

I draw the attention of the house to a number of comments about this document in the press. Page 1.6 of the autumn economic statement document refers to money which the government has taken from the Transport Accident Commission. I seem to recall the former government trying to do that. Somewhere in the recesses of my mind is the memory of the previous government saying that it might take some money from the Transport Accident Commission! At the time that was regarded as rape, pillage, plunder and thievery. But now this government is not considered to be raping or plundering the TAC, it is carrying out 'capital repatriation' from the TAC. What was rape and pillaging two years ago is now capital repatriation. I suggest the real miracle is the reporting and analysis of the autumn economic statement document.

Another little gem concerns a $9 million office refurbishment program. I agree that some government offices do need refurbishing, but not $9 million worth. Some years ago a fuss was made about the former Labor government trying to make a $15 000 improvement to a security system, yet today a $9 million refurbishment is okay.

The miracle has really been in the reporting of the economic statement. I draw the attention of the house to the comments on 27 April of the state

economic correspondent of the *Age*, the breathless David Walker, who, in an article entitled 'Sunshine as the Grim Reaper changes into Good News Al', refers to declining debt in Victoria. He does not say that once, but three times when saying that the Treasurer can 'take a bow for shrinking debt', that 'debt is falling even faster than predicted' and that we now have a 'virtuous circle' of lower debt in Victoria. That is factually incorrect. I do not care about the politics of journalists, but the *Age* is Victoria's premier journal of record and it should get its facts straight. It does not matter what analysis it does, it should, however, be factually correct.

The *Age* editorial of the same day referred to the first budget surplus in Victoria for decades. When 'good news Al' claimed the same thing in this house the day after, I had the temerity to question him! At page 107 of the *Independent Review of Victoria's Public Sector Finances* — otherwise known as the Nicholls report — chart 4.6 shows that Victoria had surpluses for most of the 1980s. The only years Victoria did not have surpluses was in 1989 and 1990. A major factual error has been made in reporting, and the *Age* should get it right.

What can be said about Terry McCrann of the *Herald Sun*, except that he talks about Alan Stockdale in much the same way as he used to talk about Brian Quinn.

Michael Gill and Steve Burrell from the *Australian Financial Review* have also written analyses along the 'capital repatriation' and 'economic miracle' lines. Their articles make no mention of debt analysis, vulnerability to interest rate fluctuations or the proportion of revenue devoted to debt servicing. What we have is an uncritical reception of the financial statement. It behoves newspaper journalists of the quality of those working for the *Age* and the *Australian Financial Review* to debate the government's analysis on the facts as they are presented, not by me nor by opposition members, but by the government in its own document.

If government members read the economic statement they would find that Victoria is falling behind the rest of Australia and that debt in Victoria is increasing at an unprecedented rate, but more importantly, the government would find that the document is not what it purports to be: it is not an economic statement.

Victoria is in real need of an economic statement; as the economic recovery takes place across Australia, Victoria will recover more slowly than the rest of Australia, and this situation is not new. In every recession since the 1960s Victoria has recovered more slowly than the rest of Australia, and it has not recovered as well as the rest of Australia. In other words, for about three or four decades recovery in Victoria has been slower and lower than for the rest of Australia, and this time it is looking much worse. A handful of figures from the Australian Bureau of Statistics publication *Australian Economic Indicators* No. 1350 of January 1994 supports that notion.

I point out that on retail turnover, private new capital expenditure, registration of new motor vehicles, residential building approvals and housing financial commitment Victoria lags behind the rest of Australia.

The government has conducted a cosmetic rearrangement of Victoria's finances to produce a surplus on the current account, but the facts are that the finances of Victoria have deteriorated, debt has increased and the proportion of revenue devoted to debt servicing has increased. Victorians are more vulnerable to increased interest rates than they have ever been, but more important than the financial position of Victoria is the fact that the Victorian economy is being devastated by the actions of the government. The people of Victoria have been subject to an extraordinary experiment by the government's implementation of the most ideological set of policies that has ever been introduced anywhere in Australia, and Victorians are paying the price for it every day. Nothing has been put in place to replace the institutions that have been pulled down and the jobs that are being taken away. The government has contributed directly to the loss of almost 60 000 public sector jobs. In the government's own economic statement it said it has stopped producing public sector job losses; it has indicated only the budget sector losses. The reality is that the actions of the government have directly reduced jobs in Victoria by 60 000.

Mr TRAYNOR (Ballarat East) — I rise to debate the Appropriation (Interim 1994-95) Bill and I shall address a couple of issues. Firstly, I am sick to death of receiving a caning from the opposition over the past 12 months about what has been happening in Ballarat and Ballarat East in particular. I take up the point the Leader of the Opposition was making when speaking on this matter on my local community radio station 3BBB on 3 April when he said that provincial Victorians have certainly been let down and that the local government members of Parliament have bowed to the whims of the Premier and have not stood up for their electorates.

Throughout debates reference has been made in *Hansard* to the honourable member for Bendigo West and me and it has been said that nothing has been happening in provincial Victoria. I assure the house that there are positive signs in Ballarat, and I shall inform honourable members of what the business leaders in Ballarat are saying.

The Victorian Employers Chamber of Commerce and Industry regional manager, Mr Martin Russell, said that Ballarat's economy is showing definite signs of recovery. He said, as reported in the Ballarat *Courier* of 2 April 1994:

> Ballarat industry is already showing signs of recovery — business seems to be more confident and there is certainly a positive trend occurring across the board.

An article in the Ballarat *Courier* of 28 April states:

> The big guns of Ballarat industry have indicated they are on a slow but steady route to recovery, with a token rise in employment levels expected at several factories.
>
> Companies appear to be relying on a stream of regular orders, rather than major contracts and large export orders, a *Courier* survey of industry leaders found.
>
> At Valcor Australia, formerly Valenite, a gamble taken by local businessmen appears to be paying dividends ...
>
> Managing director Ian Manton said Valcor was now getting some 'nice orders' from Japan and from an Australian firm supplying tools to a company in Thailand ...
>
> Bendix Mintex managing director Bob Jackman said business was 'reasonably healthy' within his company, which had experienced growth of around 10 per cent in the past year ...
>
> McCain Foods managing director Basil Hargrove said new pizza and chip lines previously imported from Canada and the United States could lead to employment if the products were successful —

and already 24 new jobs have been created. The article continues:

> At John Valves, general manager Tony Klein said the company was pinning its hopes on a rise in building approvals to improve its position ...
>
> Haymes Paint managing director David Haymes said companies which had survived the recession were now operating more efficiently ...

Things are happening in Ballarat! The Central Highlands Regional Library has received state government funding of $900 000 towards the cost of a $5 million building, which is a single-storey building covering 2500 square metres. The building will have the latest library technology available in Australia and will service a wide area. The people of Ballarat have been waiting years for the project to transpire, and I can assure honourable members that it will be completed some time in August of this year.

The regional aquatic pool at Ballarat will be built at a cost of $5.5 million; $3 million in contracts was awarded to local firms and tradesmen and $500 000 was allotted from the state government, and that project will be completed some time in July, creating 12 full-time jobs.

Before the election I was approached by the Managing Director of Datex Industries in Daylesford, Mr Adrian Holmes, who told me that his firm was struggling with its WorkCare costs and that 38 employees had signed a petition asking him to save their jobs. He now employs 80 staff; his WorkCover costs have been reduced and he is working 24 hours a day. He is value adding throughout the process; he has invested in new equipment and diversified into fabrics and other garments. His latest order is to weave 100 000 metres of navy fabric for Qantas uniforms.

Bendix Mintex has just built a $5.7 million factory in Ballarat. This company is the biggest manufacturer of brake linings in Australia, and an extra 40 jobs will be created. The company's managing director, Mr Bob Jackman, said that he plans to export products to South-East Asia and New Zealand in late 1994. It is not just a factory; it is a world-class facility. Under the state government's investment program in country Victoria, Bendix Mintex has received a $100 000 grant from the Minister for Regional Development, Mr Roger Hallam, to enable its operations to expand. With support from the Victorian government, the new manufacturing plant will be built at Ballarat, boosting its work force to about 670.

Mars Confectionery has just announced another 70 new jobs. The company intends to export 1500 tonnes of product to Russia, and that will be a big boost to the local economy. The managing director

of the Ballarat Regional Board, Mr Bob Jones, said that the boost will give the city confidence after what has happened economically over the past few years. Mars Confectionery has spent $35 million on its factory and will boost Ballarat's industry.

An Honourable Member — That is a lot of Mars bars!

Mr TRAYNOR — It is a lot of Mars bars, Snickers, Bounty bars and a lot of chocolate.

Container Packaging is a division of the company Amcor Ltd and it has built a $70 million factory on industrial parkland in Wendouree. That factory is expected to employ 35 to 40 people and it is to be opened in July. The managing director, Chris Nixon, said that the plant was a major investment in the future of the Australian food/beverage industries. Even the Labor mayor and candidate against me at the state election, Mr Geoff Howard, has personally and publicly congratulated the government. He said, 'It is the best news for Ballarat,' and that it would 'provide an economic stimulus for Ballarat's recovery'.

Ballarat University College was declared a university on 1 January 1994. It will mean extra courses, jobs, lecturers, students and marketing opportunities. The vice-chancellor said that it will broaden the regional economic base and provide a more sophisticated work force to take the region into the next century.It is an important building block for the future of Ballarat. The government's decision will mean a massive injection into the regional infrastructure of Ballarat.

There are several gold-mining projects in my area. The Valdora mine is in the process of obtaining an environment effects statement to develop an open-cut mine that is 4.4 kilometres long and 40 metres deep. It is estimated it will net $23 million a year in gold and create 80 new jobs. It will be a shot in the arm for Ballarat's unemployed. Ballarat certainly has high unemployment; I do not dodge that issue. Ballarat is a world-class area for gold mining and has the potential for a gold rush. It is estimated that between 30 000 and 40 000 ounces of gold will be returned each year once the Ballarat field is up and running. Under the heading '$30 million Ballarat East mine gets under way', an article in the *Ballarat Courier* of 21 April says:

> Site preparation has begun at Woolshed Gully south of Brittain Street for the Ballarat Goldfields NL multi-million dollar mine project ... The first stage of the mine will extend to Elsworth Street and then extend towards Llanberris Reserve. Mr Spark —

the chief executive —

> said $13.5 million in share placements has assured the start of the mine which was expected to hold an in ground value of $500 million.
>
> He said the $30 million Ballarat Goldfields NL project was Victoria's largest and most advanced goldmining development ... He said that most of the 180 people who would be employed at the mine once it was operational would be local people because the company believed in educating a new work force for the mining industry ... Mr Spark said construction of the $2.6 kilometre mine shaft was due to be completed towards the end of 1995.

Another company that has accumulated resources is Mick Austin and Sons. On 23 December 1993 the *Ballarat Courier* reported on a family concern in an article with the heading 'Buninyong gold miners stake claim to $8 million site':

> A family-owned enterprise has started an open cut goldmine operation near Buninyong to extract an initial resource worth about $8 million ... The company has a staff of four and hopes to expand this to about 40 in a year when it begins stage two —

of the mine —

> 'We've done extensive test drilling to a depth of 100 metres over the 28-hectare —

site —

> and have got an inferred resource of about $8 million worth of gold ...'

Since that time I have been working closely with the Minister for Energy and Minerals and Mr Austin to ensure that the project reaches fruition.

In a $5 million expansion, McCain Foods (Australia) Pty Ltd will extend the Ring Road plant, which will manufacture battered fries for export. It will create 25 full-time jobs and the potato growers at Newlyn will see an increase of up to 20 per cent in their contracts.

Roads in my area have benefited from the 3 cent levy. The Midland Highway west of Daylesford has received $324 000 for a new climbing lane. New traffic signals are being installed on the Sunraysia

Highway in Ballarat at a cost of $337 000. The widening of Wiltshire Lane between Glenelg Highway and Western Highway on the outskirts of Ballarat will cost $386 000. Urgent maintenance jobs to be undertaken include: the Daylesford-Malmsbury Road at a cost of $300 000; reconstruction of the Ballarat-Colac Road at a cost of $300 000; and the Ballarat-Daylesford Road at a cost of $250 000. Despite what the Leader of the Opposition said when he tried to give the government a caning by saying that nothing happens in Ballarat, I assure him that things are happening in Ballarat. He will be impressed when he and his shadow cabinet visit Ballarat on 9 May. The Ballarat citizens are eagerly waiting to hear his policies and proposals.

The new horticultural centre was mentioned in the autumn economic statement. An article in the *Ballarat Courier* of 27 April states:

> The state government yesterday committed $850 000 to a new horticultural training centre for the School of Mines Ballarat... The $850 000 grant, announced as part of the state government's April economic statement, is expected to fully cover the cost ... The centre will include a meeting space, demonstration and exhibition area and audio-visual facilities ... The centre will provide a training focal point for horticulture education and training activity in Ballarat and western Victoria and a meeting place for groups with an interest in horticulture ...

Schools in my area include the Mount Pleasant Primary School, which will receive a grant of $100 000 to cater for significantly increased numbers following the closure of the Golden Point Primary School. The merger of two secondary colleges, the Ballarat North (Midlands) Secondary College, and the Ballarat East Secondary College, has been allocated $150 000. The refurbishment of the Urquhart Primary School will cost $80 000 and another $106 000 has been provided today for internal and external maintenance.

Things are developing in Ballarat. The Ballarat railway workshops will share in a $35 million contract to refit metropolitan trains. An article in the *Ballarat Courier* of 11 February states:

> Ballarat railway workshops is carrying out a multi-million dollar contract to refurbish metropolitan trains for the Public Transport Corporation (PTC)... The four to six year project is worth $35 million, shared between Ballarat and Bendigo workshops ... Forty per cent of the maintenance work has been contracted to Ballarat, including the internal refitting and upgrading of Hitachi locomotives... The project, welcomed as one of the biggest new programs for Ballarat ... More than 230 trains, all about 20 years old will be upgraded during the project ... This is a big project and they (the workers) have done a remarkable job ...

On 23 December 1993 the Minister for Health made a statement on what is occurring with psychiatric services in Ballarat. The Ballarat community care unit has just been given $1.23 million for an extra 20 beds. The government is moving to integrate services for the mentally ill with general health and welfare issues. The Central Highlands Linen Service is another success story. In an article headed, 'Local firm tops state', the *Courier* of 11 February reports:

> Central Highlands Linen Service has become the biggest business of its type in Victoria after winning two new contracts in Melbourne worth more than $1 million a year.
>
> The first contract, to start on Monday, is with Preston and Northcote Community Hospital. The second, due to start on March 1, is with North West Hospital, an aged care centre at Parkville.
>
> Central Highlands Linen Service general manager Gary Turnbull said yesterday the service won the contracts on open tender after about six months' preparation ... 'We have now become, I would say, the biggest linen service in Victoria,' ... Sixteen new people had been employed to cope with the service's ... bringing the total number of staff to 94.

Another coup about which a decision will be made shortly is the information technology centre at Ballarat. VicRoads and the Public Transport Corporation will be outsourcing computer services. We are awaiting a final decision but we are expecting a guarantee of at least 100 jobs and overseas links with South-East Asia. I congratulate the government on its first 18 months. It has created 600 new jobs in Ballarat; Ballarat is well placed for the future. It can only go from strength to strength. I commend the budget bill to the house.

Mr MILDENHALL (Footscray) — The Treasurer's April statement was one of the most depressing, sad, negative, uninspiring and pessimistic documents or strategies tabled during my time in this house. At a time when the national economy has clearly turned the corner and Victoria's strategy ought to be have the objective of obtaining Victoria's fair share of the national recovery through jobs, wealth and other measures of prosperity, the

scenario painted by the Treasurer's strategy provides little hope and adds to the increasing gloom.

The indicators would depress any impartial and objective observer of the state's affairs. In spite of its commitment on taking office to govern for all Victorians and in spite of the opportunities it has had to bring Victorians together in the context of an improving national economy, in this strategy the government has turned its back on those opportunities — it has turned its back on the unemployed, disadvantaged communities and the sick and the needy, and has returned to its ideological roots to satisfy its sense of direction.

There is no good news in the economic statement, and the worst news is for those who are in greatest need of good news. The attempt by the government to generate good news out of the mess has led to some extraordinary fiddling of the figures, inventive and creative reporting, as was clearly demonstrated by the honourable member for Northcote, and imaginative ways of trying to explain away the depressing scenario for Victoria.

The Treasurer takes the cake in that respect: his statements to the press on the day he presented the statement are some of the most extraordinary made by a Treasurer in this state. State political editor, Russell Skelton, stated in the *Age* of 27 April:

> Alan Stockdale made an extremely frank — or was it foolish? — admission yesterday when earnestly selling the long-term merits of his bleak autumn economic statement.
>
> Asked about the record numbers of Victorians packing up and heading north, he said: 'The community is making a very sensible reaction; it is saying there are a number of things happening that individually we are not particularly happy about.'
>
> He went on: 'Nobody likes to see public employment reduced, likes to see schools closed, other services affected ...'

This was an attempt by the Treasurer to sell the budget. This is the state's economic spokesperson presenting the scenario! The article continues:

> Admissions are seldom so candid. But Mr Stockdale went on to make a rather fanciful claim that Victorians recognised that these drastic measures were necessary and that was why they were leaving. Perhaps, then, it could be said that these understanding people were simply leaving to make his job easier.
>
> Anyway, Mr Stockdale added, the only way to stop them calling in the removalists was for the government to persuade them that this was the best place to live, work and do business.
>
> Was there anything in this wintry document that might persuade the 150 or so families —

it is now 219 families —

> leaving each week to stay? Is the Stockdale economic spring just around the corner? Will Victoria's recovery at least match that of other states?
>
> According to the Treasurer's copious figures, the answer is no. Despite impressive progress on balancing the budget —

I would call it an obsession —

> retiring debt, and improving the productivity of government services, the overall economic outlook will remain decidedly gloomy.
>
> The state's economy will grow 3.3 per cent next year, significantly below the national growth rate of 4 per cent. And the jobs outlook remains dismal to the end of the decade. Next year 11.5 per cent of Victorians will find it impossible to obtain work compared with 10 per cent elsewhere. Rather than create jobs, Mr Stockdale announced plans to wipe another 3000 jobs off his books.
>
> And the regressive household tax will remain for another year.
>
> A scan of the statement shows that the government lacks any sort of detailed employment strategy. As a token, Mr Stockdale has allocated $10 million to assist employment growth. The funds will be spent among other things on 'encouraging and resourcing' community-based organisations to improve the prospects of 'unemployed persons'. Whatever that means.
>
> Mr Stockdale has also set aside $9 million to renovate the building that houses his office and that of the Premier, Mr Kennett. While he insists that the sprucing up is necessary to bring 2001 communications to the nub of government, it underscores his priorities.

What an indictment!

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Mr MILDENHALL (Footscray) — The Treasurer's April statement was one of the most depressing, sad, negative, uninspiring and pessimistic documents or strategies tabled during my time in this house. At a time when the national economy has clearly turned the corner and Victoria's strategy ought to be have the objective of obtaining Victoria's fair share of the national recovery through jobs, wealth and other measures of prosperity, the

1996-97 is not only inconsistent with the public priorities and rhetoric of the coalition but ought to be the cause of considerable concern for members opposite.

The honourable members for Cranbourne and Ballarat East have already spoken in the debate and I understand the honourable member for Tullamarine will follow me. I call on them to speak to their constituents and explain and justify the deliberate increase in debt, which has depressed consumer demand and set back recovery in this state.

I am sure some of the questions constituents would ask government members would include, 'The current account is moving towards $420 million; how has that happened?' Their answer should be, 'We have made 40 000 public sector workers redundant and we have increased taxes by $1 billion. We have broken promises and told lies. Although we have manufactured unethical taxes, we have balanced the budget. We have made the third tier of government collect $150 million a year for us because we do not have the guts to do it ourselves'.

The government members should also say, 'In case that tier of government kicks up a stink, we are taking to them with the biggest baseball bat in the history of this state. We are restructuring local councils against their will and are taking away their rights. We will subjugate them and wipe out any opposition'.

Where are the Goulburn groups or the Ballarat and Bendigo councils that launched ferocious political attacks on the central government's attempts to snuff out local government? They have been subjugated; they have been turned into tax collectors and have been made to collect this centralist government's iniquitous tax. That is an appalling indictment of the government.

What are the indicators of success? According to the Treasurer we have turned the corner. What are the indicators that characterise the progress achieved by the government? More than 250 schools have been closed in 19 months — is that progress? At least 10 000 teachers have been lost to the system — yes, we could be moving somewhere! The government's policies have led to a lowering of the school retention rate — once the best in Australia. The government has displaced and disenfranchised the future of disadvantaged groups. Members of the government ought to feel ashamed whenever they see examples of the effects of those policies.

What about the Koori kids who cannot go to school because the government has closed Northland Secondary College and who now do not have any satisfactory educational opportunities? What about the kids from Ardoch-Windsor Secondary College, who have disappeared from the system? Last year, during the state school system carnage, I visited Hawksburn Primary School, the only disadvantaged school in the Prahran-Toorak area. I discovered that dozens of children have dropped out of the education system, in line with the Northland or the Coburg secondary colleges syndrome. The education system has been made inaccessible to the kids who need it most — another measure of the progress of this government!

Mr Elder interjected.

Mr MILDENHALL — I defy any honourable member to dispute those facts. I call on the honourable member for Ripon to go on the *7.30 Report* and dispute the facts, if he can.

Mr Elder — Why would I want to go on the Labor half-hour show?

Mr MILDENHALL — His reply would be that the Directorate of School Education publication — also known as *Pravda* — issues the latest directives!

Last year funding for ambulance services was cut by $10 million. After I had been on the radio yesterday talking about ambulances I was contacted by a Mr Baker, who lives in Pimpinio — I did not even know where it was! His story is an indication of the effects of the cutbacks on the health system. This bloke was badly hurt in a motorbike accident; he had a suspected broken back and could not stand up.

Mr ELDER (Ripon) — On a point of order, Mr Acting Speaker, I understand that in the reshuffling of the deckchairs on the ALP *Titanic* the honourable member for Footscray has had a move to the frontbench. I ask you to rule him out of order because he is out of his place.

The ACTING SPEAKER (Mr Cunningham) — Order! There is no point of order.

Mr MILDENHALL (Footscray) — Mr Baker from Pimpinio could not stand. He was badly injured and was admitted to the Austin Hospital for a full examination. After two days of exhaustive tests it was decided that he would not be left a paraplegic or a quadriplegic but that he should return to the Wimmera Base Hospital at Horsham for treatment.

Under the new system for transporting patients by ambulance the Austin Hospital was required to pay for his return home. The hospital decided he did not warrant the services of an ambulance. The hospital told him it would not pay the $1200 to transport him home.

Mr Baker could not walk. His wife, who cannot drive, took a taxi to the West Gate Freeway where a friend picked them up in his semitrailer. The two of them put Mr Baker in the vehicle's sleeping compartment, which is how he returned home. People are dying because the ambulance service is inadequate; people are being left in agony. The policy is heartless and cruel.

In my electorate the story is miserable. I understand that 220 kids are missing out on kindergarten and that 50 fewer teachers are available. My electorate has suffered a 25 per cent cut in psychiatric services. The teenage holiday program, which keeps kids off the streets, has disappeared and has been replaced by a poorer alternative offered by the Department of Justice. The promised swimming centre has been replaced by a far more expensive option at Albert Park, which is part of a trade-off designed to compensate the local community for the construction of the grand prix track through the local parks.

As the honourable member for Ballarat East said, the marginal seats have been lavished with funds.

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

Mr FINN (Tullamarine) — I thank the honourable member for Footscray for his contribution because his comments were some of the finest comedy I have heard for years, particularly the one about the Treasurer having no credibility. Coming from a member of the Guilty Party, that is stretching things a bit far. I congratulate the honourable member for Richmond on his elevation to the position of Deputy Leader of the Opposition. I wish the honourable member for Niddrie a speedy recovery, and I hope the Labor Party gets the bloodstains out of the carpet as soon as possible. I congratulate the Leader of the Opposition on surviving his first — or is it his second? — leadership challenge. I agree with him when he says everybody is behind his leadership: we on the government benches hope he stays in that position for many years to come because he is a strong figure in our favour.

In order to put the budget in perspective we must turn our minds to October 1992. In an article in the *Herald Sun* of 27 April 1994 Terry McCrann, who is the best economic writer in Australia, says:

> In 1992, this state was headed to hell on a handcart. Victorians should never forget the social and financial wasteland which would have been our future if the policies of the Cain-Kirner decade had been allowed to continue ...
>
> Victoria had a mammoth state debt of $30 billion plus — and closer to $60 billion if all the future liabilities and especially superannuation were added.
>
> And the Cain-Kirner regimes had taken us into a disastrous loop.
>
> We were running huge budget deficits — borrowing just to pay salaries and to pay interest on the existing debt, with each annual deficit adding to that debt, and the future interest burden.
>
> Nearly 25 per cent of the state's entire revenue was going in interest and superannuation payments — and the debt-deficit-interest loop was threatening to run totally out of control.

In the months leading up to the defeat of the previous government there was a general feeling of hopelessness and depression and a belief that there was nowhere to go. Victoria was sinking fast. That feeling was not held by Victoria alone; it was held by everyone in the country. Whenever you travelled interstate you were laughed at when it was discovered that you came from Victoria. This state was the joke of Australia purely because of the policies of the Cain-Kirner governments. I was working at 3AW at the time and the station heard constant rumours about financial institutions that were about to hit the wall. Rarely did a week go by when the rumour of imminent disaster did not spread through Melbourne's financial sector.

One Friday afternoon when I was working on the drive-time program the station received a telephone call from a reliable source who told us that a major bank was about to hit the wall. We found this out at about 4.15 p.m., and knew full well that the bank would be closing at 5 p.m. We had to decide whether to go on the air and tell the people of Melbourne that the bank was about to collapse, thereby causing an enormous run in the 40 minutes that people had to get to the bank and ensuring that it would hit the wall, or to sit back and hope it was not true and that people would not lose their money.

We took the responsible course and did not start a run on the bank. The bank's demise did not come about. That story indicates the responsibility the drive-time segment then had, in sharp contrast to the situation that exists today under the vicious parasite who controls that time slot. That is the sort of depression, fear and panic Victoria endured on a daily basis under the Cain and Kirner governments.

The autumn economic statement is the clearest sign yet that Victoria is well and truly on the move. Victoria now has a spirit of optimism. People are prepared to have a go because they know they can win. They could not win under the previous government. The Premier and the Treasurer of Victoria have been hailed as saviours from one end of Victoria to the other.

I direct the attention of the house to the front page of the *Australian Financial Review* of 27 April. The headline says 'Vic's economic miracle'. That sums it up beautifully: Victoria has seen a miracle in the past 19 months. This government has dragged Victoria back from the dead. It is the biggest comeback for centuries. The honourable member for Footscray was keen to mention newspaper articles, predominantly from the *Age* — one should not be surprised about that — but it is worth noting some of the points made about the economic statement by other major newspapers. The article by Terry McCrann continues:

> Yesterday's economic statement shows the government has succeeded remarkably quickly and remarkably effectively ...
>
> The deficit could have been cut entirely by raising taxes — a disastrous course that would have driven even more people and businesses to the comparatively low-tax states of New South Wales and Queensland.
>
> So most of it has been done by cutting spending where there is no question the Labor government had given in to interest groups and was lavishly and irresponsibly overspending compared with the other states.

Mr Steve Burrell, the economics editor of the *Financial Review*, in an article dated 27 April, says:

> First Victorians got the pain.
>
> Now, after 18 months of the Kennett government and some tough decisions, they are starting to see the gains from that pain.
>
> In the process, Victoria is emerging as a model of fiscal management and imaginative micro-economic reform from which other states, and the commonwealth government, could well take some lessons.

Under the heading 'Victorian reforms on course' an article in the *Australian* of 27 April states:

> No government has set itself on a steeper — and politically tougher — trajectory of reform than the Kennett government in Victoria. The first step was to repair and restore the haemorrhaging state budget. The second was to introduce a brand of economic management that encouraged Victorian industry, including government-owned enterprises, to be more competitive, vigorous and productive. Yesterday, after 18 months of often difficult and destructive change, Victorians began to catch their first glimpse of blue sky ... A state once addicted to debt-funded spending is now expected, by the end of 1994-95, to return a budget deficit of only $94 million. Moreover, there are stirrings of a private sector recovery ... it is crucial that the Kennett government holds to its pledge not to be diverted by the lure of soft options. It would be tempting for a government facing an election in 1996 to begin to ease back on its program of reforms, to loosen the purse strings and abandon some of its more hurtful austerity measures, such as the $100 state deficit levy on each Victorian household. The government has chosen not to do so, with Mr Stockdale remarking pointedly that Australians have too often squandered the fruits of reform by succumbing to the urge to relax and relent at the first hint of success.

The article went on to say:

> ... it is fundamental to any long-term revival of the state's economic fortunes that the government lock in the integrity of its budget and financial management reforms.
>
> This has been the Kennett government's unchallengeable strength: the capacity and will to drive through hard but necessary reforms. ... The government has built itself a reputation for being robust, resolute and unwavering on economic reform. To its credit, yesterday's economic statement reaffirms that course.

Finally, one must direct the opposition's attention — as I said, there is only one opposition member left in the house, but I am pleased to see there are plenty of members on this side — to the *Age*, the Labor Party's very own newspaper. David Walker, the state economics correspondent, had this to say — it must have been painful for him to do so:

> ... after years of cancerous current account deficits, Victoria now has an unexpectedly robust year-to-year budget. ... How strong is Victoria's budget? Look at the current account, the government's record of income and consumption. The 1993-94 current account deficit, back in September tipped to reach $1508 million, is now projected to slide to just $1106 million. Adjusting for a $1386 million special superannuation payment, we'll be $280 million in the black this year. The best guess for 1996-97's surplus is now not $26.4 million but a startling $788 million ... And this probably isn't the last improvement we'll see in the current account and debt picture.

That article must have really stung the Labor Party opposition. Now that the *Age* has come on board and is supporting the government, patting it on the back and telling it what a good job it is now doing, the opposition has only the *7:30 Report*. Red Mary and her comrades on the ABC are the only ones the opposition has left and it must be feeling pretty desperate — given the events of today, I think it has plenty of reasons to be just that.

As I say, the government has been widely and loudly applauded by just about every media outlet in Australia for the economic progress and miracle, as it is being called, that it has performed in Victoria. Although Victoria is off the ropes, there is still a long way to go. The people of Victoria know that. They have been willing to make sacrifices and to bear the pain because they know the pain will be worth it. They know this government is taking Victoria in the right direction and that when the time comes everybody in this state will be better off for what the government has had to do.

I was particularly pleased and delighted with the $4.5 million boost to tourism. So far as I can see, tourism in this state has long been a poor relation to just about everything. The mini-budget has made it perfectly clear that that situation no longer exists. Tourism is the poor relation no longer. Just a couple of weeks ago a visiting British travel agent made it pretty clear that he believed Melbourne was Australia's best-kept secret.

This government will ensure that Melbourne is no longer a secret; it will ensure that Victoria is no longer a secret. Melbourne has much to offer — the football, the sports, the restaurants, the parks and gardens and the cultural sites. Any number of these attractions will bring people to Melbourne. But first they have to be told that those sites and delights exist.

After Collingwood's performance last Saturday, it has been suggested to me that we set up a Collingwood festival of losing. I am sure that would attract hundreds of thousands of people from throughout Australia, if not the world.

The ACTING SPEAKER (Mr Jasper) — Order! It would depend on which team you support.

Mr FINN — I agree, but it would be an event to savour. This boost to tourism will support and help Sunbury in its bid to become known nationwide and internationally as the birthplace of the Ashes, the famous cricketing trophy. In case honourable members did not know, the Ashes were created in 1882 when the bails of the cricket stumps were burnt by Lady Janet Clarke at Rupertswood oval. The bails were burnt as a bit of a joke; it was a follow-on from the obituary placed in the *London Sporting Times* in September 1882, which lamented the death of English cricket following Australia's victory over England for the very first time on English soil. The saga was continued at Rupertswood where Janet Lady Clarke burnt the bails and presented them to Ivor Bligh, the English cricket captain at the time — later Lord Darnley — who kept them. That is where the story began.

That would be a boost not only to my electorate but also to Victoria as a whole. That is the sort of tourist attraction from which all Victorians can benefit. Hundreds of thousands — if not millions — of cricketing fans would be thrilled to travel to Melbourne and Sunbury to look at the very spot where the Ashes were created 112 years ago.

Mr E. R. Smith — Are they the same ashes?

Mr FINN — Yes, they are. That would boost Victoria's tourism no end; it is something about which we could be proud. Indeed, the government will be giving more than $4.5 million, which will boost the chances of that happening.

As I have said, the financial situation has improved considerably. It has enabled the university at Sunbury to get off the ground. Just today I announced that the money has come through. A campus of the Victoria University of Technology will be created. As the house would be aware the previous government cruelly closed the Caloola institution for the mentally handicapped in 1992.

An honourable member interjected.

Mr FINN — I do not know where Peter Gavin has gone! As a result of that closure, Sunbury had an impressive building that it did not know what to do with. We decided a university campus would be the best alternative. After much discussion, lobbying and research the state government has come to the party. Next year Sunbury will have its own campus of the Victoria University of Technology.

An honourable member interjected.

Mr FINN — I don't know whether it will be called the Bernard Finn campus. That is something the honourable member may wish to take up. Modesty certainly forbids me from taking the matter any further.

Those are the sorts of benefits that people in my electorate are witnessing as a result of the economic performance of this government. Much has been said about the benefits and effects — call them what you will — of budget cuts in education. However, as a result of those cuts, extra funding has been provided in certain areas.

In recent times I have been approached by many teachers and principals who are applauding what the government is doing in education. I do not ask, 'What do you think of our changes?'. And they do not reply, 'All right'. What happens is that they contact me. They say, 'Keep it up; you are doing a great job'. Teacher unions are renowned for their lying ways, and they continue down that track. I do not speak from prejudice — the personal contact I have had with representatives of various teacher unions has left me with a very bitter taste in my mouth. I have been left with the view that these people are professional liars. Now that the compulsion to join unions no longer exists, thousands upon thousands of teachers are leaving them.

The exercise by the teacher unions is dishonest and hypocritical. They are trying desperately to save neither the children nor the system but themselves. From the carry-on in recent times they are obviously in deep trouble. The campaign they launched about eight weeks ago included me as a target. I have not received one phone call, letter or contact from anybody who has criticised the government's education policies, but I have received many from people who have supported those policies.

I was in my room earlier today preparing this contribution to the debate and through the speaker I heard the contribution from the honourable member for Northcote, the failed and discarded Treasurer of the Kirner government. He was talking about strategic direction. I could not believe it; my blood pressure went through the roof! I had to get up out of my chair and turn my speaker down before I did something I would regret. The honourable member for Northcote is one of the star architects of the Guilty Party, yet today he was lecturing this government on economics. Next thing David White will be dictating policy on water supply or the SEC! I can hardly wait.

The honourable member for Northcote might like to remember where he was when the last Labor budget was being prepared. He was not in this state or even in this country, he was sent overseas while the document was being prepared. It was drawn up by none other than John Halfpenny and his mates in the Trades Hall Council.

Mr E. R. Smith — What has happened to him?

Mr FINN — That is a good question. I had not seen him for a long time but I saw him a few days ago. His profile has dropped, and rightly so.

For the honourable member for Northcote, given his record, to come in here and say what he said today shows that he has more front than Myer. He should be condemned for his comments. Labor Party members have refused to accept responsibility for what they did to this state. After all the evidence the people of Victoria have brought forward, these people do not have the honesty or decency to apologise for their wrongdoings. They still believe that what they did was right, and if they ever get the chance they will do it again. The Labor Party wrecked this state in the 10 years it was in office, and it cannot hide from that because the people of Victoria have not forgotten.

While the government has been tackling Labor's mess in a responsible and open manner, I wonder what the opposition has been doing. Today's little episode is just one part of an ongoing saga of fighting, brawling, petty hatreds and factional intrigue. Today we found out that instead of attending an Anzac Day luncheon the Leader of the Opposition was attending a factional meeting to try to preserve his job and to plot the downfall of his deputy. That is an appalling example of the way the Labor Party operates these days.

As a further example of what the Labor Party has been up to since it left office, I have a copy of a document circulated widely within the Australian

Labor Party in my electorate. It is headed 'A message from rank and file party members for parliamentary democracy, Tullamarine preselection'. This document is not from the Premier, the Treasurer or anyone from this side of the house, it was issued by members of the Australian Labor Party, some of whom I am told were members of this house and the other place when the Labor government was in office — possibly some of them are still here. It states:

> David White would be the worst possible candidate to contest a marginal seat. He would be a disaster for the party in an election standing in any seat. His high profile membership of the cabinet that dealt with the State Bank, VEDC, Tricontinental and Pyramid, and his own behaviour in the 1985 nurses' dispute, would be a crippling burden for the party to carry at the next election.
>
> David White has made some colossal blunders as a minister that have been, and continue to be, publicised in the media and condemned by party members. Some of his blunders are causing continuous damage to the state economy. They will not go away — and the party will be pilloried by Kennett and the Liberal Party at the next election.

At least they got something right.

> David White was the Minister for Minerals and Energy who was responsible for the subsidy deal for the sale of electricity to the Portland aluminium smelter. This was recently criticised by the Auditor-General. Earlier in June 1993 the *Australian* editorialised about the Portland smelter saying that Victoria's taxpayers:
>
> > Are struggling under the yoke of an exceedingly generous subsidy arrangement brokered with the previous Cain Labor government almost 10 years ago.
>
> This subsidy, the editorial points out, 'has already cost the taxpayers $700 million'. The editorial goes on to say it is continuing to cost taxpayers $200 million this year and would cost an additional $1.7 billion over the next 30 years.
>
> At the time critics of the proposal were dismissed by David White who, in a letter to the *Age* on 14 October 1984, said:
>
> > The profits to be recovered over the life of the project will ensure that there is no subsidy for Victorian taxpayers. In fact the profits will provide a revenue base for improvements in existing services to Victorians.
>
> But the profits were a mirage. Instead of a profit the deal turned out to be a $700 million a year loss. How wrong can a minister's prediction be!

We are about to find out.

> Even more damaging is the approval David White gave to the SECV board in mid-1991 for an unrealistic inflation factor to be included in the lease of the Flinders Street building controlled by the brothers Rino and Bruno Grollo.
>
> The *Financial Review* (5 Nov 1993) said the minister approved the deal for a 20-year period in the midst of a property slump:
>
> > The terms were put forward by the SECV board and approved by the Labor minister at the time, the minister for industry, Mr White.
> >
> > With an inflation factor 5-6 per cent during the next 20 years the rental may still be $10 million a year more than the market when it expires.

The message concludes:

> One newspaper editorial speaking of David White and his ambition to obtain a lower house seat said in October this year:
>
> > It would be unthinkable if any of the people so closely linked with the Cain-Kirner years were ever to hold office in government again.
>
> A vote for David White would be a disaster for the Australian Labor Party in Tullamarine and Victoria.

An example of the return to the opposition frontbench of a man who was as responsible for as many disasters as David White is the return of the honourable member for Northcote — and one has to ask where the Labor Party is heading. It is not heading forward, it is heading back. Its members are out with their shovels digging up their dead and putting them on the frontbench.

The government is showing leadership. Victoria is on the move. Victoria is going places. I am proud to be a member of this government. I am proud to be a Victorian. The government under Jeff Kennett and Alan Stockdale will go a long way towards making Victoria what it should be, the no. 1 state in Australia.

Ms GARBUTT (Bundoora) — I do not think we could have stood the excitement had the honourable member for Tullamarine spoken for much longer. What over-the-top, excitable nonsense that was.

I rise to oppose the autumn economic statement, a bleak, depressing and unfair statement. Families around Victoria reading this statement will find no joy, nothing to give them confidence and no reason to stay in the state. More than 200 people a day are packing up and leaving this state and that will continue because of this sort of document.

Mr E. R. Smith interjected.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Glen Waverley knows better than to interject out of his place.

Ms GARBUTT — This document gives no relief to families. It hits the ordinary people, the people who are struggling to pay the $100 levy. It was said that the levy would be lifted when the current account went into the black, but that promise has been broken. As well as continuing to pay the $100 levy, families are being crushed by the burden of paying an extra $1 billion in taxes and charges. This is the highest taxing government in the history of Victoria. As I said, people will not find any joy in this document or anything that would make them want to stay in the state.

The document clearly shows that Victoria is falling further behind. This is the third such document we have seen, but the economic strategy of the government all along has been wrong; it is not working. There is much pain in this document, pain that has been spawned over the past 18 months, but there are no gains. Unemployment is not decreasing; it is getting worse.

Let us consider the figures. In February, while 39 800 new full-time jobs were created throughout Australia, Victoria's number of full-time jobs rose by only 600 — 600 out of 39 800 is pathetic. During 1993 Victoria shared only 12 000 of the 200 000 new jobs created around the country, representing a 6 per cent share of new jobs compared with the state's 25 per cent of the nation's population. Victoria is falling further behind. The rest of the country is coming out of recession and going ahead, but that is not happening here thanks to the Treasurer's statement and successive budgets.

The figures for the long-term unemployed are worse. Victoria has a long-term unemployment rate of 33 per cent, and in the capital city it is 41 per cent. It is all happening somewhere else. No wonder Victorians are voting with their feet and leaving in ever-increasing numbers. They can read the trends; they know where new jobs are being created — and it is not here.

Victoria's employment participation rate is dropping rather than increasing. The government cannot blame the participation rate for keeping unemployment levels high. In December the participation rate was 63.3 per cent; in January, 62.6 per cent; and in February, 62.4 per cent. The participation rate is going down because people are giving up the search for work and confidence has decreased. There are more reasons to shift interstate: to find the jobs and to go where the action is, where there is an economic policy that is working as opposed to this one which inflicts suffering and pain but brings no gain.

There will be little or no job growth through this document. The massive job destruction redundancy program will continue to operate. There is no hope of finding a job in the public service because the number of jobs is continuing to decrease. More people will be taking their voluntary departure packages and leaving for Queensland; 219 people a day are giving up any hope of doing better in Victoria and leaving. Nothing in this statement gives them any hope.

The government's own estimates show that Victoria is falling further behind the rest of the country. People will continue to vote with their feet regardless of whether they look at this statement. It is a silver-service budget for some but not for the rest. Budgets are about making choices, and the government has made its choices and made its priorities obvious.

Having regard to what has happened to programs in my area of responsibility, one figure that stands out in my mind is the $9.2 million dedicated to improving the office accommodation of the Premier and Treasurer. People affected by funding cuts in the community services area well remember that the Minister for Health could find $250 000 to spend on her office renovations last year but at the same time could not find $45 000 for the Grey Sisters. That was a great lesson in the priorities of the government. The $9.2 million for computers, air-conditioning, better plumbing — all the things one obviously needs in the office of the Premier and Treasurer — is going over the top, but there is no extra money for child protection.

I searched through this document looking for comment on one of the top priorities of our community — child protection. Over the past

18 months people have seen that as a major issue and have demanded an excellent, fully operative child protection system to ensure the safety of our children. The government is on record as cutting $7.4 million from that program over two years. Funding has not been increased and it has not been replaced. The money has not been replaced despite evidence that the system is not coping with the increase in reports and that families are being turned away from assistance. Families have to be in an absolutely desperate crisis before they receive counselling because agencies cannot afford to provide counselling services. There was $9.2 million for a fancy office, but one can look in vain for child protection funding aimed at compensating for cuts because it is not there.

It is ironic that on the same day as the economic statement was made, I received a letter from Canterbury Family Centre, which operates a wide number of programs through the Melbourne metropolitan area. The letter asks for assistance in preventing a further cut of $127 000 from its family support program in the coming financial year. The letter, written by the chairman of the council of management, Mr Robert Fisher, states:

> The full $127 000 cut will undoubtedly lead to a reduction in face-to-face contact time with client families and thus a reduction in services.

I will read a couple of paragraphs because what is said is tragic, especially when contrasted to the $9.2 million priority the government has given in the budget to office accommodation. The letter continues:

> As you are aware, Canterbury Family Centre operates six programs across the northern, eastern and southern suburbs of Melbourne, from bases in Camberwell, Ringwood, Croydon and Dandenong.

Some members who spoke earlier represent those areas. They were pleased to stand up and support the priorities of the government. The letter continues:

> We work principally in the area of family preservation and in excess of 80 per cent of our client families are directed to our programs because of protective concerns for the children. Our aim is to engage dysfunctional families in a process of change, which will lead to a safer and more healthy home environment for children 'at risk'.

This is about protecting children fundamentally at risk:

> Most of our programs deal with families who have come to the attention of Protective Services. We have a high success rate with these families, success being measured by the fact that children who would have been removed from the home because of protective concerns are still at home 12 months after the intervention ...
>
> While we support moves to encourage non-profit, non-government community service organisations to be more cost efficient and more effective in service delivery, we are unable to support cost cutting measures which will, at worst, endanger the lives of children 'at risk' in dysfunctional families and at best, reduce services to vulnerable families.
>
> With the introduction of mandatory reporting of child abuse and the increase in referrals to our programs over the last few years, we should be expanding our services, particularly in the outer-eastern suburbs, not reducing them.

Some members representing outer-eastern suburbs have spoken today, but nothing has been said about a cut in the funding of that organisation of $127 000, which is on top of previous cuts to the funding of a group offering support to families where children are at risk. Members have said that they support a range of other proposals in the budget. Presumably they are prepared to support $9.2 million being spent on office renovations while not a dollar extra is allocated to child protection services.

Services will be cut; at best they will be reduced to being available only to vulnerable families and at worst the lives of children will be endangered. The government is prepared to support a policy that will endanger the lives of children.

I looked for a mention in the statement about kindergartens, which are struggling to cope with a $11.5 million cut this year. How is that money being made up? Not in this budget. Not a single dollar extra has been allocated to kindergartens in this budget. Parents must dig deep into their pockets to make up for funding cuts. Fees have skyrocketed; the staff at every kindergarten one talks to says that fees have increased at an average of more than 100 per cent. In addition, the classes are now larger; 30 is the maximum and it used to be 25. Less-experienced teachers are working harder for longer hours and less wages.

Larger classes result in each child having less one-to-one contact with teachers. The committees are struggling to run kindergartens, which are now

really small businesses. Perhaps the Minister for Small Business, who is at the table, would like to think of them in that way. Maybe he will provide some assistance for them because they are struggling with a range of employment issues, including unfair dismissals, WorkCover, and the payment of salaries, superannuation and long service leave.

This government has not offered any extra assistance for people working for kindergartens on a voluntary basis. It performed a large management study last year through its consultants Cresap Langton Pty Ltd, but the recommendations have been neither released nor acted on. The committees are left to struggle.

Another area that has received no extra money is services for disabled people. Cuts have been made in every area of service for people with disabilities, particularly people with intellectual disabilities. There have been staffing cuts to their accommodation services, both community residential units (CRUs) and institutions. Staffing levels are now wafer thin and the health and safety of clients and staff are being endangered. People living in CRUs are now faced with large bills because charges are now based on the user-pays principle. In addition to paying for gas, electricity and food, they are paying for a range of management and administrative costs which the government should be paying for, such as repairs to heaters.

The government has engaged in a shonky exercise where these people, who are not tenants, have become licensees to the Minister for Conservation and Environment in order to avoid the Residential Tenancies Tribunal. These people do not have the rights of tenants. Every other tenant in Victoria, whether renting or living in a caravan park or a rooming or boarding house has rights, but not these people. That has been deliberately avoided by this strange method of licensing.

Fees for respite care have increased enormously — for example, in the eastern suburbs fees have increased from about $1 or $2 a night up to a standard $14.10 a night, with recommendations that the number of days when people have access to it be limited.

One of the latest developments has been the defunding of the group VICSRAPID, which is a sport and recreation group that allows people with intellectual disabilities to access various forms of recreation and sporting activities. That follows the pattern that many well-established information and advocacy group known in Victoria has been defunded by this government. It does not want to hear from people at the grass roots; it just wants to implement its program and collect the accolades of the cheer squad.

I turn to an area which has just come to light — that is a range of emergency accommodation services funded under the supported accommodation assistance program, which is a joint state-federal program. It is near the end of the financial year and the government has not spent the $4.5 million of the money allocated to this program; the growth funds for this year and part of last year's funds have been frozen. Although there are still plenty of homeless people and women and children seeking refuges, the government has sat on those funds.

In the last 9 or 10 weeks before the end of the financial year it has now started to spend the money. The first announcement by the minister concerned changes to women's refuges and domestic violence services. At first the rather vague and deliberately misleading press release of the minister sounded good: an additional $500 000 was to be injected into the services and there was to be a big expansion in the range of accommodation options and the number of domestic violence outreach services. However, when one examines the small print one finds that many of the existing beds in high-security women's refuges are being closed.

Of the 24 refuges currently operating and turning away thousands of women and children every year seven are to be closed. For women needing the security of a secret address so that a violent partner will not follow them and threaten them and their children and other people living in the refuges, those high-security beds will not be available. They will be closed and funds will be diverted into other three-quarter-way houses for women who do not need that extra security. I have publicly welcomed the expansion of that service, but not at the expense of seven high-security refuges.

Of the $500 000 allocated for the program only $250 000 is state money. Although $9.2 million is going towards office renovations, this government will spend only $250 000 on women fleeing from violence, taking their children away from violent situations and at risk of being pursued by violent partners with the violence extending to other people in refuges. Those funds must be spent quickly because they were not spent earlier in the year. The

government has only now got its act together and started to allocate them.

As to the rest of the $4.5 million the government has frozen, the same applies to the other emergency housing types: youth refuges, emergency accommodation services and support services for homeless people. Currently those services are also subject to change and review. There was a period of consultation. The comments I received about the consultation time — three days in some areas — were that it was preposterous or contemptuous. Representatives of services offering vital accommodation to people in desperate situations were called in to meet various departmental officers, given a document and told to return in three days with their responses. It was an insult to those services.

Sitting suspended 6.30 p.m. until 8.04 p.m.

Ms GARBUTT — I turn now to the impact of the autumn economic statement on the Bundoora electorate. I must say that locally there is no relief, no hope and no help for residents. We still have high unemployment. The Treasurer's statement has not addressed long-term unemployment. We have migration north, south, east and west; people are heading out of Victoria in droves!

We are still paying the $100 home levy, even though the government could have removed it and given a boost to community spending; I am sure retailers would have welcomed that. Instead we are paying an unfair and unnecessary tax.

The Bundoora electorate is a fair reflection of what is happening around the state. The Grimshaw Primary School was forcibly closed. The Watsonia South and Yallambie primary schools were amalgamated voluntarily, although they had little option. There have been cuts to education programs such as music, a reduction in staffing and constant disruption due to a lack of emergency teachers.

Kindergartens are in a similar position. One kindergarten in my electorate was closed and parents at the remaining kindergartens are paying much higher fees than they were last year. Some kindergartens have classes of 30 children — the maximum — rather than the 25 they had last year.

The cuts to the Metropolitan Ambulance Service hit home last week when a Greensborough woman died because an ambulance took 22 minutes to reach her after the initial telephone call. Response times have blown out due to staff cuts affecting 100 officers and the MICA service has been turned on its head.

The latest cuts were to the support services of the Helping Hand Association for Mentally Retarded Children and, in my electorate, the Ivanhoe-Diamond Valley support service, which has experienced a 2.5 per cent cut in funding that will result in a reduction in services to clients. There will not be administrative or efficiency cuts but cuts to services provided to clients.

I will raise a few issues that are causing significant concern in the Bundoora electorate. The first concerns the government's proposals for an area known as Mont Park. Although the hospital is one of the local amalgamated hospitals that will be known as the North East Metropolitan Psychiatric Hospital, there is some concern in some areas of the electorate, particularly Macleod and Bundoora, about the government's proposal for a forensic unit. At present there is a small forensic unit at Mont Park, but the government proposes to shift the unit to the disused Greswell hospital site, and it will become a high-security forensic unit for prisoners with psychiatric problems. That is causing outrage in the electorate. An article on the front page of the *Heidelberger* of 30 March headed 'Prison outrage' states:

> A member of the Macleod Progress Association, Mr Reg Johnson, said there was a 'definite proposal' to relocate the forensic prison at Mont Park to the disused Greswell hospital site ...
>
> This proposal for the site is to construct a high-level forensic prison like the one that operates at Mont Park.

In a letter to the Minister for Health I have sought clarification. The site is close to numerous residences in the Bundoora electorate and is causing significant concern. Apart from the security worries people seek assurances that environmentally sensitive areas will not be damaged. In addition, I seek from the government an assurance that the security and safety of residents will be a priority.

The second issue I raise concerns what is known as the R-5 ring-road. The one bright spot in the local area is that last Friday the section of the ring-road between Greensborough and Plenty Road was opened. Although the project is jointly funded by the state and federal governments there remains a gap between Plenty Road and the Hume Highway. If that section is not constructed the Bundoora electorate will not be linked to the Hume Highway

and other important interstate roads and the airport and ports. We will be denied the opportunity of growth, industrial development and jobs that will arise from the completion of the ring-road.

The government announced partial construction of the road to Dalton Road. I am pleased the government has acted on the continuous lobbying by the honourable members for Mill Park and Thomastown, local councils and me. It is a well-supported project. However, the government has made no commitment that the road will continue all the way. I promise the government that I will not stop lobbying until the road is fully constructed.

A further area of concern in the Bundoora electorate is the so-called master plan for the Bundoora-Mont Park hospital precinct. During the past 18 months a reference group consisting of various community representatives has been meeting to supposedly oversee the development of a master plan for commercial, housing and other types of development in that precinct. Complaints have appeared in the local newspapers that the representatives of community groups are being ignored. I refer to comments in the *Diamond Valley News* by two people from the Macleod Progress Association. Mrs Andrea Bow is reported as having said:

> ... community groups which were represented on the group were starting to wonder whether they were accomplishing anything.
>
> 'We are hoping it isn't a farce. We are hoping our input hasn't been wasted.'

That is echoed by another member, Mr Reg Johnson, who is reported as having said:

> ... community representatives are having great difficulty in getting that through to the people in major projects, who appear to be committed to forcing as much high density housing into the area as possible.

Major concerns are being expressed that this group is not being taken seriously, that all the plans are not being revealed to it, that its desire to protect certain environmentally sensitive areas is being ignored and that the government is instead looking to maximise the dollar potential from residential development. The group is complaining that in the meantime some of those environmentally sensitive areas, such as the Cherry Street grasslands, are not being cared for. The last time I visited the area — it was recently — the Heidelberg City Council, or someone, had appeared to have dumped old concrete telegraph poles on the site. Numerous weeds are growing, back-burning is taking place and necessary land management is not taking place.

I refer to the old Loyola site, which was the subject of a recent petition in this place with more than 1400 signatures. That historic building, which was built in 1934, has been classified by the National Trust of Australia (Victoria). It is one of only four local buildings that were built before 1950 and are still standing. Although it is a well-known and important landmark in the area, unfortunately the Minister for Planning has not taken any steps to protect it. The petition asked that the minister take steps to amend the planning policy and protect the old Loyola seminary from demolition. And I ask that the minister take that petition seriously. Some 10 per cent of the south-west riding residents have signed the petition because it is a very important local issue. The local shire has placed an amendment to L37 on public exhibition to protect the site, and I seek the minister's support for the petition.

Local issues often reflect broader state concerns. Concern has been expressed that the government is not providing any assistance to households; they are no better off, there is no hope and there is no reason for people to stay in Victoria. Many are moving north. The economic statement does not give anyone any confidence that the government is addressing any of those issues, in particular the creation of confidence and hope in the future so that people will stay and contribute in Victoria.

Mr COOPER (Mornington) — I congratulate the honourable member for Bundoora for battling on against the odds. It appears that Victoria no longer has an official opposition — although I notice a couple of derelicts walking into the chamber now. Today has been auspicious in the history of the state; the Leader of the Opposition has been knifed and is slowly bleeding to death. While that has been happening the honourable member for Bundoora has tried to keep the ship afloat.

She commented on the problems she claims exist in schools in her electorate. I inform the honourable member for Bundoora, and I am sure I would be supported by most honourable members in this house, that so far as the state education system is concerned this year has been the quietest opening to any school year in my nine years in Parliament. That is a tribute to the Minister for Education and the reforms he has put in place. It shows how bereft of

talent and ideas the opposition is when it comes to this place still punching away at that dead horse. It simply cannot see that those reforms were necessary. It refuses to acknowledge that they have achieved massive gains for education, and more particularly for students.

I find it slightly disappointing that the honourable member for Bundoora and her colleagues are simply aiming at the same old punching bag and getting nowhere. Meanwhile, outside this place, they are trying to bring down their leader. I add my congratulations to those of other honourable members in this place to the honourable member for Richmond on having achieved the high office of Deputy Leader of the Opposition. Although he probably will not hold that position long I hope he enjoys the perks for the time they are made available to him. That applies equally to the Leader of the Opposition, who is clearly bleeding to death. We will not see him in that position for very much longer.

The Appropriation (Interim 1994-95) Bill is important — it allows honourable members to talk about issues more generally than they are normally allowed. When reading some documents this afternoon I came across the government's Victorian budget summary for 1993-94, the introductory paragraph of which states:

> The major challenge facing the Victorian government is the restoration of confidence in the state's economy and finances in order to lay the foundation for longer term economic and employment growth.

I suppose if I were in the pulpit I would be saying that that is my theme for tonight. A more important issue could not be placed before Parliament or the people of this state than seeing its government lay the foundation for long-term economic and employment growth. Both issues are of immeasurable importance to Victorians.

To gauge their importance, one must revisit the 10 years of Labor incompetence experienced by Victoria between 1982 and 1992. That was why this government had to take some of the actions it did — actions that honourable members on this side of the house would prefer not to have taken because they have been unpalatable. However, those actions were necessary. The reasons for those actions are probably best summarised by the Victorian Commission of Audit, which presented its report to the Parliament a year ago. On 7 May 1993 all metropolitan papers circulating throughout Victoria commented on that report.

It is necessary to revisit that subject so that people understand why things have had to happen and the effects of those actions. I refer to an article in the *Australian* of 7 may 1993. The economics editor Alan Wood said:

> For Victorians who still want to know why they have to suffer tax rises, school closures, cuts in train services, massive public sector job shedding and Jeff Kennett, the report of the Victorian Commission of Audit is a two-volume tour de force of compelling reasons.
>
> The short answer is because the Cain and Kirner Labor governments, with the assistance of the Victorian Trades Hall Council and its public sector unions, so debauched the state's finances and public services that even with harsh policies it will take until early next century to restore them to health.
>
> It blew out spending, failed to raise taxes to pay for it and went on borrowing well beyond any prudent limit when economic circumstances suggested it should have been winding debt down.
>
> The Kirner government was more than incompetent, it was deceitful. The commission confirms the evidence of other inquiries on this.
>
> It routinely cooked the books with, in the words of the commission, 'A view to enabling it to report lower levels of borrowings — to the loan council as well as the public — than would otherwise have been the case'.
>
> This is the public sector equivalent of the private sector behaviour that has led the shabby entrepreneurs of the 1980s into courts from Perth to Brisbane.

If that cutting comment from the *Australian* was not enough, I turn to the editorial of the *Age* — the newspaper beloved of our political opponents who sit in disarray on the other side of the house — of 7 May 1993, which states:

> Now there can be no doubt about it. Victoria has been living far beyond its means. There can also now be no doubt that the drastic steps taken by the Kennett government to tackle the state's debt and its budget deficit had to be taken.
>
> The report ... confirms ... that under Labor the state's finances were allowed to deteriorate alarmingly.

> The commission does not accuse the Labor government of illegality, but it does say that it exploited accounting techniques to mislead the public over its borrowings and to make its accounts look healthier (or at least less unhealthy) than they were.

The editorial of the *Herald Sun* of the same date under the headline 'Facing the painful truth' states:

> The full impact on Victoria of Labor's decade of fiscal mismanagement is made painfully clear by an independent examination of the state's finances.
>
> The Victorian Commission of Audit revealed yesterday that the state debt is almost $70 billion, which equals $47 000 for each household.
>
> The commission said that 'if the policies of the (Kirner government's) August 1992 budget had been maintained, the state's deficit would have more than doubled, and the net debt of the public sector would have risen by $12 billion, or 36 per cent, by 1996-97'.

One could easily say that all three, the economic editor of the *Australian* and the two editorial writers of the *Age* and the *Herald Sun*, could not be wrong. It would appear that they wrote the articles together, but we know that that could not have occurred. They got it right because the evidence was overwhelming: there had been 10 years of Labor mismanagement.

I, like other government members, have since October 1992 been party to and agreed with the government's trying to redress those wrongs. Those actions have not been easy. Opposition speaker after opposition speaker since October 1992 has spoken on appropriation, budget and other financial management bills and the theme running through all those speeches has been: 'Isn't it awful what this government is doing to the people of Victoria?'. The opposition does not understand, accept or realise that the actions taken by the government were made necessary by what the Labor government did or did not do between 1982 and 1992. Never for one moment do we hear from the Guilty Party leaders from 1982 to 1992 any expression of regret or suggestion that they may have been able to do better, nor has there been any expression of compassion for the people of Victoria with whom they dealt so harshly.

The Labor opposition spends its time trying to rewrite history. One of the jobs of the Kennett government is to continually remind the people of Victoria that the Labor Party is the Guilty Party, the party that caused the problems. There is a need for everyone in this state to recognise that over the next 8 to 10 years the reins must be kept tight on public expenditure. It will not be as easy as one would like because Labor failed to do the job it was elected to do.

Most of us who were around in 1982 will recall that John Cain rode to power on the slogan 'Labor is for all Victorians'. It was a proud claim. In 1988 there was the John Cain family pledge; not a promise, a pledge. He said to the people of Victoria, 'Remember that a pledge is stronger than a promise', but he let the people down. The Labor government walked away from its promises and pledges and went on a spending spree by borrowing money to pay recurrent expenditure. It committed all the sins that the Whitlam government committed between 1972 and 1975. It was history repeating itself: the Labor government in Victoria did not remember what had happened under the Whitlam government, it revisited all of those sins and did it again.

The only difference between the Cain and Kirner governments from 1982 to 1992 and the Whitlam government from 1972 to 1975 was that the mob that was in charge in this state did not have presses to print money that worked as fast as the printing presses of Jim Cairns, but it spent and spent as if there were no tomorrow.

As a community we put in charge of Victoria a bunch of people who were the equivalent of drunken sailors on leave from a ship in port. They spent as if there were no tomorrow and said, 'Let's have a damned good time', and a damned good time they had on the taxpayers of the state. It is important for Victorians to understand and to continually have reinforced the reasons why Victoria is in trouble today and why this government has to make hard decisions.

I was fascinated in February this year to receive a copy of a document published by Mr Theophanous, the now Leader of the Labor Party in the other place. I was fascinated because I received the document before the Labor caucus received it — I understand caucus may not have seen it yet. It is entitled *Economic and Financial Management of Victoria under Labor*. It is thick, probably because of its author. Page 4 under the heading 'Pyramid' states:

> Some commentators have argued that the then Treasurer Jolly should not have given public assurances to private investors when things did start going wrong.

That is an interesting comment. I thought everybody had argued that. Not only Treasurer Jolly but also the Attorney-General of the day, Mr McCutcheon, informed Pyramid investors that everything was all right. They said, 'Put your money in,' but a week later Pyramid collapsed.

Mr Theophanous goes on to say:

> However, it is also true that irrespective of what the Treasurer said, any government would have faced intense pressure to bail out the ordinary Pyramid investors.

That is a prime example of Labor trying to rewrite history. It is an example of the then Treasurer and the then Attorney-General giving assurances to Pyramid investors that everything in the garden was rosy and that they should continue to pour their money into a building society that was clearly in trouble.

Mr Gude — But there are pixies at the bottom of the garden!

Mr COOPER — And the pixies were saying that everything was wonderful. It is rubbish to say that any government regardless of its political colour would have faced intense pressure to bail out the ordinary Pyramid investors. What did the government do with other financial failures at that time? It did not bail them out. Labor was forced into beginning the job of bailing out Pyramid investors — this government finished it and bailed them out — because two of the most incompetent ministers in the then Labor government, Jolly and McCutcheon, gave a guarantee to Pyramid investors.

Mr Gude — There were a lot of Pyramid investors in Warrnambool as well.

Mr COOPER — I agree. No government should ever have found itself in that position. The former Labor government found itself in that position not because of the incompetence of Pyramid investors, not because of the incompetence of anything that went on at Geelong, but because of the incompetence of two senior minister, Jolly and McCutcheon, who gave verbal guarantees on the public record all around the state that everything was okay with Pyramid. It is a load of garbage for Mr Theophanous to say in a document to his party and to the Victorian public that any government would have found itself in that position. Mr Theophanous should understand that, but the gentleman who is now leader of the Labor Party in the Legislative Council is putting out such rubbish.

On page 5 of the same document he says in regard to the Victorian Economic Development Corporation — we know what that was all about:

> Labor accepts that some overly risky decisions were made by the VEDC ...

That is very grand of him. He makes a generous admission when he says that Labor accepted that overly risky decisions were made by the VEDC. We all recall some of the decisions made by the VEDC, like the development loan for Whipstick Gold Mining and Development Company Pty Ltd. That was a good example of money being loaned to people who were selling drugs and what one would consider an overly risky decision. It did not occur to the former government that its development corporation was doing that kind of thing. Mr Theophanous goes on to say in his document:

> The overwhelming view now in the business community is that the VEDC was a good idea but that it could have been managed better.

Mr Theophanous is really saying, 'We were just good players and ran out of luck. We were doing the best we could but it could have been managed better and it wasn't really our fault'. The third most senior person in the parliamentary Labor Party in this state is saying that the VEDC was not a problem for the former government. I am amazed by that statement! I suppose in their more rational moments most members of the Labor Party would be amazed by it too.

Mr Theophanous goes on to talk about some of the borrowings, and under the subheading of 'Interest Swaps and Short-term Borrowings' he says that some of the actions of the former government were:

> ... highly questionable financial transactions including certain types of interest swaps.

At page 10 he refers to how $35 million was appropriated 'probably unlawfully'. How is that for a balanced statement? He is talking about the Kirner government. He goes on to say:

> The clear purpose of interest swaps with upfront payments was to acquire borrowings without loan council approval.

> Another practice pursued by Labor was to build up what was clearly long-term debt and avoid loan council scrutiny by constantly rolling over the debt in 90-day bills (short-term borrowings are allowed under the loan council guidelines). Nearly $1.2 billion of debt had been built up in this way.

The balance of the statement is probably lost on most people in the community, but it is an admission by a senior Labor Party member that Labor was not only acting illegally but was doing all kinds of fiddly deals to cover up from the loan council and the Victorian public what it was doing.

What was the reaction to this document and to that admission by a senior Labor Party person? The *Age* of 12 February this year states that the temporary Leader of the Opposition — as he now is — Mr Brumby:

> ... backed a controversial discussion paper prepared by the prominent Labor frontbencher Mr Theo Theophanous —

I am sure Mr Theophanous was delighted about that —

> which has been savagely criticised by the former Premier, Mrs Kirner.

It also states:

> Mrs Kirner accused Mr Theophanous of trying to be a 'hero' and dismissed the paper, saying it was not very substantial and full of inaccuracies.

Then the real leader of the Labor Party, Mr John Halfpenny, is quoted as saying that it was:

> ... one person's attempt at notoriety.

The *Herald Sun* of 11 February says:

> Trades Hall Council secretary John Halfpenny has asserted the continuing power of the industrial wing of the Labor Party over its parliamentarians by criticising a report by frontbencher Theo Theophanous.
>
> He attacked the report, which is widely believed to reflect the views of the parliamentary leader, Mr John Brumby, as 'not a constructive or very honest attempt to address the past or future needs of Labor governments'.

Ms Kirner is quoted in the same article as describing Mr Theophanous's paper as a 'pretty sad document'.

If we reflect on what has happened today in this building and ask where it all started, perhaps we could go back to February this year when a statement was made in that article in the *Herald Sun*. That is an interesting article to read to this house tonight because what we have seen today is a reaffirmation that the people who represent the Labor Party in this house are the puppets of people outside this place. They do not come in here with their own views, they are not sent in here by their electors; they are sent in by the Trades Hall Council. When things get tough in this place they run to the telephone so that they can ring up their real masters to get their instructions. Then they go back to caucus and vote.

Today we have seen another example of the fact that the people who are really running the Labor Party in this state are not elected to this place. It is the old story that goes way back in time; the shadowy figures who stand behind Labor Party Mps and pull the strings are the people in the smoke-filled rooms at the Trades Hall Council.

It is a sad reflection that the Labor Party, which likes to think of itself as a party of reform, is in fact a party of reaction.

Honourable members interjecting.

Mr COOPER — You are about to be tipped out on your ear at the next election!

The DEPUTY SPEAKER — Order! The honourable member is to direct his remarks through the Chair and ignore interjections.

Mr COOPER — I was responding to a sneer. The Labor Party would have us all believe that it is a party of reform, but its record shows that it is a party of incompetence. Its record shows that it is a reactionary party; that it does not have control of itself and that its members are puppets whose strings are pulled by people who sit in their offices in Lygon Street.

The aim of the government is to set the foundation for long-term economic and employment growth in the state which is being achieved by the government without any support or encouragement from the opposition. All opposition members do is knock and whine. Every time a significant reform measure is brought into the Parliament, whether it is in the area of education, health, local government, finance or law, all government members get is knock, knock, knock from the opposition.

Every time there is a reform bill — and there are reform bills at least once or twice a week when the house is sitting — containing major reform measures, the leading speaker for the opposition will stand up and say things like, 'The opposition does not oppose this bill; however ...' and off he or she goes in a negative, whining, whingeing, carping role again. That is all we get! Do government members ever hear any praise for the government, despite the fact that opposition members know that the measures the government is undertaking are measures that the opposition would like to have undertaken when it was in government if it had the guts or capacity to do so? Opposition members may have done it themselves, but no, no, no! They do not say anything nice about what the government is doing even if they support the measures, and the reforms in local government are a good example of that.

In the very short time remaining to me — and I would not mind an extension because I have a lot more to say; I do not know whether anybody feels the need to move that I be given an extension — —

Honourable members interjecting.

Mr COOPER — I will appeal, but apparently I am not going to get it. I compliment the Premier, the Treasurer and the leading ministers in portfolios where major reforms have been undertaken such as those in the portfolio of the Minister for Community Services, who is sitting at the table. The minister did not have to beg; I was going to mention him anyway! I compliment the Minister for Health, the Minister for Education and the Minister for Public Transport, who has done a spectacularly successful job. I pay tribute to the Minister for Education for recognising the needs of my electorate in regard to primary school education.

The promises that were made by successive ministers for education, including Joan Kirner, to build a new primary school in a growth area in my electorate at Somerville were never kept. Don Hayward, the present Minister for Education, certainly kept his promise, and construction has commenced on a new primary school in Somerville. I consider that to be a fantastic tribute to a minister who has had to deal with significant financial constraints but has still recognised needs in growth areas such as Somerville.

The Minister for Roads and Ports has certainly finished off the work in my electorate that was never started or left half-finished by the Labor Party, such as the construction of the road links between Moorooduc Road and the Peninsula Freeway, which was done within the first six months of the coalition coming to government, and now the duplication of the link, which will be completed very soon.

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

Mr COLE (Melbourne) — I must say the prospect of the honourable member for Mornington receiving an extension of time for his speech was one that sounded good for a while. I cannot begin my own speech without making passing reference to the honourable member's speech: it is always great to see him holding the fort, sitting on the fence in the manner that he does and making sure that we are all made absolutely accountable for everything that any honourable member in the history of the state on this side of the house has ever done.

It is incredible that he is able to make the statements that he does in relation to the telephone calls that opposition members have received from the power brokers at Trades Hall. I can guarantee 100 per cent that they omitted to call me today or yesterday.

Mr Cooper — So who did you vote for?

Mr COLE — I am not sure whether they have such people monitoring all the words of the honourable member for Mornington and making sure that my response is accurate and appropriate. I will take the risk that they are not, and will speak on something that is totally opposite to what the honourable member for Mornington was speaking on.

Although I missed most of the first 10 minutes of the speech of the honourable member for Mornington, it was interesting that he did not talk about law and order. I suppose there is always a first time that a person does not do what one most expects him to do.

Mr Finn interjected.

Mr COLE — The honourable member for Tullamarine has not been privatised as I thought he would have been. I rise to speak on the Appropriation (Interim 1994-95) Bill.

Mrs Peulich interjected.

Mr COLE — The Last Supper! I think you have got things a little out of proportion: there may be some people in the house who think they are Christ

but they are not quite in that category yet, which is fortunate for some!

I wish to speak on this important bill, and I inform the house that I have made the same speech every time the appropriation bill has come before the house and, in spite of the protestations and calls by members on the other side of the house for me to sit down, I will continue to make it until people either listen to me or take notice of what I say. I am accustomed to neither happening, which is one of the greatest benefits of being a member of the Labor Party.

In comparing the Australian economy with the Victorian economy, which is what honourable members have been doing today, I wish to take this distinction further than other honourable members have done today because, as I have said on many occasions, I do not believe there is such a thing as a Victorian economy. When we talk about the economy we have to look firstly at the Australian context and secondly at the international context. When one talks about a Victorian economy one is skating on very thin ice.

It is convenient to look at a certain sector of an economy and say, 'This is what makes an economy', but that is not so for a number of reasons. One can go back to very basic concepts of what makes up an economy, but in the case of the state of Victoria and Australia one sees what is essentially an artificial boundary. When one considers that very simple notion, which the Minister for Community Services would know about from his study of constitutional law and the history of the constitution, one realises that Australia's states were developed artificially. They were formerly colonies and bore no relationship whatsoever to anything to do with a reasonable programmed plan for an economy. We have taken that very simple concept, which is lost all the time, and we go on to the next one.

If, as was stated in the Treasurer's speech on the appropriation bill, we start to consider that Victoria is somehow separated from Australia and can compete on an international market, we are in for big trouble! I will address that issue later.

I suggest that none of the Australian states can be considered to be the sole determinant of what constitutes an economy. No state, including Victoria, controls the exchange rate, interest rates, tariffs or the money supply. It is fair to say that the amount of money the state government is responsible for would have little impact on the fiscal factors affecting the Australian economy. In those circumstances, and with all due respect to the Treasurer and others who have put forward the idea, any consideration of the Victorian economy is nonsense. There is no such thing as the Victorian economy, and that should be acknowledged. Parliament should begin to work towards a total national approach to issues such as these.

Mr Finn interjected.

Mr COLE — With respect to the honourable member for Tullamarine, it has nothing to do with the abolition of the states; it has everything to do with a national consideration of our economy and our not falling for the idea that the state can have a great impact on that economy.

Honourable members have spoken of the competitiveness of the state, but with whom are we competing? Is it so vital that Victoria compete with New South Wales, Queensland and South Australia? I do not believe that is important. I do not believe it is important that we compete in ways that take jobs from those states and give them to Victoria. It is important that Victoria does not compete with those states using artificial methods, be they subsidies to businesses or the promulgation of tariffs by the federal government. As I said, the states no longer impose tariffs.

From my reading of Australian economic history I know that one of the reasons the predecessors of the Australian Loan Council were established was to try to ensure that the states did not compete against each other on international monetary markets. Different states would compete against each other to acquire finance, which ended up costing Australia large amounts of money. That is but one example. This government should not go down the path of competition between the states. I should be absolutely fair and say that the Labor government did that, too.

For instance, the grand prix belonged to Adelaide until Victoria took it away. The same thing happened to Victoria when it lost the motorcycle grand prix. That was interstate competition in action; it was not mere rivalry. In the long term, the circumstances surrounding the moving of the grand prix motorcycle race did more harm than good to Victoria's image not only in New South Wales but throughout Australia. Issues such as those come to the fore when a government emphasises the need for the state to be competitive and to catch up with, to quote the minister's statement:

> ... the pace of change that is now occurring not only in our region but throughout the world.
>
> This will require accelerating the pace of change in Victoria.

I do not accept that proposition. I accept that the state of the Victorian economy may be a product of the economic development of the states and of the country as a whole; but I do not believe the Victorian government has a responsibility to become involved in so-called competitive challenges to other states. The government's saying we need to do that to increase our standard of living shows that it completely misunderstands its role in this country.

Proposals to change industrial relations procedures and work practices and to keep wage levels down have been put forward largely for ideological reasons. I shall speak in more detail of the impact on workers of the changes to WorkCover, which are designed to achieve lower premiums. Workers compensation is addressed in the Treasurer's statement. Although lower premiums may have been achieved, the price has been high. To describe that as addressing a need to improve our competitiveness with other states is nonsense. It may have a purpose in terms of micro-economic reform; but the issue should be seen as part of a careful balancing of the social wage — of what workers have and should have — and the cost to employers of providing workers compensation. The Treasurer's statement says:

> The government inherited a crisis — a crisis in the state's financial position and a crisis of confidence in the Victorian economy more generally.

It is clear that there was a lack of confidence in the state; but in my view that was a financial perception to do with the government's getting the so-called Victorian economy right. That was this government's mandate, but it has gone too far. It has hurt too many people and damaged services in a reprehensible manner. The government has gone too far because it does not believe in those services. This is an ideological issue, not a financial issue.

If there was a crisis of confidence in the Victorian economy, it was about the finances of the government in general and the public sector in particular. The crisis in the Victorian economy was caused by the recession. As Victoria comes out of the recession there will be substantial increases in tax collections and state revenue — and that has everything to do with the international nature of the economy.

As I said last time I spoke on appropriation legislation, when I went to England, Ireland, Sydney and New Zealand I saw problems identical to those that exist in Victoria — the same corporate collapses, the same or higher levels of unemployment and other difficulties. Problems such as those could not be resolved by a Victorian government. Certainly the worldwide recession, which was allegedly caused by the former Victorian government, could not be resolved. That is one of the problems associated with being part of the international economy. High levels of unemployment have nothing whatsoever to do with the Victorian Labor government.

Any substantial reduction in unemployment in this state will not be achieved by state government action, although it would be churlish to argue that reductions in WorkCover premiums and workers compensation have not had an impact on business. There is no doubt that reductions in premiums have assisted and will continue to assist business. I do not argue that those things are not important but that they are only part of an overall process. The real input that will lead to a reduction in unemployment will come at a federal level and — this is most important — will reflect movements in the international economy. We are part of the international economy, which is all important and all embracing.

It is unbelievable for the Treasurer and others to speak as though some economic miracle had taken place in Victoria that saw people getting jobs who had never had jobs before. I do not blame this government or the former government for the level of unemployment. It is an unpleasant factor of the economic society in which we live and it is one that we must address. We cannot tolerate the Treasurer's comment, 'We are creating the conditions that will facilitate the rebuilding of Victoria'. Perhaps the Treasurer believes his comments and is sincere in his attempts to do that. If the Treasurer honestly believes the government is creating conditions for the rebuilding of Victoria I am worried because that is not the case. That goal will not be achieved because of the Treasurer's limited program in this economic statement or any other appropriation bill. We cannot with any certainty say, 'You have created all this'. We know the unemployment level in Victoria will remain high for a long time, but I do not necessarily blame the government. It has done some silly things.

Mr Leigh — That is not what your leader says!

Mr COLE — If you let me finish! The mind boggles!

The DEPUTY SPEAKER — Order! The honourable member for Melbourne should ignore interjections and the honourable member for Mordialloc should restrain himself. If he wants the call he can have it next but he will not get it if he continually interjects.

Mr COLE — No matter what the political persuasion of the government is, it will not have a great effect on unemployment levels. The unemployment level is a national tragedy. People in the public sector have lost their jobs. Because there are fewer jobs in the public sector, for whatever reason, there are fewer jobs to be obtained. Perhaps those jobs will be replaced in the private sector and perhaps large numbers of people will migrate to Queensland where possibly more jobs are available. I do not know. However, if we, the Treasurer and the Premier deceive ourselves into believing the government is offering an economic miracle to the Victorian economy we are in strife.

It is necessary to understand the nature of the structural change that has taken place. Victoria's economy has been decimated by tariff reductions, particularly in the textile, clothing and footwear industries. It is a tragedy, but it was long overdue and would have happened anyway. We do not like the results. Manufacturing industry lost its protection, profits took a dive and as a result many people lost their jobs.

The Treasurer also spoke about an increase in exports from Victoria and exports generally. Exports have increased for one important reason: the value of the Australian dollar has decreased, making our products cheaper on the international market. It is not credible that a decline in the dollar or an increase in manufacturing and exports is the result of a state government initiative. They have nothing to do with the state government.

We may believe the opening of a factory owned by investors from Japan or obtaining a contract is a wonderful thing, but let us not delude ourselves that somehow we are carrying out some special economic function because that is not a function that the government should be performing. It should be delivering education, health, police services and so on. It should not be involved in issues such as exports and employment because they have little to do with the state government. I have raised this matter on every occasion, regardless of whether my party was in government, that I have spoken on the appropriation bill.

State governments have a limited and confined role. I mentioned the government's role in the cost of workers compensation earlier. We achieved a substantial reduction in premiums only because workers compensation was held in government hands and because of the method used to finance it. It would cause a major disruption if we discovered that the cost of workers compensation in Victoria is far greater than it is in any other state. Our guiding light should be to bring the workers compensation scheme, payroll tax, land tax and so forth into line with the national benchmark. Such taxes should be roughly the same across the nation. The former government tried to achieve that desirable goal, particularly with payroll tax. The Treasurer states:

> Victorian economy on the mend
>
> Strong growth in business investment and recovery in housing construction underpinned Victoria's economic growth of an estimated 3 per cent in 1993-94.

The Treasurer would have us believe this is because of the wonderful work the government has done. I suggest growth and recovery are not better or worse in Victoria than in New South Wales, Queensland, and possibly even South Australia and Western Australia. The results would be roughly the same because the economy is either on the mend or is not. It has little to do with state government, although obviously some things can be done to assist. The Treasurer continues:

> Another sign of improved competitiveness is export growth. In the first seven months of 1993-94, exports were 12 per cent higher than a year earlier.

I do not accept that the government has had such a significant impact on exports during the past 18 months it has been in office. As I said earlier, it is the result of international factors and has very little to do with what the government has done. It may be an indicator that things are improving but it does not indicate what the government has done in the economic field. The sooner the talk about how great the government's impact on the Victorian economy has been ceases, the better everyone will be.

The Treasurer also says:

Reform of service delivery

Ongoing reductions in service delivery costs of over $1.2 billion have formed the core of the government's strategy to reduce its budget deficit.

We know about that. There is no doubt that in the past 16 or 17 months there has been a policy of slash and burn. Over the past 17 months every area, except the police, has been weighed into in order to cut back costs. While some changes are appropriate, the cutbacks have been so ruthless and unrelenting that there have been some of the most awful results one could possibly imagine.

I do not want to cut across the area of health too much because of my fear of the Minister for Health when she talks about case-mix funding, ambulances and other things. She starts to believe she is a miracle worker who has uncovered something. The case-mix funding concept was actually considered and implemented by a Labor government. It is much more a product of the federal government than it is of the state government and it comes at an extremely high price when one considers the damage it will wreak on the system. as a result. Putting it forward as the universal panacea to all ills in the health system is complete and utter nonsense. It is dangerous nonsense because we are not talking about something that has a great margin of error; we are talking about something that can go terribly wrong.

All honourable members would agree with the Treasurer that it was, is and continues to be disgraceful that Victoria does not get the commonwealth revenue it should get. What seems to be a movement away from general to specific purpose grants is unacceptable. I recall that the former Premier, the honourable member for Williamstown, did not receive bipartisan support from the then Leader of the Opposition, the present Premier, when she went to Canberra, and there was a devastating result in the amount of money Victoria received. The opposition acknowledges that a state cannot possibly be run without a fair share of revenue from Canberra.

I reiterate that honourable members must change their perceptions of what the Victorian economy is. I believe there is no such thing. We must look at an Australian economy, stop constantly discussing what can be done and concentrate on service delivery and reform. With respect to the health Minister — I must single her out yet again — —

An Honourable Member — She is an outstanding contributor.

Mr COLE — She might be, but the ambulance service is in an extremely unhealthy state. The only reason the ambulance service is cleaner than previously is that there are now fewer ambulances to clean! Victoria is looking down the barrel of a gun. The ambulance service is facing severe and chronic problems because the managerialists have taken over. They have added up and subtracted, and there are fewer ambulances available than are necessary to do the job properly. If the minister bothered to go out and have a good look — —

Mr Gude interjected.

Mr COLE — I see you want to make a joke of it while somebody is contributing to a legitimate debate about an ambulance service. The next time an ambulance cannot arrive because none is available I will not say anything to you, but I will be thinking of you.

Mr LEIGH (Mordialloc) — I cannot ignore some of the comments made by the honourable member for Melbourne. Not only does he not seem to be in his own faction, but he seems not to be in his own party! I sat here during the 10 years that the present government was in opposition and one of the things I constantly heard about from the then Premier, the Honourable John Cain, and his Treasurer, Mr Jolly, was Victoria's low unemployment figures. Week after week, month after month, they always talked about how Victoria had the lowest unemployment rate in the country, and it is true that those statistics were correct. I suspect part of the reason for that — as we found out later — was the mismanagement of funds to prop things up during the years of the Labor government. Now that the Labor Party is in opposition it claims that everything that happens in this state has nothing to do with the current government but is due to financial responsibilities, international markets and all the rest of it.

The honourable member for Melbourne says that unemployment rates in other countries are similar. Australia went into a recession a full 12 months before any other country did. If the honourable member had ever run a business, which he has not, he would know why — the overdraft rates.

Mr Cole interjected.

Mr LEIGH — Lawyers are never in business in that sense. Many small businessmen went to the

wall not because they were unprofessional or because they were uneconomical in what they did but because the then federal Treasurer and future Prime Minister, Mr Keating, drove interest rates up as part of fiscal policy to alter the economy of Australia. They were driven up so much that the economy was mucked up.

It was eight years before it all went wrong; Mr Cain beat the opposition to death for eight years saying that the former government was marvellous in what it had done. Now the honourable member for Melbourne says that it has nothing to do with the state government and it has everything to do with anybody else. The Labor Party cannot have it both ways. Even its own leader says that the state government is responsible for the unemployment situation.

Mr Gude — Today's leader?

Mr LEIGH — Today's leader.

Mr Gude — Not tomorrow's leader?

Mr LEIGH — Not tomorrow's leader. The honourable member for Melbourne is at odds with his own leader.

Mr Cole — Don't worry; nobody listens to me any more.

Mr LEIGH — I watched the honourable member for Melbourne on camera today and certainly they were listening to him.

The honourable member for Melbourne mentioned the grand prix and said that all this competition is bad. The fact is that Victoria lost the motorcycle grand prix at Phillip Island because of the stupidity of the former Labor government. Victoria obtained the grand prix from South Australia because that state would have either lost it to Japan or some other country; the race would not have stayed in Australia. The sponsors had pulled out; everybody was pulling out.

Now the Leader of the Opposition whines about it costing Victoria money. What he does not know or does not seem to want to know is that even if the race runs at a loss of a few million dollars, enormous income will be generated in this state — that is, the pool of money available to be spent in Victoria will be increased. That will create jobs in tourism areas and shops, construction work and the like. The honourable member for Melbourne and the Labor Party seem to think that that is not relevant, they should all go on their merry way claiming that none of the problems were ever their fault.
Mr Theophanous said that most of the problems were the fault of the former Premier, the honourable member for Williamstown, Kirner, and company. I recall that her rebutting what she thinks is wrong in what he said.

The honourable member for Melbourne also forgets that for 140 years this state had a bank that was making a profit. I recall the former Premier, the honourable member for Williamstown, informing this house that she had done a deal with Paul Keating and nobody would lose his or her job as a result. She said that in this house time after time in answer to questions from the opposition. As all honourable members know, many thousands of people lost opportunities because of the loss of State Bank Victoria. One can look at it in any shape or form one likes, but the fact is that that bank was lost because of the former government's policy, a policy set in train in the early 1980s by John Cain and company well before the honourable member for Melbourne arrived in this Parliament. It was that policy that set it in train, just as the Victorian Economic Development Corporation was a creation of the former government.

The Labor Party has said that the VEDC was around when the Liberal Party was in government, but what it failed to tell everybody was that it altered its operational manifesto so that it could get into all those crazy schemes. People saw them coming and said, 'Here come a bunch of suckers. Let's take them for all we can get'. Unfortunately it involved the money of the taxpayers of Victoria. Labor never worried about those things.

The honourable member for Melbourne said unemployment is the same around the world, that it is 11 per cent or 10 per cent everywhere. How then does he explain the fact that it is 7 per cent in the United States of America? I do not know whether he has a good understanding of mathematics, but 4 per cent is a fair difference! Some of that unemployment must be the result of the federal government's industrial relations policies. The present strike at the Shell Company of Australia Ltd refinery is a direct consequence of the policies the federal Minister for Industrial Relations, Mr Brereton — Mr Botany Bay, who was involved in scandals in New South Wales — has put in place. He is now running the industrial policies of the country, a job he says he does not want!

The Labor Party suffered a giant case of amnesia when it became the opposition: it says nothing is ever its fault! The current Leader of the Opposition visited my electorate to target its businesses. They had had 10 years of targeting from the Labor Party and do not want to be targeted by it any more. He finally found one business in the southern suburbs that was prepared to allow him to visit. An article published in the *Oakleigh Springvale Times* of 13 April reports the Leader of the Opposition as saying:

> 'A year ago the view was to vote Labor out and try to clean up the mess but the Kennett government has been in for 18 months and people are seeing that they cannot blame the previous government any more for the state's problems.'
>
> Mr Brumby said there was still a lot of goodwill towards the Labor Party in the community and was confident that would be reflected in the next state election.

The Leader of the Opposition says it is not his fault anymore, yet because of Labor's crazy money deals when it was in government in 1996 the Victorian government will have to find $900 million to buy back part of Victoria's public transport system. In 10 years, under all sorts of shonky deals, Labor flogged off 84 per cent of the entire public transport system of the state — those are the Auditor-General's figures — never mind the $2.5 billion problem associated with Tricontinental, another issue Labor has a memory lapse about!

What is Labor's solution? The former Prime Minister, Mr Hawke, said of the federal Liberal Party in the early 1980s that if its members could not govern themselves they could not govern the country. Never was a truer word said! After watching activities around this place today it is obvious that that remark clearly applies to the group that calls itself the Victorian opposition. Opposition members are a shame and a disgrace; they are an insult to the democratic process in Victoria.

The Labor Party has a proud history and has made an important contribution to Australia, but one of its problems today is that it is a party of intellectual snobs who do not want to be acknowledged as such. The party of the workers is led by a man who has had a silver spoon stuck further into his mouth than most other honourable members have had. He was a Melbourne Grammar boy! And one of his classmates was the honourable member for Albert Park! These are the people who know all about the problems of the workers — lawyers, intellectuals and do-gooders. I do not class the honourable member for Springvale as an intellectual!

All the do-gooders, such as the former Premier, the honourable member for Williamstown, wear their hearts on their sleeves and say, 'This is shocking but it is not our fault'. Who caused the tragedy that has damaged this state? Lately the Labor Party has worked out an arrangement to contain factional brawling.

Mr Micallef — Where did you go to school?

Mr LEIGH — Parkdale High.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member should address the Chair rather than engaging in conversation with close friends across the chamber.

Mr LEIGH — The honourable member for Williamstown is concerned about getting more women in Parliament. That is a good idea, but I am sad to see that a man has gained preselection for her seat. One of the former Premier's closest buddies, Moira Rayner, the former Commissioner for Equal Opportunity, was quoted in the *Age* on affirmative action as saying:

> I want the best women, and the best men, in Parliament. I don't want quotas of anything if they're time servers, the merely opinionated, professional 'networkers' — —

Mr COLE (Melbourne) — On a point of order, Mr Acting Speaker, although an appropriation bill is a broad bill I do not think it covers affirmative action policy in the Labor Party. We should be a little more restrained than that in our approach to the bill, and I ask that you bring the honourable member for Mordialloc back to order.

Mr LEIGH (Mordialloc) — On the point of order, Mr Acting Speaker, the appropriation debate is a wide debate that concerns what the opposition and the government are doing. The honourable member for Melbourne talked about what the government is doing. I see no difference. I am making my comments on the appropriation bill.

The ACTING SPEAKER — Order! I expect that the honourable member for Mordialloc was making remarks leading to a financial observation of some kind. I am sure he will pursue that course rather than be diverted onto other matters.

Mr LEIGH — I intend to, Sir. The government has moved on from the debate about Moira Rayner, but Ms Rayner disagrees totally with the views of the honourable member for Williamstown, as do most women. Even more interesting is an article published in the *Australian* of Monday, 18 April:

> We debated the talent issue and agreed ability should be the bottom line, but it should be the bottom line for the men as well as the women. Neither Queensland nor Victoria has used talent as the issue in preselections, so if the men want to hoist us with the talent petard, they will need to hoist themselves as well.

Would anyone like to know who said that? The honourable member for Williamstown knows full well she was making that comment about her own colleagues. Never was a better example set than the behaviour of opposition members in this chamber and behind the scenes. They are an abominable group of individuals who do not seem to have any serious — —

The ACTING SPEAKER — Order! I would prefer the honourable member for Mordialloc to relate his remarks to the line item relating to expenditure on Parliament, in which case he could be relevant.

Mr LEIGH — The point I am making has everything to do with why the Victorian government is doing what it is doing in the allocation of funds, which I am coming to. The fact is that these people crippled the state financially, and the former Premier recognises that merit was not the reason why they gained their positions.

That is what she said, not what I said — I merely quoted her. But that is not what happened. The honourable member for Williamstown obviously lost out in her deals and was not successful in getting a woman to replace her. When you see what has happened in Victoria — —

Ms Kirner interjected.

Mr LEIGH — You have not. You were a member of Labor unity, you sold out and joined the socialist left — and you know it. Over the years the honourable member has done deals to suit herself against the interests of the state.

The ACTING SPEAKER — Order! The honourable member for Mordialloc on the bill.

Mr LEIGH — I was sidetracked by interjection from the honourable member for Williamstown.

The state government has had to take action in many areas but not one member of the government has enjoyed doing that. Not one member of the government has enjoyed the imposition of the $100 home levy. The levy is a disgraceful tax to impose but the government had no option. Who was responsible for bankrupting the state and losing government revenue? Why did we impose the $100?

An honourable member interjected.

Mr LEIGH — They were economic vandals. The former State Bank Victoria was a financial contributor and economic lever for the state; it produced a return which saved taxpayers an enormous amount of money. We lost it. We lost not only the financial benefits but also the lever we had. The state was left in debt because the honourable member for Williamstown knew how to do deals with the then federal Treasurer. The honourable member sits there and pretends to read books but she knows all about it.

Honourable members are all aware of the squandering that went on under her administration, including the $100 000 she paid her mate Ann Morrow, who now sits on the Commonwealth Schools Commission in Canberra. That disgraceful and despicable act was not in the interests of Victorian taxpayers. There were many little deals and golden parachutes behind the scenes. Peter Gordon received $90 000 after serving only 16 months in the Victorian public service.

The honourable member for Melbourne said the state has no influence in what happens. He said there was no financial crisis and nothing wrong in the state. I advise him that Victoria had a serious financial crisis because day after day we went from scandal to scandal. I am sure he would not remember even two-thirds of the scandals now. Does he remember the $1.5 million spent on the cages designed for driver-only trams? Does he recall the $100 million worth of trams that were lying idle all the way down Bourke Street? Does he remember that?

An honourable member interjected.

Mr LEIGH — I bet he had a state Bankcard. Does he remember all those trams sitting out there? The opposition is jealous because it could not negotiate

with the unions the way this government and the current minister have. He has talked to all parties.

What happened to the $1.5 million worth of equipment the former government purchased to put in the trams in a deal that Jolly Jim Kennan could not keep together? They sold it as scrap for $1500. It was hidden under the West Gate Bridge in a place euphemistically known by Public Transport Corporation officers as the Batcave. A map showing where it was stored was faxed to me and I went there to have a look. Departmental officers had been there the night before and had taken out as much of the material as they could.

Victoria suffered so deep a financial crisis that everyone lost confidence about doing anything. People who could have helped the government make financial decisions that would assist in creating jobs left the state.

The honourable member for Melbourne and most of his colleagues wear their hearts on their sleeves and express concern about the unemployed, but who has run this country for 10 years? The Labor Party! Who is releasing a white paper tomorrow that is supposed to solve all the problems and produce all the money from somewhere — it will probably again mortgage the future of Victorians? The Labor Party! The opposition says Victoria does not have these problems, but Victoria's public sector debt is running at 31.1 per cent compared with 15.9 per cent for New South Wales and 6.4 per cent for Queensland. Clearly the Victorian economy suffered dramatically over the years of Labor government.

The two questions that come to mind from watching the mismanagement of the former government day after day are, firstly, how could the Labor Party have let it happen and, secondly, how could we lose so many great opportunities because of the total incompetence of such people as the honourable member for Williamstown? The answer the Labor Party gives today is that it will return the honourable member for Northcote to shadow cabinet and perhaps put him back as shadow Treasurer. The opposition will bring back one of the architects of the Guilty Party that left Victoria in such a dreadful condition prior to the last election.

Victorians want a good government and a good opposition. If you do not have good opposition sometimes you do not get good government. The coalition is a good government, but it has a pretty crumby opposition. Even tonight's edition of the *7.30 Report* said that. It is not just what the government is saying, everybody is saying it. The Leader of the Opposition is in the control of a handful of people, a group of socialist left members like the honourable member for Thomastown, who, given the opportunity, as he was once in the Nunawading Province re-election, would misuse his position to the disadvantage of the voters of Victoria.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member should return to the financial management provisions of the bill.

Mr LEIGH — The opposition has a responsibility to do its job properly. It is sad that it does not wish to do so. I have listened to the Labor Party's whingeing and whining today. It said the government has done nothing positive. When the opposition was in government it axed all the drug and alcohol programs and did not replace them. The government is now changing the system so that the focus is on individuals at the beginning of their alcoholism problems rather than at the end when they are in the can. We can still look after the person at the end while helping people before they get to that stage. When the former government was in power it took the money away, sent it somewhere else and left those people in the lurch.

I turn to the position facing schools today. Although my son attends a state school I would not send him to some schools in my electorate because of the condition in which the buildings were left by the honourable member for Williamstown when she was Minister for Education and later Premier. They are an utter disgrace. Some buildings are so old and in such bad condition that you cannot use them in winter because the rain gets in, and in summer the dust is a health problem. Since December last year almost $2 million has been allocated to six schools in my electorate for maintenance. Parkdale Secondary College required $550 000 as a result of the changes to the education system, and today it received it.

My sister, who is now 36 years old, attended Parkdale Primary School when she was 7 or 8 years old, and the school has not had a coat of paint since then. It is a disgrace. One could say that former Liberal governments are partly responsible, but the longer it was left the worse it got. Under the former Labor administration between 1982 and 1992 there were 75 000 fewer children in the public education system because of the demographic changes to our society. When the Liberal government came to power in 1992 there were actually more teachers than there were in 1982, yet there were 75 000 fewer children. The former Labor government took the

funding from capital works programs and put the money into classes. The cost of running the former Aspendale Technical School was nearly $4800 a pupil. There were 13 students to a class and the school used to have apprentices, but under this government and the former government they attend TAFE colleges. It cost $4800 to educate each child. For another $1000 we could have sent the boys to Mentone Boys Grammar and the girls to Mentone Girls Grammar, both reputable private schools. Instead we were running a state school where on average the cost per pupil was about $4800.

For an extra $1000 these children could be sent to private schools, courtesy of the government, and that is ridiculous. It is not in the interests of my community or areas such as Cranbourne, because parents want new schools for their children.

The former Labor government capital works program did not eventuate. Since November last year Cheltenham East Primary School has received $146 000, La Page Primary School has received $145 000, Mordialloc Primary School has received $146 000, Mordialloc-Cheltenham Secondary College has received $750 000, and Parkdale Secondary College has received $550 000.

Mr Loney interjected.

Mr LEIGH — The government does not use whiteboards. Those schools deserve the funds they have received, and if the honourable member for Geelong North visited my electorate he would see why they received those funds: not because they happen to be schools in an electorate represented by a member of the government, but because those schools were left in a disgraceful and disgusting state by the former Labor administration. Honourable members opposite should be ashamed that they are members of a party and a former government that did not govern in the interests of the children of Victoria.

The Labor Party is still the Guilty Party. Mr Sword, the state president of the party, said on ABC television that the Labor Party was decimated at the last state election and deserved it. A former Labor Treasurer, the honourable member for Northcote, said that if the Labor government had done what it should have done the Liberal government would not have had to carry out the task it now has to undertake, and for that honesty the then Leader of the Opposition, the honourable member for Williamstown, sacked him from the frontbench. The Labor Party deserves to be out of office because, as occurred with a former Liberal government, it forgot the purpose of government: to serve the community and not the interest groups that sometimes gain control of political parties.

The honourable member for Geelong North asked by interjection if the Liberal government has a whiteboard. The test for the honourable member, as it is for every member of the opposition, is that funding is provided for schools in electorates regardless of their representation, which is the way it ought to be, because communities in need deserve to be helped.

The coalition has a philosophy of self-help. School communities that want to provide for themselves will be assisted in every way. The schools in my electorate do not believe the Liberal government is doing a bad job. One school was closed because its enrolments reduced significantly, but the former Labor government wanted to close two schools in my electorate!

The Labor Party may have a proud history, but it should not be proud of its actions since the mid-1980s. I hope members opposite never forget the disgraceful condition the state was left in after the period of Labor government.

Mr SEITZ (Keilor) — The bill does not go far enough in catering for the needs of my electorate. For example, I need more funds so that I can employ extra staff in my electorate office to service my community.

Honourable members interjecting.

The ACTING SPEAKER — Order! I ask the house to come to order.

Mr SEITZ — Thank you for your protection, Sir. The people of Keilor need extra services, especially because of the shortage of housing. The housing ministry has said that the waiting list for public housing means an eight-year wait. That is disgraceful because many people need homes ranging from emergency accommodation to places for single people. People have to sleep under bridges for a long time. The waiting period under the administration of the former Labor government was two years, which was long enough, but my community has a large population of immigrants and there is a great need for accommodation to help the less fortunate so that they can have some security and stability in their lives. I urge the government to provide more housing. Large

housing developments are proposed in my electorate and in Sydenham, and the Urban Land Authority could acquire more stock to reduce the long waiting list for housing.

Turning to education, I acknowledge that funds have been allocated for the upgrade of the Keilor Downs Secondary College and the stage-4 development of the Taylors Lakes Secondary College, for which I am grateful. I hope the projects can go ahead soon so that the children will not have to use portable classrooms. Many other schools in the area are in need of major work programs and upgrades because Keilor is a growth area and, as I said before, the assumptions of the education bureaucracy about the number of students at certain schools were incorrect. The Minister for Education could not close a school in my electorate because of the increasing number of students. However, many schools were built in the early 1950s and they need to be upgraded. Under the new education formula, parents can choose the school to which they wish to send their children. Self-help programs may work in affluent areas, but they do not work in poor, working-class areas, especially in communities that include many people with migrant backgrounds.

Many new immigrants work in factories or as labourers, yet often they are more highly qualified than people in this place. That is an injustice. Funds should be allocated to provide jobs and services.

Having said that about education, I will comment on another community need — transport. Again because Keilor is a growth area, bus services should be expanded, and the whole community wants to know if and when the electrification of the train line from St Albans to Sydenham will take place. I do not see evidence in the interim appropriation bill of plans or drawings or works to be done on that project. I would welcome the minister's advice on whether he intends to go ahead with that project, because a regional shopping centre is in the first stages of development in Sydenham, and public transport will be needed for community access to that centre.

A profitable shopping complex would also be a job-creation scheme for the area, but to become profitable it needs public transport. Such a centre will service the whole region, not only the city of Keilor and part of the Keilor electorate but also Melton and Sunbury and as far away as Bacchus Marsh. I am sure people will come from those areas to avail themselves of a regional shopping centre, and a viable regional shopping centre would create employment, but public rail access is essential. A level crossing is also needed to allow direct access from Sunshine Avenue across to Kings Road, where another level crossing is required. I do not see that as a line item in this bill. That work needs to be done, and I hope there will be an appropriation for that in the budget proper and that the Minister for Roads and Ports and the Minister for Public Transport give serious consideration to the issue.

I move now to the health and community services field. Most young families in growth areas are in need, and the federal government is providing funding to assist with capital works for child-care centres, occasional child-care centres, recurrent salary costs and subsidies for parents who must go to work for economic reasons and must therefore use child-care services. Neighbourhood houses also require further assistance. The program establishes the play groups that operate in particular areas, and grandparents are able to attend the play groups so that the kids can mix and run around rather than having to sit at home while being minded by their grandparents.

Early learning programs that aid in the development of the child will also be funded by the federal government. As we know, if a child learns at an early age to mix with other children it is of great benefit in the development of the child's own educational skills, which helps when the child goes to kindergarten — if the parents can afford to send him or her to kindergarten with the increased charges and changes the government has made necessary, particularly in my area. Not only has the government made attendance at kindergarten difficult by increasing the cost to parents, but additional burdens have been imposed on parents because many kindergartens have closed down, forcing parents to drive — the kindergartens are no longer in the neighbourhood and within walking distance. It all adds to the living costs of a community that cannot afford those expenses. I ask the Minister for Community Services to review the need for the community provider to ensure that local kindergartens stay open at an affordable cost.

Not only must the kindergartens be open and new buildings erected, the service must be affordable. The cost cannot be applied equally across Melbourne, as is done with the $100 home levy. Some people are earning $1 million a year and can afford to pay exorbitant prices, but other people are earning only $200 or $300 a week gross and cannot afford those prices. The government and the Minister for Community Services should take that

on board. There needs to be a balance between what the community can afford to pay for the early education of a child and the cost of that education, and that must apply from play group, to prep, to kindergarten and in child-care centres. At least there is federal government support for child-care centres.

Educational expenses impose a heavy burden on young families. Most couples get married when they are around 24 or 26 years of age and start a family, so until they are about 40 or 50 years old all they do is work and earn money so that they can keep the children at school and pay the school fees and the cost of schoolbooks, excursions and everything else that goes with it. Those important things have become less affordable to the people in my electorate under this government. These are economic matters because the economy of the community I represent must be viable so that it can survive, and it needs educational opportunities such as those that have been created at the Victoria University of Technology campus at St Albans. Those opportunities should not be denied the people of my electorate because local education services are being made more expensive.

Proper government planning is needed to create local jobs. The decentralisation of government departments would attract jobs to the region and allow it to be self-sufficient and have its own economy. If a recession then occurred the people would not be competing with people from Brunswick, Footscray, Kew or anywhere else, jobs would be available locally.

Plenty of opportunities can be created, yet the mentality still exists that says that everything must be in the inner city area and there should be no jobs out in the suburbs except factory work that nobody wants. The people of the western suburbs have demonstrated over the years that they can campaign well against a noxious industry on a site that used to be the dumping ground for the west and the north-west. The people of the western suburbs are able to deal with any situation and workload, as was demonstrated when the government put a campus of the Western Hospital at Furlong Road, St Albans. Staff to provide all the services was available in the area and there was no need to recruit overseas or interstate. The western suburbs already have people with university qualifications, and there will be more of them if education is affordable throughout the community. The present high retention rate for VCE subjects did not exist before. It was achieved under the Labor government and I hope Liberal government policies will not change that situation to the extent that people in my electorate will not be able to afford an education.

The last major point I raise concerns the problems facing elderly people in my area because of increased electricity, water, gas and other charges. Service charges are imposed indiscriminately, regardless of whether people can afford them. Despite their having health care cards that entitle them to some concessions, people find that the charges are levelled uniformly across the board, despite different levels of income. The government and the Treasurer should examine that situation.

The government has increased the burden by breaking up the billing periods. That is particularly so with water charges, because the consumer will now be billed every three months. Instead of paying $90 a year for extra water, the consumer now receives a $60 bill every six months or even three months. It is just covering up the imposition of the extra charge. The government suggests it is being done so that people will find it easier to pay their bills. That is nonsense! When you add up the four bills at the end of the year you will probably find that the total is $400 rather than $90. Staff have to go and read the meters and extra costs are involved in sending out the additional bills; people in the community are paying those hidden costs. There is no way that changing the billing in this way is doing a service to the community or reducing the cost of government.

People should have to pay no more for water than the cost of the service and the facilities — God still lets it come from heaven free. If the government could work out a way to charge for the air we breathe, it would do it! There is absolutely no need for this system. In a new subdivision the infrastructure is part of the building block, and the subdivider must pay to reticulate water, gas, electricity and telephone services to the block. Why have increased charges for all those services been imposed on people who can ill afford it, particularly in an area that has the highest unemployment rate in the state? I do not see anything in this interim appropriation bill to alleviate unemployment in my area. I ask the minister to re-examine it.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The SPEAKER — Order! Under sessional orders the time has arrived for me to interrupt business and

to give consideration to the adjournment of the house.

William Hovell Preschool

Mr LONEY (Geelong North) — The matter I raise for the attention of the Minister for Community Services concerns the William Hovell Preschool in Corio. I have received correspondence from the preschool about a matter that arose on 21 February this year.

The president of the William Hovell Preschool was telephoned at home by the Barwon district preschool adviser who made inquiries about a child who had transferred from William Hovell Preschool to another kindergarten. The president, then only five days into the job, was asked to transfer the $800 funding for that transferred child to the other kindergarten, which the president did.

The William Hovell Preschool has subsequently had children transferred to it but has received no funding to accord with the additional children, even though they arrived in the first term under the same circumstances as the child who transferred to another kindergarten. It now has two children more than at that time, without appropriate funding.

The committee of management raises a number of points about this matter and asks the minister to pay attention to it. It asks that the minister examine the action of the preschool adviser in telephoning the president at home, rather than going to the kindergarten where the records were held. The area has many low-income families who are already paying $100 a term for kindergarten — an increase of 150 per cent this year.

The kindergarten committee members are concerned about their inability and lack of capacity to raise the additional $800. I understand that 27 of the 62 families with children at the centre are on health care cards. They also point out to the minister that their enrolment numbers on 1 February were 62; at present they have 62 but on the day enrolments were recorded the number was 61. Therefore, another $800 has been lost.

My request on behalf of the William Hovell Preschool is that the $800 funding for the transferred child be reinstated to the kindergarten on the basis that it has acted quite properly in the matter; it transferred money at the request of the preschool adviser but has lost out in the deal by not having the $800 for each child transferred to it. Clearly, there is an expectation that that should occur. It is a disadvantaged area.

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

Toora wind farm

Mr RYAN (Gippsland South) — I raise a matter for the consideration of the Minister for Energy and Minerals relating to the Toora wind farm project. A 10-megawatt power station was to be constructed and a wind farm was to be established at Toora in South Gippsland.

The project was to be built, owned and operated by Australian Defence Industries on the basis that the power generated from the wind farm would be sold to Electricity Services Victoria. The project was to have been a $20 million investment for the South Gippsland region; and associated with it was the prospect of tremendous economic benefits for the area.

It would have provided employment opportunities for local people in the construction phase, and although the ongoing employment prospects were relatively negligible, the project would have provided a tourism focus for Toora and the district, which would be significant in that region. In addition, the project was intended to have a research aspect, which would have been of benefit in providing power sources alternative to that generated by the consumption of coal.

The local community put enormous effort into the project. The Shire of South Gippsland, through its president, Llew Vale, councillors, staff members and chief executive officer, Rod Lomax, has developed the project over the past three years — expressions of interest were first called in 1991 — including the site-specific amendment to the planning scheme. Members of the community have been involved in various transactions with the proposed developer with a view to land being made available for the purpose of the development proceeding.

When matters reached the final contractual stage it became apparent that the amount the government would have been forced to contribute to enable the project to proceed was prohibitive, and the project is now unable to go ahead. Will the minister give details of the costings of that project?

Department of Agriculture, Camperdown

Ms MARPLE (Altona) — In the absence of the Minister for Agriculture I direct to the attention of the Minister for Industry and Employment the threatened closure of the Department of Agriculture office at Camperdown. It appears that the government is determined to add to the stress and concerns of rural communities. Camperdown was targeted by the Labor government in its Small Towns Study in an attempt to ensure that the town continues to grow and develop.

The local member, the Minister for Finance, now appears to be assisting in the funding cuts that are having a devastating effect on small towns. There will be no replacement of staff at the Camperdown office of the Department of Agriculture. The Camperdown Town Council has written to the minister expressing its wish that the office remain open. The Camperdown office has given great service to the farming community, as have all agriculture offices and their staff, and the council wants the service to continue.

Unfortunately the Camperdown office has only one staff member, who is feeling threatened because other officers have not been replaced and he is not sure whether his position will continue. If it does not, another state department will close its office in the town. Each time a service disappears there is a domino effect — people do not come into the area, shops close and there is less money circulating.

When one telephones the Camperdown agriculture office one's call is not answered because the officer is out visiting the agricultural community. What assurances can the minister give the council and the farmers of the district that he and his government will not assist in the demise of that office and in turn the town of Camperdown?

Bendigo West Kindergarten

Mr TURNER (Bendigo West) — In the absence of the Minister for Community Services I direct a matter to the attention of the Minister for Industry and Employment. I assure the Minister for Community Services that by and large kindergartens in the electorate of Bendigo West are providing a high-quality service to my constituents. Despite hearing the carping from the opposition, we all know that enrolments have increased this year over last year and there is good service provision.

The Bendigo West Kindergarten, which is located in a former housing commission area known as Long Gully and which has a high quality building on the premises, commenced the kindergarten year with 28 children, all of whom have health cards. The small, hardworking committee is finding it difficult to raise funds. One group is running three-by-three hour sessions and the staff have had to accept cuts in conditions. They are performing above and beyond what is expected of them, for which they are to be congratulated. Contact hours have been reduced from the usual 10 to 9, and at the end of last year the kindergarten experienced a shortfall of $580 because of unpaid fees, despite attempts to collect the fees.

After meeting with representatives last year and on numerous occasions this year I know that the kindergarten is still struggling to retain its budget. It receives funding of $23 625 a year, while a small rural kindergarten at Harcourt with 14 children, 5 of whom have health cards, receives $21 375 a year. I ask the minister to examine the situation and to see his way clear to help in some small way, which would be appreciated by my constituents in the area.

Elderly person housing

Mrs WILSON (Dandenong North) — I ask the Minister for Industry and Employment to refer to the Minister for Housing in another place, who is also the Minister for Aged Care, my remarks about ministry homes, particularly those in the very old estates. The minister would know that many ministry estates have homes that date back to the 1950s and 1960s. Many were built by previous Liberal governments. Some of the houses are very dilapidated and from time to time the ministry has seen fit to bulldoze them and build in their stead new homes or elderly person units.

When estate improvements were taking place in my electorate several years ago a number of older residents living in three-bedroom family homes expressed to me the wish to be moved to smaller units. This very sensible idea was put to the then government, which decided to act upon it. Estate improvements are still taking place but many people in the 60-to-70-year age group are living in homes that have become too large for them to manage. They cannot look after the gardens or do what they want to do around the house. I suggest to the minister that very old properties whose tenants agree to move into smaller units be bulldozed and smaller units for elderly people be provided. The waiting lists for all types of accommodation are growing and older people should be given the

option of living in their own familiar environment by the provision of elderly person housing.

Cobram-Yarrawonga Adult Training Centre

Mr JASPER (Murray Valley) — I refer the Minister for Community Services to representations I have received from the Cobram Adult Training Centre concerning the provision of transport services for people attending day-training centres in country Victoria. The bus service to the centre covers a large area of the shires of Cobram and the Yarrawonga and brings people with disabilities to the adult training centre. It has worked effectively over a number of years and provides an excellent service for people with disabilities.

The department is currently reviewing the provision of funding for such transport services and I want the minister to be aware of the importance of providing a sufficient level of funding so that those services can continue and so the changeover of vehicles can take place.

An additional problem for the adult training centre at Cobram is that many people with intellectual disabilities are housed at the respite centre at Numurkah. Many of their parents are elderly and they need to take advantage of respite care being provided for their children. The vehicle that takes the disabled residents from Numurkah to Cobram is driven by a volunteer and there may be some difficulty in maintaining that service.

The centre may have trouble not only in continuing to fund the transport service for disabled people attending the Cobram Adult Training Centre but also in transporting clients to the respite centre at Numurkah. I seek the minister's assurance that that service will continue to transport clients around the Cobram and Numurkah area on a daily basis.

Point Gellibrand

Ms KIRNER (Williamstown) — In the absence of the Minister for Planning — which is unusual, given the Premier's tight discipline — I direct a matter to the attention of the minister at the table, the Minister for Industry and Employment.

Mr Honeywood interjected.

Ms KIRNER — That is exactly the point I am making. There are only three ministers in the house tonight, which is appalling. The standards are slipping.

Mr Kennett interjected.

Ms KIRNER — I know you do.

Honourable members interjecting.

Ms KIRNER — We have two would-be ministers in the house.

The SPEAKER — Order! The honourable members for Portland and Ripon are out of order.

Ms KIRNER — Here they come. I welcome the Minister for Planning to the house. In the Williamstown electorate, as the Minister for Planning would be aware, there is a marvellous place called Point Gellibrand. It is at the mouth of the river at Hobson's Bay. The framework for the history of the place includes the time ball tower, a convict-built pier — the new pier over the convict-built pier covers the convict hulk — and the footings of the first observatory and the first telegraph station in Melbourne. I am pleased that the Minister for Community Services has also answered the call and has come into the chamber.

In short Point Gellibrand is a very special place and is essential to the preservation of the history of Melbourne, Australia and the Williamstown community.

It was anticipated that most of the land would become a park. I have spoken to the Minister for Planning and the Minister for Conservation and Environment about the matter and they have said they will follow up the investigations.

The people of Williamstown are keen to hear whether any action is being taken on this matter, particularly with a view to determining, via archaeological survey, the importance of the area. They want to know whether that will then be used as a basis for a sensible determination for the area's future, rather than simply a financial basis. Although it is understood that part of the area will be needed for the AMECON car park, it is the strong view of the people of Williamstown that it should be a state historic park.

Cheltenham Primary School

Mr THOMPSON (Sandringham) — I refer the Minister for Education to the possibility of funding

being made available to Cheltenham Primary School to complete a magnificent building project. It was either the honourable member for Tullamarine or a former President of the United States of America who said, 'Some people see things as they are and ask why, and others see things as they could be and ask why not'.

The Principal of the Cheltenham Primary School, Kim Brownbill, falls into the latter category. He has masterminded a magnificent project, which involves the relocation to Cheltenham Primary School of five portable classrooms from closed school sites. The project also involved moving a building on the site via a man-made causeway — that feat of some magnitude was witnessed by the 247 students at the school. It assumed *Ben Hur* proportions on the day.

The school has experienced a number of difficulties relating to security. The project will enclose an external toilet block, thus rendering it completely safe because students will have internal access to it.

The school has an interesting history. Its commencement predates the establishment of this Parliament. It commenced in 1855 and in 1869 moved to its present site in Charman Road. In 1910 the premises were regarded as somewhat dilapidated and in 1912 further building works were undertaken. Further renovations were also undertaken in 1925 and 1937.

A project of this scale has been undertaken with widespread support from the local school community. Under the leadership of Mr Alan Whitla, the school council, parents and friends of the school have embarked on the project with gusto. They have been assisting with the painting, wiring, plumbing and brickwork. I pay tribute to the principal, the school council and the draughtsman/planner, Eric Saddington — who developed the plans — and dedicated parents like Elaine Watson and Sharon Wright, who have regularly contributed to the painting works on the school site.

I ask the minister to consider accelerating refurbishment funding to the school, which utilised an interest subsidy grant of $63 000 to develop a $200 000 building project that will serve the local community very well.

Braybrook pedestrian crossing

Mr MILDENHALL (Footscray) — In the absence of the Minister for Public Transport, I ask the Minister for Industry and Employment to refer a matter to the Minister for Roads and Ports in another place. Last Thursday, 28 April, a three-year-old girl was left in a critical condition following a pedestrian crossing accident in South Road, Braybrook.

I have inspected the site with local residents, the Mayor of Sunshine and the council's traffic engineer, and the residents are upset, given the history of accidents at the site and the layout of the pedestrian crossing. It is the last zebra crossing in Sunshine, and I point out to honourable members that zebra crossings are now regarded by traffic and road planners as an unsatisfactory form of traffic control, particularly on high volume pedestrian and vehicle sites.

The conditions on the site also include such dangers as a very wide road, a fairly new pavement and a gunbarrel straight section, on which members who know the site will realise many motorists exceed the speed limit. Unfortunately for the history of VicRoads, an application for the upgrading of the zebra lights to pedestrian lights has been on its priority list program since 1986-87, but obviously it has not seen the light of day or been considered as a fundable priority.

As a result of the accident the City of Sunshine offered to upgrade a series of warning signs leading up to the site and to install reflective and corrugated warning signals in the pavement of the road so that motorists will notice them as they come up to the site. The City of Sunshine is prepared to spend that money but calls on the government to upgrade the site and replace the zebra crossing with a pedestrian crossing.

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

Impoundment of motor car

Mr TANNER (Caulfield) — I raise a matter for the attention of the Attorney-General. It has been brought to my attention by a constituent, a young lady, who advises me that earlier this year her motor car was impounded by a company called Private Parking Services (Vic.) Pty Ltd which has a post office box address in City Road, South Melbourne.

The matter I raise is not whether my constituent was parking in an unauthorised area but the manner in which the car was taken away and the situation that occurred when she went to collect it. Although it is

not connected to the matter I am raising, I mention that she advises that she had parked at the site previously and that there had been a sign stating that parking there was prohibited between certain hours, but not at the time when she parked there. She advises that when she returned to the site in South Yarra that evening she found on closer inspection that the sign was exactly the same design as the previous one but had been altered and said that vehicles parked in an unauthorised manner would be taken away.

My constituent then went to search for her car, which had been conveyed to a derelict site near the Como building in South Yarra. When she visited the site, in pitch blackness, she advises she was subjected to threatening behaviour by two men who demanded from her payment of $160 and a further $35 before they would return the motor vehicle to her. She said it was a very frightening situation for her because additionally these two men wanted her to accompany them into an unlit warehouse to regain her vehicle.

She found the situation distressing, and I understand she has now made contact with a solicitor who has joined her in an action with other people who have been subjected to similar behaviour from members of this company.

I raise with the Attorney-General the behaviour of the company in this incident and also its general behaviour. I want the Attorney-General to examine the company's operations and determine whether action needs to be taken in relation to them. There is no doubt in my mind that my constituent was intimidated by the behaviour of the representatives of the company on that evening and that she was forced to pay $160 to regain her motor vehicle.

Responses

Mr JOHN (Minister for Community Services) — The honourable member for Geelong North referred to the difficulties of the William Hovell Preschool in Geelong. My understanding is that the letter addressed to the member was written to him prior to final enrolments and therefore prior to final grant levels being provided to this centre. To some extent, the honourable member is relying on information which has been superseded. If there are still problems with that kindergarten, my preschool advisers will go to the centre and talk to those involved. I am extremely confident that the important issues raised will be resolved.

The honourable member for Bendigo West raised issues of importance concerning the Bendigo West Preschool, and I thank the member for his interest. He has worked extremely hard with preschool committees of management to ensure equity of access and affordable fees, and I pay tribute to him.

Bendigo West Preschool is situated in a housing ministry estate and it mainly services low-income families. In planning for 1994, the preschool has some concerns about financial viability, and the government has assisted the committee in this respect. The government has been monitoring the preschool's situation. In February 1994 the preschool was allocated funding for 27 children, all of whom were from families who were holders of health care cards. The preschool was of a special nature and needed targeted assistance.

I am pleased to say that the government has responded by funding places for an additional three children at the preschool, which amounts to an additional $1800 going towards the kindergarten's budget. I thank the honourable member for Bendigo West for his interest and representations in bringing this matter to my attention.

Mrs Wilson interjected.

Mr JOHN — The government deals with every matter that requires special attention. It wants to ensure that every child has access to kindergarten.

The honourable member for Murray Valley raised the important matter of transport services to adult day training centres for people with intellectual disabilities. In particular, he referred to transport to the Cobram adult training centre.

Earlier this year my department commenced a review of existing transport arrangements within those centres aimed at developing policy guidelines for the provision of transport services and promoting efficient practices in that area. In the Hume region, which is where the Cobram centre is located, an officer of the department has met with regional staff to consider the transport issue. I am aware that regional staff have briefed all agencies in the area regarding the project and its implications.

During these meetings Cobram Adult Training Support Services has raised access of clients to transport while individuals are receiving respite care in Numurkah. I point out that I am aware of the specific transport problems of some individual agencies. That was taken into account recently when

I reduced the level of savings required to be made in this area from 5 per cent to 2.5 per cent. I am interested in considering closely the outcomes of the transport project and project recommendations when they are available. A local ATSS program has been opened in Numurkah through the 18-plus program. Its capacity to support people during respite care may resolve the problem.

Officers in my department are currently working with the agency to resolve the issue. I am also confident we will receive a satisfactory resolution for the honourable member for Murray Valley.

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — The honourable member for Gippsland South raised the question of the Toora wind farm project, which he described as a $20 million build-own-and-operate project. When the government came to office it inherited the project in principle from the former incumbent. I pay credit to the efforts of the honourable member for Gippsland South who has strongly supported this project on behalf of his local community. He believed the project would be of considerable benefit to it in creating employment and developing tourism potential. He wants the industry located in his district. He has worked tirelessly with the Australian Defence Industries, me as minister, and other ministers to pursue this project.

As the honourable member pointed out, it concerns a $20 million build-own-and-operate project for a 10-megawatt station. When the final figures were examined on the basis of generation costs of between 8.57 cents per kilowatt hour and 9.32 cents per kilowatt hour, it was shown that the project needed a $25 million subsidy over 20 years, which on an annual basis represented a subsidy of between $1.09 million and $1.32 million a year for 20 years. This was because the generation costs from the wind farm were compared with the average generation cost of 5 cents per kilowatt hour.

Honourable members may wonder about the variation in the figures, but it allows for a different wind factor. To gain a clear figure one must determine the wind factor for a 10-year period, but there has been only a two-year period of wind study in the area. If the wind factor is averaged, it is revealed that a subsidy of approximately $25 million is required over those years.

When it finally came to the board of Electricity Services Victoria (ESV) making a decision, it rejected the proposition that it should sign a contract because it considered the project not commercial to such a degree that it could not recommend the contract to the government. It sought a direction from the government as to whether it should pursue the contract with the $25 million subsidy. Subsequent to the approach from the ESV board, the government has had a number of meetings with ADI, local members and interested parties to seek a means of overcoming the problem of the $25 million subsidy, to make the prospect of a wind farm, which on the face of it looks attractive, an affordable proposition for Victoria. We considered halving the size of the wind farm from 10 megawatts to 5 megawatts, but regrettably, although it reduced the overall subsidy, it increased the cost of generation to 10.5 cents per kilowatt hour, which is more than double the average price of generation throughout the system in Victoria.

The government also looked at the benefits from the research, development and technology that it would provide to Victoria and considered whether it was worth that substantial subsidy. It considered the available technology in Europe and America, where it has been fairly widespread. Recently a wind farm was set up in Esperance in Western Australia using the latest technology similar to that which would have been used at Toora.

The question might be asked: if it is good enough for Esperance, why is it not good enough for Victoria? The difference is that in Esperance the generation alternative was not brown coal, hydro-electricity or gas, but diesel. A comparison of the price of generation from diesel to the average price charged by Generation Victoria shows that the exercise in Western Australia looked extremely attractive.

Bearing in mind the fact that the environmental movement in Europe is opposing the wind farms and that the $25 million subsidy would have to be borne by either the taxpayer or electricity consumers, the government decided that it was not prepared to add $25 million and a further 10 megawatts to the alternative energy program.

The program the government is committed to is 177 megawatts of generation by a source other than brown coal or direct gas. There are a number of cogeneration, tip gas and hydro projects. Thirteen hospitals in Victoria are involved in cogeneration projects, six of which are now operating and seven of which are still to come on stream.

Six municipal tips will use the methane gas that escapes for the generation of electricity. Four of

them operate currently and two are still to come on stream. Through the waste oil project at Dandenong a total of 11 hydro plants have come on stream, 5 of which have actually been commissioned. The Charles Piggery at Ballarat operates on piggery waste.

There is a total and substantial commitment by the government to producing 177 megawatts of alternative energy with an annual subsidy of $14.8 million. Although the government regrets that the wind farm turned out to be such an expensive exercise and it is not prepared to accept the responsibility for that being borne by electricity users in this state, it believes it has a substantial commitment to alternative energy sources.

Mr W. D. McGRATH (Minister for Agriculture) — The honourable member for Altona referred to the Camperdown office of the Department of Agriculture, and the answer is yes, it is closing. For sometime now only one staff member has been located at the Camperdown office and that was thought to be an inappropriate use of resources.

The Camperdown farming community will be served by the offices at Warrnambool and Colac. That was discussed with the Minister for Finance. Under the Target 10 program the government has been able to employ additional extension officers at Warrnambool to advise the dairy farmers. I can report that more than 2000 dairy farmers around Victoria have expressed interest in participating in the Target 10 program and that is where the government will be focusing its efforts.

It never ceases to amaze me that the honourable member for Altona, who has spent time in government and who was a land protection adviser, would raise an issue about this side of politics reducing the size of the Department of Agriculture. During her party's time in office, while all other departments received a 40 per cent increase in real terms, the Department of Agriculture took a cut of 30 per cent in real terms.

Mr Turner interjected.

Mr W. D. McGRATH — As the honourable member for Bendigo West states by interjection, it absolutely decimated the Department of Agriculture. Since I have been Minister for Agriculture there has been a conscious bias within the department towards research and extension at the cost of corporate services. That philosophy will continue.

The Department of Agriculture exists to service the farming community, and a service will continue to be provided from the Warrnambool and Colac offices. Although the Camperdown office will be closed, which I admit will be a loss to Camperdown, it will not detrimentally affect services provided to farmers in the Camperdown farming district.

Mr MACLELLAN (Minister for Planning) — The honourable member for Williamstown raised a matter concerning the Point Gellibrand area. I regret that I was not in the chamber when she first raised the matter, although I came in when I was first aware she had raised it. I also regret that I did not have the opportunity of knowing she was going to raise the matter or I would have been in the chamber.

I have had discussions with my colleague the Minister for Conservation and Environment in another place about the matter and we have taken the matters raised by the honourable member concerning the historic area in question to our departments. The discussion I had with departmental officers suggests it is not necessary for us to re-establish the facts of the early history the honourable member associates with the area. Although some historic and archaeological work may be needed, it is not intended to simply replicate work already done but rather, on the basis of that work, to continue discussions with the Department of Conservation and Natural Resources to establish a suitable planning and conservation response for the area with a view to having further discussions with the Minister for Finance in regard to property owned by the government in that area.

Mr HAYWARD (Minister for Education) — The honourable member for Sandringham raised the refurbishment of the Cheltenham Primary School. He outlined the outstanding and remarkable work the school has done through a self-help refurbishment program under the leadership of the current principal, who seems to have a particular ability in this area, with tremendous assistance from parents. The honourable member made a strong case for further assistance from the government for the refurbishment. I will give the matter every consideration and get back to him as soon as possible.

Mrs WADE (Attorney-General) — The honourable member for Caulfield raised with me a problem encountered by one of his constituents whose car was towed away by a firm employed by the owner of private property on which she had parked it. The constituent, finding her car missing,

located a notice that indicated where she might regain possession of the car.

It is of particular concern to the honourable member for Caulfield that the premises to which the car had been taken was an unlit warehouse staffed by two apparently undesirable types who were employees of the company concerned. The constituent was subjected to intimidating behaviour by those employees. She eventually, however, regained possession of the car after a making a payment of $160.

This is one of a number of complaints I have received about cars parked on private property being towed away. I have also had complaints about the use of wheel clamps in similar circumstances. Those complaints raise some interesting legal questions. The preliminary advice I have received on the matter is that the law in this area is not settled and that operators and landowners are relying on an old doctrine of law known as distress damage-feasant, which permits landowners to either seize or remove objects on their property.

The issue has been raised in other jurisdictions, and I understand that in Canberra the doctrine has not been accepted by the courts. The situation has not been tested in Australian courts. A number of policy issues have been raised. They include whether the proprietors of land have the right to remove trespassing motor vehicles and, if so, whether it is regardless of whether the motor vehicle appears to have caused any damage or inconvenience; and whether property owners are entitled to recover costs of removing vehicles regardless of whether they have suffered any loss or damage.

A number of secondary issues can be raised, such as whether motor vehicle owners should be entitled to any warning that their cars will be towed away or have their wheels clamped and, if so, whether the warning should be provided in a notice of particular size and whether the government should consider regulating notices of that sort; whether the removal of motor vehicles ought to be administered by the state government or by local government; whether operators in this industry should be licensed; whether the amounts to be charged to the owners of the vehicles towed away or that have had their wheels clamped should be related in any way; and whether the places of storage of such motor vehicles should be regulated to limit the distance of the place of towing or in other regards including the matters raised by the honourable member for Caulfield, such as staffing and appropriate safety precautions of the premises.

Following a number of complaints I have referred the matter to officers of my department, and I have yet to receive a report from them. I will certainly ask them to speed up deliberations following the matters raised by the honourable member for Caulfield tonight. It is an area in which one is tempted to impose additional government regulations; however it may be desirable to consider introducing a voluntary code of conduct as first measure in this area rather than rushing into regulations. Another possibility would be to ensure that car owners are informed of the likelihood that if they park on private property their cars may be towed away or the wheels clamped.

I will take that matter up with the Royal Automobile Club of Victoria, which may well be able to provide some educational material with other material it sends to its members. It will perhaps be a first step in tapping into the problem.

Once I receive a report from the officers in my department I will give further advice to the honourable member for Caulfield and any other members who may have encountered this problem.

Mr GUDE (Minister for Industry and Employment) — The honourable member for Dandenong North raised a matter for the Minister for Aged Care concerning houses on very old estates located in his electorate and sought access to a state improvement program. I believe a program of this nature was brought into being in 1980 when the Premier was the Minister of Housing. I shall certainly direct the matter to the attention of the minister in another place to see what can be done about the matters raised by the honourable member's constituents.

The honourable member for Footscray referred to a pedestrian crossing accident which involved a three-year old child. I shall refer the matter to the attention of the Minister for Roads and Ports in another place, who will no doubt advise the honourable member as soon as possible.

The SPEAKER — Order! The house stands adjourned until next day.

House adjourned 10.54 p.m.

Wednesday, 4 May 1994

The SPEAKER (Hon. J. E. Delzoppo) took the chair at 10.05 a.m. and read the prayer.

PETITIONS

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

Capital and corporal punishment

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

The humble petition of the undersigned citizens of the state of Victoria prays that, as a deterrent to the increasing level of criminal activity in the community, the Victorian government reintroduces the death penalty for extreme acts of violence, including murder, against other individuals; and further the use of the lash for specific crimes.

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

Mr Jasper (274 signatures)

State deficit levy

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

The humble petition of the undersigned citizens of the state of Victoria calls for the immediate withdrawal of the state deficit levy — currently $100. It is clearly unfair, inequitable and regressive.

Your petitioners therefore pray that the house take all necessary steps to ensure the state deficit levy is withdrawn immediately.

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

Mr Leighton (761 signatures)

Laid on table.

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Eductor dredging

Mr PERRIN (Bulleen) presented report of Environment and Natural Resources Committee on eductor dredging in Victoria, together with appendices, minority report, extracts from proceedings and minutes of evidence.

Laid on table.

Ordered that report, appendices, minority report and extracts from proceedings be printed.

PAPERS

Laid on table by clerk:

Land Protection Council — Report for the year 1992-93.

GRIEVANCES

The SPEAKER — Order! The question is:

That grievances be noted.

Education: gender issues

Ms MARPLE (Altona) — The issue about which I grieve concerns the difficulties that children — both boys and girls — experience in the field of education.

The education many children now receive is under threat. I know of many examples of the government's committing itself to elite groups of winners, regarding the rest as failures. I am saddened by the size of classes and the loss of teachers from our schools, especially the loss of specialist teachers. According to those who have been or are involved in education, the morale of teachers is at its lowest ebb ever. Schools and teachers will be forced to undertake regimented testing simply for the sake of testing. However, I am heartened that the National Schools Council remains sceptical of basic skills testing.

Yesterday we were asked to think about education, when the government said it was interested in self-help for schools. That is fine if all aspects of the education system are favourable. If you come from a stable home that has an above-average income and if you are in good health and so on, self-help in developing schools can be an advantage. It can also be of assistance if you come from a family that encourages education as we and schools understand — that is, where reading is practised within the family and is seen as a role model by children.

I grieve when I see schools in our new suburbs struggling with the problems of inadequate facilities

and with adolescents who feel they are no longer wanted, which is why many of them commit acts of vandalism. It is common for schools to use the money allocated to them for purposes for which it was not intended. The erection of a 2-metre-high wire fence around a school becomes significant for young people. The implied message is, 'You are no longer part of either the community or this school. There is no place for you in further education'. It saddens me that the school is then burdened with maintaining such a fence. That is the case with a school in my electorate, where $20 000 could have been otherwise used for the benefit of the community and the school children — true education and not simply child minding.

I grieve specifically about education and gender, which formed part of the discussions at the meeting of education ministers last week. I shall examine gender based on my experience as an educationalist who specialised in the education of children with learning difficulties. I do not want to frighten the horses by saying I also look at this matter as a feminist. 'Feminism' has a number of definitions. To illustrate my point and to give the house a definition, I refer to the latest book of Marilyn French on the subject, *The War Against Women*. She defines as 'feminist':

> ... any attempt to improve the lot of any group of women through female solidarity and a female perspective.

She also notes in the book that:

> In this century, feminism has achieved striking successes in gaining women access to education, political rights and jobs and in eliminating laws enforcing a double standard, mainly in industrialised and socialist states.

With that definition in mind, and relating it to the benefits of our education system, I shall examine the debate in our schools about gender education. I also wish to examine it based on my experience in working with children with learning difficulties.

There is no doubt that boys make up some 90 per cent in any grouping of students with learning difficulties. In all the years I have worked with children with learning difficulties, I have never encountered a student who did not want to read and to learn, to do better at mathematics and to improve overall — but those students had many things working against them.

With those goals in mind, I have considered how best to improve the situation for those with learning difficulties; and from a feminist perspective I have examined the basic roles we ask boys and girls to play in their positions in life. The change in the female role has affected the roles of girls and boys in schools; it has changed the expectations of the masculine role for schoolboys.

In the short time available to me I wish to discuss the ways in which people can take hold of an idea and simplify it. We now have a debate centred on basic skills testing, a concept that has received much favour. Discussions about the roles of boys and girls and the agenda for their education have been simplified. Some people now say, 'Because the girls have done so well, we will have to do something for the boys'.

Last week I heard Richard Fletcher being interviewed on national radio by Geraldine Doogue. He put forward a balanced view based on his study of the roles of boys in education. He drew attention to the fact that although boys grow into the men who dominate the boards of our various companies, 90 per cent of the inmates of our gaols are males. Why does that happen? Patterns such as that must be considered when we examine the goals of our educational facilities, and I suggest that basic testing does not do that. We must make certain that the same problems do not continue into the next century.

Many changes have been brought about by feminist perspectives, one of which is the role of men in child-rearing. I was amazed the first time I saw a male looking after some children, one of whom was in a pusher, on one of our trams. That was some years ago, but now it is a common sight. I now find it hard to believe that I was so amazed. I am pleased that my son is much more involved than his father was in the rearing of children. In future we may not be so keen to go to war because of the changes in attitude resulting from men being more involved in the rearing of their children.

In considering the question that arose last week about whether boys should be given special treatment it is important to examine the way the subject was treated in the press. As was pointed out, educators are required to conduct testing and then the media and those who make the decisions about education look for simple answers. Consideration was given not to the future roles of boys and girls but to what the testing produced. In examining the issue the *Herald Sun* of 29 March explained how girls have the edge in education and based its argument

simply on the basic testing. The newspaper suggested that because 75 per cent of boys and 79 per cent of girls passed the Victorian certificate of education last year, boys need special treatment in education. Last year in New South Wales the tertiary entrance score average was 53.30 for girls and 46.85 for boys, while in South Australia girls in year 11 performed up to 18 per cent better than boys in some subjects. The issue is being put into simple terms to justify a rush to give boys extra assistance.

In an article headed 'Beware the backlash' in the *Age* of 3 March Dr Jane Kenway, an associate professor at Deakin University, says:

> Whenever there has been an affirmative action program for girls — a camp, work on self-esteem, or single-sex classes on maths — there has been a boys' backlash and a hue and cry has gone up.

Dr Kenway is worried that the feminist agenda in education is at risk. She says she supports programs for boys that deal with deconstructing and reconstructing masculinity, especially in regard to violence which affects women, girls and boys who do not conform to the dominant male model, but that such programs must be based on feminist principles. She also says that we must look at what the Victorian government is doing.

The honourable member for Mooroolbark has written a very good report on the issue of girls' education, and I hope the government and the Minister for Education will take it seriously. It is on the honourable member's shoulders to see that the backlash does not affect the overall agenda in schools. I hope she will be able to prevail against all the odds that will be stacked against her. While I am pleased that at the meeting last week the minister said special attention would not be taken away from the importance that has been placed on girls' education, I am concerned that it has already happened under this government. In many regional areas there has been a reduction in staff at equal opportunity resource centres. We have heard many promises from the government, but they have changed over time.

Commonwealth Parliamentary Association

Mr KILGOUR (Shepparton) — My contribution is really a report to the Parliament on the 43rd parliamentary seminar, which was held in the United Kingdom in March and organised by the Commonwealth Parliamentary Association, of which we are all members. It was an honour for me to represent this Parliament. I attended with two other Australian delegates, the Honourable Duncan Gay from New South Wales and Mr Max Ortmann from the Northern Territory, and we were joined in London by 22 other members of parliaments from across the commonwealth. It was a tremendous opportunity for us to learn more about the parliamentary system.

The delegates came from such places as Canada, the African states of Tanzania and Zambia, Hong Kong, India, Malaysia, Malta, New Zealand and Sri Lanka, and at our first meeting it was interesting to see those members in their national dress and realise that for the next 12 days we would be meeting as one body and members of the British Commonwealth of Nations for the betterment of ourselves and, I hope, for the benefit of our respective parliaments.

We were installed in the Royal Horseguards Hotel in Whitehall and we got a first-hand look at how difficult it is to maintain security in other parts of the world. Security control is very tight in central London. A police officer was stationed outside our hotel 24 hours a day and there were policemen on the beat. Five years before our visit three bombs had been set off in the area in which we were staying because of its proximity to the major defence offices. The security around central London is very noticeable. Twelve months earlier the Parliament had provided an extra $2 million to ensure the security of the Whitehall area. It is interesting that since that time no bombs have gone off in Westminster.

The magnificent staff of the parliamentary association made us very welcome and we were certainly treated well during the 12 days of the seminar. It was the responsibility of Mr Peter Cobb, the secretary of the United Kingdom branch, to conduct the seminar. We were officially welcomed by the chairman of the association, Mr Colin Shepherd, and the secretary-general, Mr Arthur Donahoe. Security control at Westminster is very different from what we are used to in Australia. As members of Parliament drive into the yard their cars cross over a mirror which is linked to television cameras that check for bombs, and the boot and bonnet of each car have to be lifted and visually examined. Some years ago a bomb that was planted inside a car belonging to a member of Parliament went off in the palace yard. The security the members of Parliament have to observe is intriguing. We had to be photographed and wear a photograph and security pass around our necks the

whole time we were there to ensure that everybody knew who we were and what was going on.

We were able to walk around freely. We were also taken around by members of Parliament to ensure that we knew where we were going. It is a much bigger place than this building, and because of the number of members it is not surprising that there are long corridors and many areas in which to get lost. At the lunches held in the House of Commons I met members of Parliament like Reverend Martyn Smyth from the Irish Ulster Union Party, who talked to the delegates about the latest information from Ireland. I also met Sir Anthony Durant, who was knighted by the Queen for his work as a Government Whip. He was responsible for providing a daily message to the Queen on the goings-on in Parliament. In fact the Queen often phoned him to find out what was going on.

According to Westminster tradition, when the Queen opened Parliament, Sir Anthony Durant was taken to Buckingham Palace as a hostage. Apparently some hundreds of years ago a monarch was kidnapped while attending the opening of Parliament at Westminster. Since then a member of Parliament is always taken to Buckingham Palace to ensure that if the monarch is kidnapped somebody is available as an exchange to ensure the monarch's release. After opening Parliament the Queen returns to the palace and the hostage member of Parliament is released.

Members of the delegation enjoyed a guided tour of central London and were provided with considerable information about the history of that intriguing city. The very first session of the seminar concerned the parliamentary scene, which is quite different from the Parliament of Victoria. With 651 members in the House of Commons one can imagine that it takes much organising. Is it any wonder! Whereas the Victorian Parliament has two whips on the coalition side and one on the opposition side, the House of Commons has 14 whips on the government side just to control the members and to ensure that they are present for votes and that they are speaking at the right time. With 336 government members and 314 members of the minority parties, considerable organisation is required.

The biggest surprise for me was the questions asked of the government — even by government members. In fact, only a week after the seminar concluded I saw a report on television of a government member calling for the resignation of the Prime Minister!

Mr Hamilton interjected.

Mr KILGOUR — Although dorothy dixers were also asked, it was surprising to see government members asking questions that appeared embarrassing for the government. Besides studying the political scene at Westminster and members of Parliament, the seminar also dealt with subjects such as the party, the constituency and the members' relationships with the media. The latter proved a most interesting session; it made me understand that throughout the Commonwealth of Nations members of Parliament face the same problems with the media. There was a general feeling that the media were too intrusive in Parliamentarians' lives; the media were making the news and running their own lines rather than telling it like it is.

Mr Charles Winnifrith, the Clerk of the Table Office, conducted a session on parliamentary questions and motions. Mr Colin Shepherd, MP, spoke to delegates about member's relationships with their constituencies. The Clerk of Committees spoke about the Westminster select committee system, which operates quite differently from the Victorian system, and the Speaker's role in Parliament.

It was certainly a joy to meet the Speaker of the House of Commons. I hope that at some stage you, Mr Speaker, are invited into the Speaker's house at Westminster as we were. The Speaker of the House of Commons has a magnificent house on the corner of Westminster palace on the Thames. It contains paintings that are obviously worth many thousands of dollars and beautiful carpets and mirrors. It was a sight to behold. It also contains the largest bed I have ever seen. Incidentally, it is not the bed the Speaker uses. It is called the monarch's bed and, traditionally, a monarch sleeps there the night before his or her coronation.

Traditionally monarchs have lived in outer areas of London such as Windsor Castle but, because they had to make the coronation on time, they would sleep in the monarch's bed at the Speaker's house. Of course it has been many years since the bed was last used — although the former Speaker said that his grandchildren slept on the bed once. Unfortunately, although it would have been good to give it a try, we were not invited to sleep on it.

The role of the Speaker is vital, particularly as the House of Commons has 650 members. The Speaker commences her work at 7 a.m. by looking through the day's proceedings. She has an extremely busy time ensuring that members get a fair go, which is

not an easy task. It is interesting to note that, although the Speaker is actually a member of the Labour Party, she won her position on the votes of every minority party member and 100 government members.

The delegates were also able to visit the press gallery and hear the Leader of the House speak about his role. Every Thursday afternoon he has the opportunity to stand up in Parliament and present his program for the following week. He is usually castigated by members of the opposition and his own party for not introducing the bills they believe should be debated!

The Right Honourable Lord Weatherill, a former Speaker of the House of Commons, presented a session on the role of the second chamber. The delegation also heard speakers on the issues of parliamentary privilege and party discipline. Delegates were able to exchange views on those issues as well as on the insecurity of the job. Other subjects included the televising of Parliament, the funding of elections and the salaries of parliamentarians.

The delegation also attended question time at the House of Commons and the House of Lords and watched the Speaker's procession, which was certainly interesting. The whole house comes to a standstill as the Presiding Officer proceeds, watched by hundreds of people, before making his or her way into the house.

Delegates also visited the new offices of the Commonwealth Parliamentary Association in Millbank. They visited the Cotswolds to study local government and listen to speakers from the Cotswolds district council. It is interesting to note that their councils are debating boundary reform, competitive tendering and contracting out. The last boundary reform occurred in 1974.

Two of the highlights of the visit were attending 10 Downing Street at the request of the Right Honourable Douglas Herd, MP, the Secretary for State and Foreign Affairs, where delegates met the Prime Minister, Mr John Major, and attending the Commonwealth Day service at Westminster Abbey. I felt proud to see the Australian flag paraded into Westminster Abbey. The Queen and Prince Charles attended that session, and we had much pleasure meeting and speaking with them at a reception at Marlborough House which was held at the invitation of the Secretary-General of the Commonwealth of Nations, Chief Emeka Anyaoku.

The Westminster seminar was worth while and I recommend it to any member who has an opportunity to attend. The Commonwealth Parliamentary Association plays an excellent part in our parliamentary lives. It does a tremendous job to improve the knowledge of members of Parliament. I am sure all members from across the world who attended the 12-day seminar believed it was a highlight of their lives and will make them more informed and better parliamentarians.

Formula one grand prix

Mr MILDENHALL (Footscray) — I grieve for the future of Melbourne's formula one grand prix. I shall take up the following themes: the government's apparent lack of homework and planning; the secrecy; the lack of transparency in contractual and financial arrangements; and the possibility of some rather murky deals being put together as part of the arrangements. The government operates in a continuing pattern of secrecy, lack of openness and a failure to take the community into its confidence when dealing with events and issues similar to this.

The opposition supports the holding of the formula one grand prix in Melbourne. Melbourne is a natural venue for such a prominent world-scale sporting event — —

Mr Cooper — But!

Mr MILDENHALL — But, as the honourable member for Mornington has said with exquisite timing, the reason why Melbourne is a natural venue for such an event is because of its spectator and community participation, which is evident in Australian Rules football, international cricket and the so-called petrol-head component, the 500cc motorcycle grand prix. The history of motorcycle racing shows that events conducted in Victoria, despite all sorts of logistical difficulties in getting spectators on and off Phillip Island and setting up the infrastructure, have been vastly more viable than events held in New South Wales.

I am concerned about the preparation for the grand prix. There are worrying signs in the financial arrangements and the secrecy surrounding the planning of the event. Through the use of FOI legislation, the opposition sought to retrace the events leading up to the awarding of the grand prix to Victoria and Melbourne. The documents we have been given suggest that in the manoeuvres that led to the seizure of the event from Adelaide, there was

no cost benefit analysis, no feasibility study and no substantial documents showing that the homework had been completed on the financial viability and the risks and the benefits of holding the event in Melbourne. What studies have the Melbourne Major Events Company Ltd and the newly formed subcommittee, the Melbourne Grand Prix (Promotions) Pty Ltd — which will actually run the event — conducted on the running of the grand prix? There is sufficient information available on the Adelaide event to suggest that it was costing the South Australian government an increasing amount each year; and similar events held elsewhere have had such a tendency.

The accumulated deficits of the formula one grand prix in Adelaide were approximately $30 million, although the motor sporting intelligence authorities suggested that once the figures were analysed in some detail the figure may be as high as $70 million over the time that the event was conducted in Adelaide. The available figures show that during the past three years the event suffered losses of $2.6 million in 1990, $3.2 million in 1991 and just below $4 million in 1992. Attendance rates have also been falling. In a comparable event that would have been expected to develop a higher profile with the defection of Nigel Mansell from formula one races, the Queensland government has apparently incurred losses of $50 million in just three years from the Indy car racing circuit event.

They are some of the worrying signs for an event that the government claims will be run on an independent economic basis and will not cost the Victorian taxpayer. The event will have to be run in a dramatically different way and be much more successful than comparable events recently held in other Australian states for it not to cost the Victorian taxpayer. It appears the basic expenditure will be higher in Melbourne than it was in other cities because we are starting further behind the eight-ball in a financial sense. In order to win the bid, Melbourne has had to pay at least twice the amount for the rights than did Adelaide.

The rights will cost something like $10 million a year for the five-year contract with Bernie Eccleston, the supremo of the Formula One Contractors Association. Set-up costs for Albert Park will be at least $14 million for the basic track work because street circuits such as Albert Park have a higher set-up cost than do traditional grand prix tracks. The annual infrastructure costs will be $8 million to $12 million to erect the grand prix circuit and to pull it down at the conclusion of the event. It appears that the potential for revenue generation rests almost entirely with the gate receipts and the ability to pull a huge crowd.

People in sporting circles often say that they would like to come back as Juan Antonio Samaranch, the head of the International Olympic Committee, because of the strategic position he occupies. I believe Bernie Eccleston is a similar entity because his organisation has the exclusive international media rights to the event as well as a large proportion of signage and advertising rights.

The viability of the Melbourne event depends upon gate receipts as well as a small proportion of the signage and advertising rights. Setting up an event with such a narrow band of revenue requires stringent and detailed analysis, to which the community should have access.

In addition to that expenditure, attendant infrastructure spending is involved with the rearrangement of Albert Park, and that spending started yesterday. Honourable members have heard that a $50 million sports centre will be funded. The timing may be coincidental, but I fear that the announcement of the investment is partly because of the massive impact that the formula one track will have on established sports in the area.

In addition, there is community concern about the future of the new playground in the area. It is widely known that the South Melbourne Hellas Soccer Club will need to be accommodated elsewhere as a result of the proposed grand prix track layout. Part of the track infrastructure will run through the soccer club's facilities and millions of dollars will be spent to accommodate the club at another first-class soccer pitch.

There is ample evidence of the need to carefully examine the finances involved with the grand prix. When questions are asked honourable members are told that the economic impact on the state will be massive and that there will be a multiplier effect with a massive number of interstate and international visitors. However, this area of economic analysis is notorious for not being exact in nature. Experts in the area debate which methodology is appropriate to use, and many economic impact studies have commenced with an extensive discussion about methodologies used by other analysts. It has been claimed by some that any multiplier effect one chooses is just as valid as any others that have been offered in this respect.

The claims that $50 million will be injected into the Victorian economy may well be based on as much guesswork as the rest of the events leading up to the conduct of the formula one grand prix. The arrangements for the grand prix have been put together in a way that the public have not had access to, despite the rhetoric of the government that its new finances will be transparent and publicly accountable. This event is run by a company under the control of the Premier, and its expenditure is under the control of the Treasurer.

All taxpayers are involved in the risk of underwriting the event. They should have access to the analyses and the feasibility studies that have been undertaken. They should have access to the proceedings of the Melbourne Major Events Company Ltd. They should know what connections exist between the proposed casino and the formula one grand prix. They should know why Albert Park has been chosen, whether any costings were done for Sandown or Calder Park, or whether the convenience of Mr Walker was the principal criterion for selecting Albert Park as the site of the grand prix. The process must be transparent. It compares extremely badly — —

The DEPUTY SPEAKER (Mr J. F. McGrath) — Order! The honourable member's time has expired.

Sabri Salju

Mr McLELLAN (Frankston East) — I grieve for a family's plight caused by the actions of one Mr Sabri Salju. This man committed a brutal murder in 1989, and in 1991 he was sent to prison for that offence. Unfortunately on at least one known occasion this man has been escorted out in the public domain in the vicinity of where the crime was committed.

To enable honourable members to understand the gravity of the situation, I shall start at the beginning. Sabri is an Albanian fundamentalist Muslim and he married a Croatian lady named Marica Kuster. They had two children — a boy and a girl. For a few years they seemed to be a normal family, then for reasons unknown Sabri became obsessed with the idea that his wife had offended against Allah.

What I am about to say is not hearsay or supposition but facts that were revealed at the trial of Mr Salju. After he developed this obsession that his wife had offended against Allah, in mid-1989 he decided he would punish her. He purchased a sword, the reason for which nobody is quite sure, but the authorities were informed and the sword was confiscated. He was taken to a psychiatric institution, but a week later was discharged and he returned home.

In November 1989 he decided that he would complete his wife's punishment. At 5.00 a.m. one day he woke his two children, took them to his mother's bedroom where she was asleep and in front of the children he bashed his wife to death with a wheel brace. He then left the house and went to the mosque, where he stayed until the police arrested him later that day. At that point he was found unfit to plead and was sent to an institution.

Some time later in 1991 he was able to attend court. He was found not guilty because he was criminally insane and he was sentenced at the Governor's pleasure. During the pretrial period many things had to be addressed, not the least of which was the welfare of the children, who had witnessed and been traumatised by their mother's death.

The family of Marica, especially her sister, Nancy, and her sister's husband, Ray Tatana, were towers of strength. Ray was on an extremely low income, but he was a big, happy Maori gentleman who took the children's plight to heart. A newspaper article described Ray as a 'Ray of sunshine in a family's life' and described the family as 'hidden victims of crime'. The article went on to describe him as a gentle giant who was a truck driver and who, with a modest income of around $300 a week, took the two children in as his own. They lived in his small house and over time he used his own funds to bring them up as if they were his own children. One could only admire this gentleman for what he did.

Unfortunately, a series of events over a period broke this man and his family and the children became wards of the state. The events involved horrific and intimidating letters, extracts of which I have, that were sent through the prison system by the person who had committed this horrific crime. Friends of Mr Salju were involved in intimidating the family. On one occasion they even went to the length of placing a knife smeared in blood on the windowsill of Marica's parents.

At this time the brother of the murdered woman, Mr Steve Kuster, who was trying to get his life back together after a period of drug dependence, was extremely upset — a setback that took some time to come to terms with. However, he beat his problem and ended up doing casual work at Odyssey House. I know Mr Kuster reasonably well. He is a caring person and I am happy to report that he is still on

the straight and narrow. Later I will outline some events that took place involving the man who committed the murder and Mr Kuster.

One would expect that a person who had committed such a horrible crime would be put away and that there would be no intimidation of or communication with the deceased woman's family. Unfortunately that was not the case. Sabri commenced a campaign from prison, or more correctly the Mont Park Psychiatric Hospital, that was designed to threaten and intimidate the family, especially Mr Tatana who was looking after the children. Sabri wanted to remove his children from the family's care so that they could be brought up in the fundamentalist Moslem belief. He believed that was not happening because the family members were not of the Moslem faith. The police received many reports about the threats and intimidation, and a psychiatrist and a social worker from Mont Park visited the family and counselled them. One must wonder why they did not counsel the person who had organised the campaign. Unfortunately that is how the system seems to operate. Following the complaints to authorities and the counselling, the threats and intimidation ceased and the letters also stopped. The family thought, 'Great, let's get on with our lives and forget about what has happened'.

I refer the house to an event that occurred on 4 March this year. Mr Steve Kuster went to his bank in High Street, Northcote, to deposit a cheque. When he entered the bank he met with an unfortunate circumstance. I will quote his words:

> I went over to the bench to fill in a deposit slip. When I completed that I joined a line of people waiting to be served. There were about four or five people in front of me, a Greek bloke was in front of me, when I looked at the person in front of him I thought I was seeing things. I recognised the person who had killed my sister. I thought I was dreaming so I had another look and still I didn't believe what I saw. When he reached the teller and spoke I knew this was the man that killed my sister. Here was this man in the bank like as if he was a normal member of the community doing his banking. The teller told him to go to the inquiries desk. I was still in line and he walked right past me but did not recognise me. I was looking around to see if anybody was with him but didn't see anybody. All this time I was becoming very upset and I kept asking myself how this could be happening.
>
> I deposited my cheque and went over to the door, thinking to myself what I was going to do. I noticed a bloke about 35 to 40 sitting on a chair with some sort of ID pinned on his shirt. I still wasn't sure if he was with Sabri, then I went out of the bank and walked across the road. Then Sabri and this bloke came out of the bank and I went across and said, 'Why did you bring this dog here, back within a few hundred metres of where he lived when he killed my sister?' Sabri said something about being sick and I was so upset and angry I kicked him and he ran off down the road. I chased him but stopped after a while and turned back. The bloke who was with him was walking calmly down the road towards me but was several hundred metres behind Sabri when he vanished from sight.

Members of this family ask, 'Why after only a short period is a man who is extremely violent — a convicted murderer who has already reduced one person's head to a pulp and has threatened others, a man who is criminally insane and held in a mental institution — allowed to walk suburban streets where the crime occurred and where the family still lives?'. If such events are allowed to happen, how can we assure the community that such people are well out of reach of the public and cannot hurt or intimidate anyone else? Why is a man who has committed such a crime allowed out with minimal security?

If this man's condition or mental state is such that he is deemed fit to be among members of the public, why is he in Mont Park and not Pentridge Prison serving his sentence? It is outrageous. I believe the system requires an urgent review; we cannot continue to allow psychologists and social workers to make a total mockery of the justice system of this state.

I cannot tell the family why this has happened. I can only raise the matter today and hope someone will review the system and decide how the community should be protected. Obviously no protection is available now.

I have come across similar incidents in the past and recognise a serious problem. If a person who has been declared criminally insane and dangerous is sent to a psychiatric institution, he should not be allowed out with only minimal supervision, and he should certainly not be seen walking the streets close to where he committed a crime. It makes one wonder what justice is all about!

Emergency housing services

Ms GARBUTT (Bundoora) — The matter I raise in the grievance debate concerns the range of emergency housing services that are funded under

the supported accommodation assistance program. SAAP is a joint state-federal program which finances a range of housing services such as women's refuges, youth refuges and other services for homeless people. The current financial arrangements are about to conclude and the government is about to enter a new agreement.

The growth funds allocated for last year and this year that the government can spend on new or expanded existing services have not been spent, despite the fact that we are within nine weeks of the end of the financial year. There is a risk that we will lose that money if it is not spent. At present there is about $4 million in growth funds unspent, despite the fact that over the past year there has been a crisis in women's refuges and our attention has constantly been directed by the media to the plight of homeless young people. All of those people could have been assisted throughout the year if the money had been spent. We now have the ridiculous situation where the government appears to be running around trying to spend the money quickly before the end of the financial year.

Last week the Minister for Community Services announced with considerable fanfare that extra money would be allocated to women's refuges, but when the detail was examined it was found that the minister's announcement was deliberately misleading.

The minister said the total number of women assisted through domestic violence services would be increased. But an examination of the fine print of his statement shows he failed to say that the refuge beds which women seek when their lives are at risk because of the assaults of violent partners will be decreased and the money diverted to other forms of accommodation.

Changes are being made to other forms of accommodation services, particularly youth refuges. The first complaint concerns the lack of time for comment on the implementation of the review. I have received complaints from a number of groups, the members of which have told me they were given only three days to reply to major changes suggested in the supported accommodation assistance program systems review. They appeared before officers of the Department of Health and Community Services on 19 April and had to respond by 22 April. I have received correspondence from the North East Region Youth Housing Program and the Northcote and Preston Accommodation Project.

In a letter to me the Northcote and Preston group states:

> The time line for this response is impossible to meet as it does not allow for sufficient discussion between committee members, staff and service users.
>
> The entire consultation process for services in the system review has been disorganised, inadequate, misleading and has excluded services from effectively participating.

Youth Accommodation Services North East Region also refers to impossible guidelines and describes the approach to consultation as nothing short of contemptuous. That is insulting to those groups.

Serious concerns have been raised about the details of the plan. The first concerns the proposal to amalgamate many groups, particularly in the northern metropolitan region but also in the southern region. At present the northern metropolitan region has 26 groups, but it is planned to amalgamate them into 8 groups. Those diverse groups are run by community-based committees of management and are responsive to community needs. Some of them do not have much in common with the others. There is a risk that their input will be lost.

The Youth Accommodation Coalition of Victoria states:

> Hundreds of experienced community-based management people are being told to 'walk away, we no longer need you. The service that you used to manage is to be tied into another line management, cluster or church-based organisation ... I fear that this is the beginning of a concerted effort to drastically reduce the community-based sector.

This is not about the community assisting its own people in consultation with providers and users of services. It is about the bureaucracy imposing conditions on service providers. The government should focus on delivering better quality services, not just cheaper services. Agencies should not be forced to amalgamate; any amalgamations should be determined through community consultation after an examination of the service model appropriate for the region.

Although the regional coordinator positions are being abolished, the bureaucracy is increasing with the addition of regional planners and new government-appointed management support units.

Those positions are being funded much more generously than has previously been the case. The SAAP adviser positions are also being abolished. That is a backward step. Regional coordinators received support in the review. They not only coordinate the SAAP service but develop links within regions and with community health centres, family and children's services, the Department of Social Security, Skillshare and ethnic organisations. The decision is frustrating for the people involved, who are concerned about particular issues. The government is replacing the SAAP advisers and regional coordinators with a bureaucratic system that will be less accountable to the communities they serve.

The review proposed to do away with the Youth Accommodation Coalition of Victoria and the Council for Homeless People, the two peak bodies that the review said should be defunded. Once again advocacy is to have no role to play. Now we hear that the government will amalgamate those bodies. They are peak organisations with different aims and target groups. Although it is obvious that there is an overlap because the youth accommodation group and the Council for Homeless People have some interests in common, both are broadly based organisations.

The Youth Accommodation Coalition of Victoria is particularly concerned about broad issues to do with youth. The coalition advocates a range of services for the structural problems facing youth. It lobbies for increased public housing, junior wages, consultation with the National Coalition of Housing and other broader issues, which it believes may be ignored or at risk if amalgamation takes place.

The opposition supports the funding of peak bodies because those organisations have distinct roles to play in advocacy and in providing information. Amalgamations will not save the government much money but they will cut off some of its sources of information. The government is not known for its ability to listen to the community or to advocacy groups so it is not surprising that the minister is going down that route. He is yet to make an announcement in response to the review; but his lack of response is contradicted by what is happening in the regions, where changes are being made quickly amid considerable confusion. Some local groups have been given one deadline while other groups in another region have been given another. Some groups are experiencing increased pressure to reduce their response times, but they do not have time to report back and receive advice from their committees of management. The minister should clarify the government's response to the review, especially because of the changes occurring in the regions.

The review also recommended an increase in mediation services. Although that may be valuable and necessary in some areas, it is not required in others. I again refer to the letter from the Youth Accommodation Coalition of Victoria, which states:

> Family mediation is successful in assisting a very small percentage of homeless young people to return home. It should not be seen as a general panacea for homelessness and has been shown to be largely useless for young people because of sexual abuse, violence, familial drug and alcohol issues, or long-term unemployment. Consequently, not all groups see the need to have a mediation worker based at their service.

That is a fairly obvious comment and one the government should pick up. The process of not listening to people, not consulting properly and having tight deadlines for comment from workers once the review is released means the government will lose the input people on the ground can provide.

Another comment about the review is that there are general inaccuracies. One worker said she started counting the inaccuracies but stopped when she reached 60. One does not have to go far into the book to find inaccuracies because the word 'accommodation' is spelt incorrectly on the front cover. Concerns range from the most serious, such as the failure to spend growth funds — some $4 million was frozen by the government for the entire year followed by a sudden rush to spend it without proper consultation and without priorities being determined by people in the field — right down to the incorrect spelling of the name of the service.

Groups have raised many concerns with me. The first is that the time allowed for response was insulting. Where there are major changes such as the proposed amalgamation of four or five services the time allowed for response should be extended. Groups need time to digest the proposal and to come back with responses that are informed and thoughtful.

The second concern is the proposal forcibly to amalgamate the peak bodies despite their having distinct aims and memberships. The forced amalgamations of disparate groups in my area such as the north-east regional housing program, the

Heidelberg emergency housing group and the Short Term Accommodation for Youth organisation in Rosanna will mean the loss of community-based committees of management. Instead there will be a large bureaucratic management group that will be funded at the expense of more sensitive community input.

The minister must respond urgently because the process has already commenced but no-one has the overall picture. The review has been accepted by and large, but important parts have been changed. The minister should explain why he sat on funds for a year.

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

Legalisation of illegal drugs

Mr COOPER (Mornington) — I join the grievance debate to express my concern about calls in recent months by certain public figures in this state for the legalisation of illegal drugs. Many of those people would probably say they have not called for legalisation but for decriminalisation of illegal drugs, but the reality is that calls for decriminalisation are really calls for legalisation in a covert form. If illegal drugs were decriminalised, the next logical step would be their legalisation.

These calls for legalisation involve drugs such as marijuana, amphetamines, heroin and cocaine. The view expressed by people calling for legalisation is that the current system of pursuing pushers is simply a waste of time and resources and the community might just as well give up and legalise the junk — it would probably bring revenue into the state, too.

The house must understand what it is that these people are calling to have legalised and what the substances do to those who use them. I have some brochures published by the Alcohol and Drug Foundation in South Melbourne, a non-profit organisation dedicated to the reduction or elimination of alcohol and drug abuse. According to the brochure the use of cannabis or marijuana can have long-term effects and result in various problems:

> Respiratory illness: marijuana cigarettes have more tar than tobacco. So cannabis users have an increased risk of respiratory illnesses such as lung cancer and chronic bronchitis. This risk is increased because marijuana smokers often inhale deeply and hold the smoke in the lungs longer to increase the effects of the drug. Cigarette smokers who also smoke cannabis have an even greater risk of respiratory disease.
>
> Less motivation: some regular users have less energy and motivation so that performance at work or school suffers.
>
> Concentration, memory and learning: concentration, memory and the ability to learn can all be reduced by regular cannabis use.
>
> Hormones: cannabis can affect hormone production. Research shows that some cannabis users have a lower sex drive. Irregular menstrual cycles and lowered sperm counts have also been reported.
>
> Psychosis: although it is rare, a small number of people who regularly use cannabis have developed a psychiatric condition called cannabis psychosis. The symptoms of this condition are similar to the symptoms of schizophrenia.
>
> Cannabis and pregnancy: the effects of cannabis on the unborn child are not entirely known. However, the use of cannabis during pregnancy is not recommended. If cannabis is used during pregnancy the baby may be born smaller and lighter than other babies. There is also some recent evidence to suggest that heavy cannabis use during pregnancy may lead to a similar condition to foetal alcohol syndrome (FAS). As well as being smaller and lighter than usual, babies with FAS may have learning difficulties as they grow older.

That is a brief summary of the effects of cannabis. The next drug considered is amphetamines. The long-term effects of the use of these drugs are: malnutrition, psychosis, less resistance to infections, the need to take other drugs and violence. Hepatitis and AIDS are spin-offs from the use of amphetamines because most of them are taken by injection.

Heroin is the third of the drugs I shall deal with. Impure heroin, which is the product sold on the streets to drug users, is described by the foundation in these terms:

> Heroin sold illegally contains a mixture of pure heroin and other substances such as talcum powder, baking powder, starch, glucose or quinine. Sometimes other drugs like amphetamines and barbiturates are also mixed in.
>
> These additives can be very poisonous. They can cause collapsed veins, tetanus, abscesses and damage the

> heart, lungs, liver and brain. And because you don't know whether you're getting 5 per cent or 50 per cent pure heroin, it is easy to take too much and overdose.

Some leading public figures have commented about the call for the legalisation of illegal drugs, and I shall quote two of them. One was a minister in the federal government in 1989, who is reported in the *Age* of 12 October 1989:

> The Justice Minister, Senator Tate, last night ruled out the legalisation of illegal drugs despite calls for the law to be relaxed.
>
> 'We will not be seduced into a defeatist legalising of the drugs they have marketed here,' he said. 'To do so would be to expose future generations of Australians to a drug-taking culture.'
>
> But Senator Tate said that, at a time when society was becoming intolerant of alcohol and tobacco use, 'it would be contradictory and defeatist to allow the marketing, whether by government agencies or licensed entrepreneurs, of a further range of drugs such as heroin or cocaine.'
>
> He dismissed arguments that the legalisation of heroin, or its legal distribution to registered addicts, would destroy the black-market in the drug.
>
> 'It would only result in both a shift of activity to yet another range of illegal drugs ... and also a peddling and dealing in the newly legal drugs to those who did not fall within the categories of approved customers,' he said.
>
> The most obvious and frightening (would be) the underage group.

Milton Luger, the Executive Director of the James McGrath Foundation in New South Wales, which runs Odyssey House, said in an article:

> The legalisation lobby's views on treatment are both cynical and naive.

He went on to say:

> The solution is not to give up the fight, but to plan, organise and implement our efforts better. We have to stop thinking more money is the only answer to the drug problem. We need more supervision and oversight of those who work in the field. We require political courage to demand cooperation and coordination rather than turf building and self-interest. Most of all we need to send a clear message to our young of our strong support for them, when they are in personal trouble or despair with their lives, rather than resigning ourselves to their synthetic drug adaptation to life.

Those words must be taken into account by the community and by Parliament. There must be a realisation throughout Australia of the dangers of illegal drugs; illegal drugs which some people are calling to be legalised.

I turn to those who are calling for the legalisation of those drugs. It is disturbing that the first among them is the Leader of the Opposition, who is quoted in the *Herald Sun* of 18 January:

> Marijuana should be legalised, said state opposition leader John Brumby, who yesterday admitted using the drug at university.

The article further states:

> Mr Brumby, who went to Melbourne University and Rusden College, said he tried marijuana while at university.
>
> 'I tried marijuana and experimented with marijuana,' he said.

The Leader of the Opposition is joined by Jean McLean, a member representing Melbourne West Province in the other place, who was a signatory to advertisements in newspapers in October 1993 that called for marijuana to be legalised. In recent debate on the Sentencing (Victim Impact Statement) Bill the lead speaker for the opposition, the honourable member for Melbourne, said the opposition believes marijuana use can be decriminalised or even legalised. He went on to say that the current situation is a waste of time and energy. The honourable member for Springvale has been quoted in his local newspapers as calling for the legalisation of illegal drugs, including marijuana, heroin and amphetamines. Even the former leader of the Labor Party in the other place, Mr White, has in past years admitted to being a user of marijuana, which is something he has now apparently recanted. He is quoted in the former government's 1991 *Victorian Drug Strategy* as saying:

> Seventeen Victorians a day die from smoking and tobacco-related diseases; five Victorians die each day from alcohol-related problems; and one Victorian dies every two days from hard drugs.

That is what Mr White said when he was Minister for Health in the Cain government. Is the comment made by Mr White that one Victorian dies every two days from the use of hard drugs simply a line that is put out by the Labor Party, or does the opposition really have a policy of legalising drugs that will kill one Victorian every two days, knowing that such a policy would increase the use of those drugs which, in turn will increase the death rate from those drugs? The opposition takes the view that it can say anything these days and not be responsible for it.

The opposition should reconsider its position on the legalisation of hard drugs. It should understand the effects hard drugs have on people and should not take a laissez faire approach or the approach of giving up because it is not worth the trouble. That would be sentencing the young people of our state and our nation to a lifetime of dependency upon substances that will lead to misery while they are alive and almost assuredly to an early death.

I am appalled that people such as the Leader of the Opposition, the shadow Attorney-General, senior shadow ministers, Mr White in the other place and members like the honourable member for Springvale could not only have that view but actively encourage vulnerable young people who will say, 'Well, it must be okay because these community leaders who stand up in Parliament and represent the Labor Party believe the use of these drugs should be legalised'.

I call on the Labor Party to reconsider its views. Does every member of the Labor Party support such views? Do they stand beside their leader in his call for the legalisation of these drugs or are they prepared to dissociate themselves from that call? If they do not make public statements to dissociate themselves from their leader and other senior members of their party they will be condemned as being supporters of that policy.

The vast majority of people in Victoria would be appalled that the Labor Party has a policy of legalising hard drugs. It is an important health, social and law and order issue, one that the Victorian public has a right to know about. I expect that over the remaining weeks of this sessional period opposition members will take every opportunity to put their views on this matter. Do they stand with their leader on the legalisation of hard drugs or do they stand on the side of a decent society that would find such a proposal totally abhorrent?

Employee relations: meeting in Parliament House

Mr LEIGHTON (Preston) — I grieve about a meeting that was held in Room K of Parliament House on Tuesday, 15 March, commencing at 5.30 p.m. I have a copy of the agenda for that meeting, which was convened by the government and was a briefing for statutory authority heads. The agenda has six items:

1. Welcome and Introduction

   Hon. Phillip Gude

   Deputy Leader — Liberal Party

2. Employee relations — Minister for Industry and Employment

   (i) Brief comment — Phil Gude

   (ii) The Federal legislation — implications and options — Ian Douglas

   (iii) Overview/coordination — John Lloyd

3. Separation packages — Minister for Finance

4. Budget implications — Treasurer

5. Conclusion — Hon. Phillip Gude, MP

6. Drinks/savouries

I have also obtained a copy of notes taken at that meeting, which I seek leave to have incorporated in *Hansard*. I inform the Attorney-General that I spoke briefly with the Minister for Industry Services, who agreed to my request.

The SPEAKER — Order! Has the Attorney-General a copy of the notes?

Mrs WADE (Attorney-General) — No, Mr Speaker. On the question of incorporation, I have not had an opportunity of examining the notes. Can the honourable member advise whether they were perused by the Minister for Industry Services?

The SPEAKER — Order! Is the honourable member for Preston able to continue his contribution without the notes?

Mr LEIGHTON (Preston) — Given that it is only a 15-minute speech, if I am refused leave I will proceed to read the document into the record, so I need to know at this stage whether leave is granted. I waited until late in the morning to approach the Attorney-General but I had to resume my place to be ready to speak, so I had no choice but to talk to the minister who was at the table at the time, the

Minister for Industry Services, who said that I should wait to get the agreement of the Attorney-General.

The SPEAKER — Order! The honourable member for Preston seeks leave for a document to be incorporated. It is suitable to be incorporated, so is leave granted?

Mrs WADE (Attorney-General) — As I understand the honourable member for Preston to indicate that the minister whom he says has given agreement had the opportunity to peruse the notes, leave is granted.

Leave granted; document as follows:

Notes from the meeting of Chief Executives of a number of Statutory Authorities with the Minister for Industry and Employment, the Hon Phillip Gude, the Minister for Finance, the Hon. Ian Smith and the Treasurer, the Hon. Alan Stockdale.

The meeting Held in Room K, Parliament House Tuesday 15th March, 1994 at 5.30pm.

Also in attendance was Jim Plowman, Ian Douglas QC, and John Lloyd, Secretary of the Employee and Industrial Relations Division of the Department of Business and Employment.

From the small number of questions asked it was evident that from the 60 approximate persons in attendance agencies represented included ZOO Board, TAFE, various Water Boards, Hospitals and the Police Department.

The purpose of the meeting according to the invitation was to discuss Government Policy on employee relations, redundancy, voluntary departure packages and budgetary issues.

Ian Douglas the QC running the governments' position opposing the federal industrial relations changes.

He spoke about the new federal legislation and stated that was now to be 100% more complex than in the past. In regard to jurisdictional challenges to the effect of the legislation on State powers, he believed would commence to be heard in June 1994, but not resolved until December, 1994.

He indicated that they were unlikely to succeed.

He talked about the termination processes available to employers through the federal IR Commission and Industrial Relations Court of Australia.

He talked about redundancies and the requirements to notify the CES where there are 15 or more redundancies even if they are of a voluntary nature. He believed that the Court could decide if the employers decision to contract out services was correct or not and had powers to re-instate workers made redundant in spite of having contracted out the services and terminated the employees.

He then talked about the need for employers to skill their personnel and people with the legislation including enterprise bargaining and negotiating skills. DBE will be providing some training courses.

He stated that the government was currently negotiating an Award for Departmental staff. The government was trying to put in place arrangements where the employees could still enter into individual, employment contracts which is aparrently what happens in private industry and has been the practice for many years.

Comments in brief from John Lloyd - Secretary, Department of Business and Employment Employee and Industrial Relations Division

Government policy and underpinnings will not change.

Departments and agencies will be responsible for conduct of their employee relations (ER).

The DBE will be developing policy and advice for public sector agencies to ensure consisteny acrosss the public sector.

The DBE and Departments and Agencies must conduct their ER consistent with government policy.

The DBE have increased their resources and two new appointments to made have been - Brian Cooney and Richard Henderson.

Departments and Agency reponsibilities
Required to
- seek advice on IR issues with policy implications to ensure no leap frogging of conditions etc. across industries including enterprise bargaining new conditions or entitlements
- advise the DBE of industrial disputes

The DBE will be co-ordinating the $8 claim and public holiday cases.

They will meet with Departments and Agencies on a regular basis.

AN ER Cabinet Committee has been established to
- co-ordinate strategies for implementing government policy.

If agencies receive claims for federal awards they must

1. Reject and oppose the making of federal Awards
2. Advise the AIRC that jurisdictional matters are pending in the high court.
3. If the Commission makes the Award then proceed to negotiate an agreement suitable to the agencies needs.

Government policy that must not be breached in any new Awards are
- no union membership preference clauses
- no annual leave loading
- long service leave to be consistent with the State legislation ie. 3 months for 15 years service.

Comments in brief made by Ian Smith
- 32,000 redundancy packages processed to date.

A further 8,000 to be taken up by 1.7.94.

- Agencies are not to offer packages that are more generous than the government standard due to potential flow on effects.

Some agencies have already done this and have been warned against further infraction of government policy.

Comments in brief made by **Alan Stockdale**

The Government intends to deliberately shift activity from the public sector to the private sector.

With the aim of
- reducing debt by privatisation
- increasing competition
- and strengthening the state economy by providing customer and consumer choice.

Agencies will be required to put in place equivalent accounting systems that private sector agencies use. They will be required to pay tax as if they were a private agency.
Notional company tax will be introduced and is to be paid to the State Government.

- benchmarks and standards will be developed to measure the effectiveness and efficiency of the agencies. 8% benchmark figure set.

Agencies will be required to submit documentation to the government for capital programmes in order for the government to use this documentation for the Loan Borrowings Council.

Comments in brief made by **Phil Gude**

IR policy statements will come out in the near future.

Assistance will be made available from the DBE to agencies.
CEO's were invited to feel free to contact any of the Ministers of the Government or John Lloyd on any of the matters discussed.

Make sure their staff were up to date with the federal IR changes.

The meeting concluded at 7.00PM with drinks and savouries.

Mr LEIGHTON — I thank the government for the opportunity to incorporate those notes in *Hansard* so I do not have to go through them in detail. Although honourable members will have an opportunity to read them in *Hansard*, I will refer in some detail to what that meeting was about.

The meeting took place on Tuesday, 15 March, commencing at 5.30 p.m. and concluding at 7.00 p.m. with drinks and savouries. Present were four ministers — the Minister for Industry and Employment, the Minister for Finance, the Treasurer, and the Minister for Energy and Minerals — heads of various statutory authorities, and about 60 other people from various statutory authorities. The agenda covered a number of matters.

One of the interesting matters discussed for about half the time of the meeting was employee relations, and considerable time was spent discussing the federal industrial relations legislation. Also present was one of the government's top silks, Mr Ian Douglas, QC, who clearly outlined the difficulties the government would have in appealing various cases before the High Court. I am told the flavour of his comments was that the government was likely to be unsuccessful in its appeals before the High Court. That indicates to the opposition the absolute and utter futility of the government spending hundreds of thousands, if not millions of dollars of taxpayers funds in mounting High Court appeals and up to $750 000 on an advertising campaign.

The government has continually insisted that it has merit to appeal, however, when four government ministers get behind closed doors with heads of various statutory authorities they are prepared to be much franker. It was made clear to those heads of statutory authorities that the government is unlikely to succeed in its appeals. The notes of the meeting also show that the government is having considerable difficulty in negotiating individual contracts with its own employees.

There was also a briefing by the finance minister, Mr Ian Smith, who for the first time put on the record the precise number of redundancy packages provided to Victorian public servants. The Minister for Finance informed the meeting that 32 000 redundancy packages have been processed to date and that a further 8000 are to be taken up by 1 July 1994. He made a point of saying that the departments were not to offer more generous packages than the present standard as some problems had already been experienced. That is the first time the figures have been clearly put on the record, and they help to reveal that we are subsidising economic growth in Queensland and adding to the debt of this state.

The Treasurer was also frank in his briefing to that meeting. He made clear the government's future intentions for and explained the government views on the public sector. He told the briefing that the government intends to deliberately shift activity from the public sector to the private sector with the aim of reducing debt by privatisation, increasing competition and strengthening the state economy by providing customer and consumer choice. The Treasurer also said at the meeting that notional company tax would be introduced and that that would be paid by public sector agencies to the state government.

It is important that those matters are on the record because it gives some insight into how various government ministers are thinking and how they are dealing with their heads of statutory authorities.

I appreciate being given the opportunity to incorporate that material in *Hansard* and I invite honourable members to read it.

Mrs WADE (Attorney-General) — On a point of order, Mr Speaker, it would be useful for people reading the material incorporated in *Hansard* if the honourable member for Preston identified where the notes came from and the author of the notes.

The SPEAKER — Order! I am not sure about that being a point of order. Would the honourable member for Preston like to respond?

Mr LEIGHTON (Preston) — I have some difficulty identifying the author other than saying it was a person in attendance at the briefing.

Mrs WADE (Attorney-General) — Mr Speaker, without knowing the author, the material incorporated into *Hansard* cannot be regarded as an accurate representation of the meeting. The honourable member should consider that, because if he wants people to put any weight on the incorporated material then he is duty bound to indicate where the material came from and the author of it, otherwise it is really not worth the paper that will be used to print *Hansard*.

The SPEAKER — Order! There is no point of order. The usual routine of the house has been observed. The honourable member for Preston has asked me whether it is suitable to be incorporated

and I have said yes. The honourable member sought leave of the house to incorporate it and leave was granted. There is no point of order. How the member wishes to refer to those notes in his speech is entirely up to him.

Mr LEIGHTON (Preston) — Thank you, Mr Speaker. I am surprised that the government did not take its own notes of that meeting so that it could compare the two sets. The government has plenty of opportunity to confirm or deny the contents of the notes. Opposition members would be most interested in such a response on the public record.

Banyule House

I also wish to grieve about a matter in the Ivanhoe area. I am disappointed that the honourable member for Ivanhoe, the Minister for Small Business, seems to have scratched himself from the speaking list. I was hoping that he would address a matter during the grievance debate today concerning an historic homestead in his electorate.

Before the state elections the minister was quite vocal on the matter, and I refer the house to an article in the *Heidelberger* of 22 May 1992 which states:

> The member for Ivanhoe, Mr Vin Heffernan, has hit out at the state government's 'grossly misleading' method of advertising the sale of surplus properties — including the historic Banyule House — as a 'mockery of the democratic process'.
>
> The state government advertised the 150-year-old Heidelberg home on May 13 as a surplus government property which 'may be offered for sale by public auction or tender by the Ministry of Finance'.
>
> The advertisement, which appeared in the *Age*, said any sales of surplus property would be advertised in local newspapers, rezoning would be undertaken where necessary and further information could be obtained from the ministry.
>
> While a finance ministry spokesman said the advert was inviting public comment on the possible sale of Banyule, Mr Heffernan said it clearly indicated the government's intention to sell and rezone the property if necessary.
>
> 'It is misleading and the ads clearly express the intention to sell,' he said. 'It 's a backdoor way of selling off public properties.'

The critical point made in the article was:

> Mr Heffernan said he was personally very sad about the decision because he was one of the councillors involved in lobbying the government to purchase the building.
>
> 'We fought to get Banyule and now the final say in all of this will be the people' at the next election,' he said.

I wonder if the people of Heidelberg have had the final say, which the honourable member for Ivanhoe stated would be the case when he was re-elected in October 1992 but, surprise, surprise, the City of Heidelberg has been informed by the Department of Finance that Banyule homestead is to be auctioned. It is a historic homestead and one of the most important reminders of Heidelberg's heritage. It has been a focus for art, and through tourism it makes a critical contribution to the local economy.

The Heidelberg council has been told that it will have first offer at purchase from the state government; however I do not believe this is feasible. The suggested value of the homestead is $750 000; it is anticipated that at a minimum refurbishment will cost $150 000, and the council would be looking at a running cost of $120 000 per year. That is beyond the reach of Heidelberg council.

The Minister for Small Business — the honourable member for Ivanhoe — must intervene and act. He was critical of the proposal to sell the homestead, and he made it clear that the people would decide on the matter at the next state election. The people have re-elected him, yet he is now standing by and condoning the Department of Finance putting the homestead on the market. The minister has an obligation to come out and publicly support the homestead, just as he did in 1992.

Australian Labor Party

Mr LEIGH (Mordialloc) — I rise to talk about an important institution that has affected Australia as a nation over many years. Its effects have sometimes been good and sometimes bad. When one looks at the organisation today, one would have to say not only is it bad, but that former Labor Party leaders like Ben Chifley and many others would turn in their graves if they could see some of the disgraceful behaviour that has occurred in the Australian Labor Party. This is a party whose Victorian leader said, as late as last Sunday, as reported in the *Herald Sun*, that he was not taking speculation about the Labor leadership seriously.

> 'Nothing is being said to me — the leadership is rock-solid — there is a total endorsement of my leadership,' he said.

One should remember that when this man entered the upper house of the state Parliament it cost $300 000 and he wound up in the Legislative Assembly and was elected Leader of the Opposition unopposed. Ten months later, due to his own stupidity, his party yesterday sought to dump him. If it had not been for the meeting at which all opposition members got together and discussed matters and did a little deal, Mr Brumby would not be Leader of the Opposition today. The honourable member for Sunshine would not be sitting up the back, nor would the honourable member for Niddrie. Indeed the biggest mistake the Leader of the Opposition has made as the honourable member for Broadmeadows is to put those two honourable members together in the corner. If I were he — and this is my first advice to the Leader of the Opposition — I would split them up because I can see them talking in the corner from this side of the house!

In past weeks we have seen newspaper articles with headings such as: 'Brumby moves on stacked branches'; 'Brumby to tackle ALP faction brawls'; 'Brumby vow to end faction row'; 'Brumby threatens to quit over stackings'; 'Shadow minister attacks Brumby'; 'Brumby at risk in factional rows'; 'Brumby blamed for stacking' and, interestingly, there was one article that stated, 'I'll break your legs' says furious MP. This article told of a female Labor member of Parliament who was told that if she kept interfering in branch matters the Leader of the Opposition would break her legs — that is new affirmative action! These are the sorts of things that the Leader of the Opposition has been up to.

Ms Kokocinski, who was and is an honourable member in the Legislative Council representing the Footscray area, made what could only be described as a stinging attack on her own party in the *Herald Sun* some time ago. She said:

> As I said in my preselection speech, 'An example is Footscray, where nearly all the ethnic groups were up in arms ...

What is happening is that the Labor Party is simply repaying one ethnic group for joining another group. Ms Kokocinski continued:

> The naive and stupid decisions of certain power brokers in the west has, with one wipe, not only wiped away most of the work I have done with ethnic groups, but is pitting one ethnic group against others: those few groups who enjoy patronage against the vast majority who don't.

One of the shining new examples put on the front bench yesterday by the honourable member for Broadmeadows is none other than the honourable member for Footscray, who is in up to his neck in branch stacking!

It is interesting to note the information I have been able to gain access to, and I shall quote from my notes just in case members on the opposite side do not like what I have to say. I quote from the Timmerman report on state preselections, which is the latest round of preselection papers. The report states:

> ... that the factions, who control the preselection process, are not interested in winning at least the next two state elections ... The Labor unity (right-wing) faction in particular has decided that controlling the party is more important than winning elections.
>
> ... the once-healthy 'ethnic branches' ... have become the major source of corruption in the party ...
>
> Such branch members are used almost exclusively for voting, especially in preselections, and most do nothing else in or for the party. Sometimes their memberships fees are paid for them (occasionally even from funds raised 'for the party') ... Some have managed to vote several times in a party ballot ...
>
> The new preselection process has been accompanied by the accelerated stacking of ethnic and ordinary branches ...
>
> ... The Labor unity's Joe Italiano had enough Italians in the adjacent state seats of Werribee and Altona to disenfranchise the genuine membership.

What we have here is a party that claims that it is about being able to represent the people of Victoria. It is putting its policy for the next election, and can I say that in the Mordialloc electorate, for instance, people were so upset with the branch stacking designed to get Peter Spyker that fewer than 46 of the 100 people entitled to vote bothered to do so because they did not believe it was of any value Apart from that, headquarters told them what was going to happen. And that is exactly what happened.

It is interesting to read Mr Timmerman's letter and his view on party preselection. I do not intend to

read the whole letter, but it is a pity it is not incorporated in *Hansard* because it contains valuable information. For the information of the house I point out that Frans Timmerman is a North Fitzroy branch executive member, an administrative committee membership subcommittee proxy member, a state conference delegate and a national conference proxy delegate — a reasonably powerful man! What does he say? He says some interesting things, and the house would be interested to know why the former member for Broadmeadows, Mr Jim Kennan, decided to take his bat and ball and run home. Why did he go? Was it because he wanted his superannuation or any of those things? I do not think so. Mr Timmerman says:

> Meanwhile, the right set out to consolidate its control. A few days after the SL-LU deal was signed, Senator Robert Ray approached Jim Kennan during the ALP State Conference at Monash University and told him he would not be leading Labor into the next election. The plan was to dump Kennan after the right's John Brumby had a year or so to get some experience in state Parliament. But by now Kennan was so undermined that he did not want to play the game anymore and resigned quickly. Ray approached Brumby and told him to run for the leadership. Brumby said he was not ready, but Ray pressed him.

It is interesting that the man in control of the Victorian ALP said he was not ready. His general performance and his antics yesterday show that he knows he is not ready. All honourable members will remember the occasion when, after asking a question that did not work, Mr Brumby said to his former deputy leader, 'What do we do now?'. That is what the Premier heard him say!

Mr Timmerman's letter speaks of ethnic war lords — we are talking about Australia — and of the branch stacking that goes on in many Labor seats. He states:

> In the same way, Vietnamese have been stacked into Melbourne West Province to enable Sang Nguyen (from Richmond) to take the seat from sitting member Licia Kokocinski. (See her attached letter to the *Herald Sun*.) Similarly Cambodian Hong Lim (LU) was able to take Clayton from sitting member Dr Gerard Vaughan (LU).
>
> Filipinos have been stacked into Preston, Timorese into Richmond, Jews into Melbourne Ports, Macedonians into Lalor; and Greeks, Turks and Spanish in the hundreds into several federal seats such as Melbourne, Batman, Holt, Calwell and Gellibrand.
>
> The stacking has also had the effect of altering the number of state conference delegates allotted to each Federal Electorate Assembly (FEA). For example, the Melbourne FEA will lose four delegates while Holt and Gellibrand will gain delegates. The SL and LU factions have made these gains at the expense of smaller factions or non-aligned delegates. For this reason, as well as for preselection purposes, factions have rewarded ethnic warlords such as Italiano. (He has also put supporters into the inner northern seats.) Moreover, the SL and LU factions have often colluded at the highest levels to prevent investigation of breaches of the party rules associated with branch stacking.
>
> Furthermore, the stacking has led to some undesirable inter-ethnic clashes, particularly between Greeks and Turks, around issues imported from the home countries.
>
> Unfortunately, increased branch stacking will increase general resentment against some ethnic groups, as genuine members (who attend meetings and do the fundraising, letter-boxing and distribution of how-to-vote cards) are effectively being disenfranchised by faceless party members.

Under the heading 'Brumby not satisfied' the letter continues:

> While the right has replaced many of its parliamentarians who were members of the state Labor government — for example Tom Roper was simply told to go — John Brumby was not happy that the left re-endorsed so many of its former ministers. Brumby has been keen to publicly cultivate a 'cleanskin' image removed from the very effective Liberal Party advertisements portraying the Labor ministry as 'the guilty party'. While some continuity of experience is necessary, he felt that too many discredited SL ministers were re-endorsed. Furthermore, in some upper house seats it will be up to 11 years before new blood in there can reinvigorate the Labor caucus.

In conclusion, Mr Timmerman says:

> But then again many factional heavyweights believe that the next Labor Premier of Victoria is not in parliament yet or at best is somewhere on the back bench, so why bother going for quality now? Besides, the shadow cabinet is a bit of a joke, with several conversations usually occurring at the same time, very little teamwork, and some actually supporting parts of the Kennett government slash-and-burn measures.

The government would like to know who they are!

> Therefore the emphasis has shifted back to fighting for control of the party. Unfortunately such a strategy is self-fulfilling. If you don't think you can win the next two elections, you won't put in enough effort to win, which in turn will ensure that you won't win.
>
> And the right seems to have learned nothing from the left's autocratic style and consequent disintegration. Indeed, Labor Unity's discipline during the preselections partly collapsed as the faction's members refused to vote for unacceptable candidates foisted on them by their central leadership. That is why David Cunningham, MP, defeated Sam Muscat for the seat of Melton and why Carole Marple came so close to retaining Altona.

It is clear that a once-great party is tearing itself apart, for all sorts of reasons. The Leader of the Opposition and his number-cruncher, the honourable member for Pascoe Vale, set this in train. Why did Mr Brumby do that? He realised that the only way he could change the party was to change the membership and the policy apparatus — so multiple stackings were organised.

The comments I have quoted should not be seen as the only evidence of whether I am right or wrong. I refer to the remarks of none other than that powerful and mysterious parliamentary figure, the honourable member for Springvale. On the *7.30 Report* he said that branch stacking was affecting the stability of the Labor Party caucus. He said that multiple recruitment in the hundreds, and in some cases thousands, had been happening over a period of months. He said he had never seen that happen before. The Honourable Licia Kokocinski, who represents Melbourne West Province in the other place, said that the rank and file who had joined because they had an absolute and unchallengeable belief in the Labor Party and its values were horrified by the branch stacking.

They are not the comments of Liberal members speaking about the Labor Party; they are those of Labor Party people speaking about their Labor Party. The ALP is in this position because its leader, who said of himself that he was not yet capable of running the Labor Party, has been so incompetent as to set in train a strategy that nearly saw him chucked out yesterday.

He had been chucked out until the factions had a meeting. A deal was made in the corridors by Mr Micallef, the honourable member for Richmond, and a couple of others. They said to the honourable member for Broadmeadows, 'Unless you give us the deputy leadership, you are going and we will vote for the honourable member for Sunshine'. The honourable member for Sunshine should have ensured it was written in blood that he had the numbers. Instead he was snookered. Yesterday a man lost because he believed some of his colleagues, which perhaps he should not have done. He will learn from that — especially if he decides to pursue a similar course in future.

At the centre of events are the honourable member for Thomastown and other Labor Party powerbrokers. Given the opportunity they will again do to the Victorian community the same things they did during more than 10 years in government. The honourable member for Thomastown, Mr White's assistant, Mr Stephen Conroy, and a number of other Labor Party backbenchers are the play actors. The powerbrokers who run the machine are outside the chamber doing their best to gain control of a party they see as having a real opportunity to have a go back at the present government — perhaps by 2008! It is sad for democracy that Victoria does not have an effective opposition. Mr Timmerman's paper is a good example of the Labor Party speaking about the state it is in.

Director of Media Communications

Mr THWAITES (Albert Park) — I grieve today that Mr Peter Bennett, the director of communications in the Premier's office, has not been sacked by the Premier, as he should have been. Mr Bennett has shown no understanding whatsoever of proper processes. He has shown that he is prepared to abuse the tender process, to lie to the Premier, to lie to the State Tender Board and to lie to the government. As a result the people of Victoria are suffering and losing out.

Mr Bennett set up a bodgie tender process designed to guarantee that his long-term business associate was appointed to a lucrative government job. He excluded other companies from the tender process and, in so doing, ensured that the taxpayers of Victoria lost out.

Prior to the last Victorian election, in October 1992, Mr Bennett was the chairman of the DDB Needham advertising agency. The company placed the advertising for the Liberal Party during that election campaign. But in the lead-up to the election Mr Bennett resigned as director and worked on the guilty party campaign.

Mr Paul Leeds became chairman of DDB Needham and has been the recipient of much of Mr Bennett's largess. Early in October 1992, soon after the Liberal Party was elected to government, Mr Bennett was appointed to the position of director of communications in the office of the Premier on a salary package that has still not been revealed while he continued to be a shareholder in two member companies of the DDB group of companies.

In October and November of 1992, Mr Bennett authorised the expenditure of approximately $786 000 on advertising relating to the Victorian government's proposed industrial relations legislation. A large proportion of that sum — $390 000 — was paid to DDB Needham for the purchase of air time. None of that part of the contract was put through any proper tender process. In December 1992, Mr Bennett authorised the expenditure of approximately $86 000 in favour of DDB Needham for radio advertisements by the Premier. No State Tender Board approval was sought until after the event. Mr Bennett authorised other large advertising programs through the Department of Transport, which were also not approved by the tender board.

Mr Bennett has had a long association with Paul Leeds and the DDB Needham group and, on his own admission, has known Mr Leeds for more than 12 years. Early in 1993, Mr Leeds received a lucrative government contract to handle all government advertising and media placements for the Kennett government. All the documents that have been released under freedom of information processes to date reveal that the whole contract arrangement was organised by Mr Bennett. He was the person who made the recommendation to the tender board.

The real concern, and the thing I grieve about today, is that Mr Bennett has shown he was prepared to lie to the Premier and the tender board to get his mate a job — he set up a bodgie tender process designed to ensure that his long-term business associate got the job. He excluded from bidding Victorian companies that were more qualified and would have bid at a lower price. He ensured that the criteria were rigged so that only Leeds Media and Communication Services Pty Ltd could win. I will expand on some of those lies.

First, in a memorandum to the Premier of 14 January 1993, he stated that as the result of an analysis of the companies that had expressed interest he had chosen three to go through a detailed tender process because they had the best credentials for the job. That was false; at least four of the other companies should have had an opportunity to tender. Some of those were Victorian companies and, in contrast with Leeds, were far more experienced and had a far higher level of advertising placements.

In the same memorandum to the Premier, Mr Bennett also stated that Leeds Media was linked with the Omnicom buying group. The evidence I have is that Leeds was not part of the that group and that Omnicom does not operate as a group buyer.

In a further memorandum of 16 February to the Premier, Mr Bennett tells the Premier that Leeds Media submitted the lowest quote. That also misled the Premier because given the levels of advertising in the tender brief Total Media (Aust.) Pty Ltd submitted a lower quote. The tender documents made it quite clear that the total amount of advertising was to be between $10 million and $20 million and that Total Media was cheaper at that level.

The Premier was also told by Mr Bennett that Mr Leeds should be supported because his was a Victorian company, yet it was Mr Bennett who had excluded other Victorian companies from bidding, making it all the more sure that his mate Mr Leeds would get the contract.

In the same memorandum, Mr Bennett also stated another reason for not supporting Total Media was its links with the AdVic, the former advertising agency that handled government media placements. That was never referred to in the tender documents, and if Total Media was to be excluded for that reason, why was it then one of the three companies asked to tender? It can only be because it was a set-up job from which the other tenderers were to be excluded.

The memorandum also states that Total Media was not accredited and suggests that as a reason why the Premier should support the recommendation of Leeds Media. That is another lie. The Total Media bid was on behalf of the Total Media group, one company of which was accredited with the Media Council of Australia. That raises the question: if the issue of accreditation was so important why did Mr Bennett not state in his memorandum to the Premier that Leeds was not accredited? He also misled the Premier in that regard.

There is a final misleading statement in relation to Media Decisions Pty Ltd, the third company: that that company's position as a supplier of advertising

to the New South Wales government somehow disqualified it. If it was appropriate to disqualify the company on that basis why was it included among the final three tenderers?

The tender board was misled on 10 March in relation to Chiat/Day/Mojo. The tender board had asked Mr Bennett why that company was not asked to tender. The company had previously been doing government work at a cheaper price than Leeds. Mr Bennett also misled the tender board and Mr Michael Consolo of the Department of Business and Employment in relation to the industrial relations contract when he said the reason that no competitive public tender was deemed appropriate was because of the confidential nature of the assignment. In fact, the Minister for Industry and Employment had stated that the reason no tender was called for was because the information program had to be commenced as soon as possible.

If I had more time I could go through case after case of Mr Bennett misleading the Premier, the tender board and the government. Mr Bennett clearly has no idea of the truth or of following proper processes, yet occupies an important job and plays a political role. Mr Bennett was a key person in the 'guilty party' advertising campaign and it now appears he is being used by the government as part of a political hit squad against its perceived enemies.

Mr Bennett is being set up by the government to hit one of those perceived enemies, the *Age* newspaper. The best way of doing that is to take government advertising from the *Age* and to place it in the *Herald Sun*. Mr Bennett and Mr Leeds have put pressure on public servants to place government advertising in the *Herald Sun* rather than the *Age*. Inducements given to government bureaucrats who are responsible for advertising can be viewed only in that light.

On 9 March this year Mr Bennett organised a function for the advertising executives of government departments at the ANZ pavilion at the Victorian Arts Centre. At that function the *Herald Sun* was given an opportunity to persuade those present to place government advertising in that newspaper. I am concerned that inducements and prizes were given to the public servants who attended the function. According to my information the prizes included a weekend trip for two at the Sheraton Southgate — right next door to the proposed casino site. I have also heard that a senior public servant benefited from that weekend for two. I am informed that book prizes were won by certain other public servants who attended the function.

The actions of the Premier demonstrate that he is doing everything he can to undermine the *Age*. He has attacked it at every opportunity. Now it appears he is using Mr Bennett to achieve his fundamental purpose: the undermining of the newspaper. My greatest concern is that public servants have been caught up in that. They are being induced to transfer government advertising from the *Age* to the *Herald Sun*.

It appears that the government is adopting exactly the same approach that Sir Joh Bjelke-Petersen adopted in Queensland. It is seeking to pressure the media into providing favourable media coverage by changing the placement of government advertising. That is also consistent with the Premier's actions in respect of the *7.30 Report* and the *Sunday Age*. He seems to be saying, 'Unless you do the right thing and say what we want you to say, we will have no part of you'. The situation has now become more serious. Public servants are being pressured about where advertisements should be placed. Public servants have received inducements to ensure that they favour a particular media organisation — they are being pressured to place their advertising in the *Herald Sun*.

School maintenance

Mr McARTHUR (Monbulk) — My contribution to the grievance debate concerns an important matter to people in my electorate: the condition of school facilities. Late last year I visited all the schools in my electorate, and I continue to visit schools regularly. Most schools display visible signs of neglect. Although it is obvious that the school communities — school councils, parents and teachers — do the best they can to maintain the facilities, in a large number of cases they face an overwhelming problem.

The maintenance problems are too large to be handled at the local level. They are beyond the capacity of local fundraising efforts and they are beyond the capacity of weekend working bees. It is difficult to ask members of weekend working bees to replace school roofs or upgrade drainage systems. However, those are the types of problems I see when I travel around the schools. The problems are worse in high rainfall areas such as the Dandenongs where rain is a matter of course for a significant portion of the year. In those areas leaking roofs present a large

problem because it rains every second day at certain times of the year.

It is one thing to see the obvious signs of neglect during casual visits, it is another to get a broad picture of conditions across the whole electorate. Therefore I sent out questionnaires to all the schools to obtain a broad overview of the condition of their facilities. I also sent questionnaires to schools on the boundary of my electorate, such as the Montrose Primary School, which is in the electorate of the honourable member for Mooroolbark, and the Kallista Primary School, which is in the electorate of the Minister for Planning. Those schools both service large numbers of students who live in the electorate of Monbulk.

As you would imagine, Mr Acting Speaker, the responses to the questionnaires varied. Overall, the response was large. Of the 21 schools surveyed, 18 have so far returned responses. Descriptions of their facilities ranged from very poor to very good or excellent. The latter applied only in a couple of cases. My definition of very good to excellent is that the school is structurally sound, in excellent condition, is well maintained and does not need significant maintenance at this stage. Both the schools in that category were built only recently. One was built in 1979-80 and the other was reconstructed in 1990. One would hardly expect a large maintenance backlog at either of those schools.

Eight schools could be classified as fair to good — that is, they are structurally sound, the buildings are in fairly good shape, but they need some maintenance. There are some obvious areas where work could be done.

The most worrying end of the scale is the schools that rate fair to poor. In some cases poor is far too generous a description of the facilities at those schools. Their structure may be sound, but there is a major maintenance backlog. Those schools have obvious signs of neglect, and a lack of maintenance. By and large those schools were built somewhere between 30 and 90 years ago. Since that time only limited maintenance has taken place. No major maintenance work has been done for at least 10 years.

Some of the defects I saw when I visited the schools are worrying. I see rusted and rotting gutters and downpipes which can cause further structural damage if water enters the classrooms. If water leaks into the electrical system it can also pose a threat to health and safety. I also saw leaking roofs. Some roofs leak simply because they are old; others leak because vandals deliberately damage them at weekends by having parties on them, for example. Existing damage and inadequate drainage causes further structural problems. In some cases water has been entering classrooms or corridors on a regular basis.

Schools also suffer from substandard electrical maintenance, run-down toilets, peeling paintwork, rotting timber around windows and door frames and associated problems.

Significant numbers of the 21 schools have been doing the best they can to attract funding for maintenance programs. Six schools have completed condition audits of the facilities, seven are in the process of completing condition audits, and some of the newer ones have not had audits performed recently.

Let me give some examples. In the case of the Tecoma Primary School the condition audit says:

> The original main building known as 'B' block is approximately 94 years old and is overdue for a full refurbishment. There has been no cyclic maintenance carried out to the entire school for 24 years ...

It continues:

> The following items are areas that require urgent attention within the next 12 months due to ageing, water damage or general deterioration ... These works include; roofing, electrical, plumbing, floor coverings and civil works.

The audit found that $171 200 worth of maintenance is required at the Tecoma Primary School. Of that some $18 900 is in the urgent category and should be completed within the next 12 months or so.

In the case of Upwey Primary School, the report says the audit was undertaken in January last year. The buildings were found to be in a poor state of repair, and the main buildings needed extensive work. A timber-clad building also required painting and the roofing needed to be partially repaired. In that case it was estimated that the maintenance required on the main building amounted to about $132 400. When the extra maintenance for the other buildings was taken into account, the total amount required for that school was estimated to be $238 000.

Comments such as those are not uncommon in the building facilities audit. They demonstrate a lack of

commitment over a number of years to maintaining school facilities. My estimate of the cost of outstanding maintenance at those schools surveyed is $2.8 million, comprising $1 144 300, which is the official estimate of the Department of School Education facilities audit where they have been done, and a further $1.6 million for work that the schools themselves describe as necessary.

Schools in my electorate have suffered from a lack of maintenance. Some honourable members may ask, 'How did that happen? Who is to blame? Who is responsible for not maintaining those public facilities or community assets at the required level?' If one examines the record, one finds that virtually no major maintenance was carried out during the 10 years of ALP government. The previous government played around the edges. The maintenance of the capital assets in our school system was completely neglected. Many of the schools that were constructed 60 or 70 years ago had cyclical maintenance and extension work done on them during the 1940s, the 1950s, the 1960s and the 1970s — but nothing happened during the 1980s. The Labor government did not bother about maintaining the community's school buildings. In the community's eyes that could be categorised as negligence.

I receive constant complaints about the poor state of school facilities and about the appalling conditions which students have to put up with and under which the staff are forced to teach. It is unacceptable. Something should be done on a planned and regular basis to reduce the maintenance backlog.

We should have in place a regular program of minor maintenance funding. In that regard I am happy that the minister has implemented a plan to grant all schools minor maintenance budgets on which they can rely. That will give each school up to $30 000 per year. The entitlements will be allocated under a definition that takes into account building construction types, the time elapsed since the last major maintenance and the location. Part of the funds will be allocated on a square-metre basis according to the entitlements of schools and in line with their current facility schedules. That will give the schools regular and predictable budgets with which to carry out minor maintenance programs.

In addition, some schools need urgent work to rectify the major problems that cannot be solved by minor maintenance projects. The $2.8 million backlog in maintenance cannot be addressed through a series of minor maintenance programs. I am pleased that the Minister for Education realises that need.

Three programs will be commenced in the 1993-94 and 1994-95 financial years. The Upper Ferntree Gully Primary School has been allocated $166 400, which will result in a complete refurbishment of the boys' and girls' toilets; external and internal painting; the repair of floor coverings; the repair of drainage facilities to stop flooding; the replacement of gutters and downpipes; and the repair of sections of the roof.

As a result of the excellent work done by my colleague the honourable member for Mooroolbark, the Montrose Primary School has received a $200 000 major maintenance grant. This will provide a major upgrading of the administration area and the school will be painted externally and internally. The school facade will be rebuilt in accordance with the historical area of Montrose. The library and computer room will be upgraded and repairs will be made to carpets and to holes in the walls and ceilings.

The minister has recently allocated $500 000 to the Monbulk Secondary College for a major maintenance program. The school's facilities have been significantly run down in recent years. The program will provide the school with complete internal and external maintenance programs. The electrical and plumbing systems will be upgraded and the drainage system will be repaired, because water has been running into the buildings due to inadequate drainage.

In the 18 months the government has been in office it has allocated $866 400 for major maintenance programs in the schools in my electorate, which I visit regularly. I am pleased that the minister has made a commitment to refurbish the schools and to get them up to an acceptable standard.

Following this the minor maintenance programs will allow local communities to maintain their schools at acceptable standards. The community facilities are owned by the taxpayers and should be maintained properly. We should encourage school communities to maintain them in the best possible condition. That will have spin-offs for the students and will do a great deal for staff morale. There is no reason why they should have to work in unsafe conditions. I commend the minister for his dedication and his determination to restore the facilities to the standards required.

Tourism facilities

Mr PANDAZOPOULOS (Dandenong) — It is disappointing that the honourable member for Monbulk has cleared the gallery and the chamber. Honourable members and the public will not now be able to listen to what I wish to grieve about — that is, the opposition's concern about the support given to small tourism operators in regional and country Victoria. I refer in particular to small accommodation places such as motels, caravan parks and guest houses that do not belong to large motel or hotel chains. In other words, I am concerned about the places that ordinary Victorian families and pensioners visit.

On 27 October 1993 the Minister for Tourism announced that Tourism Victoria had conducted a survey of various tourist organisations. He said 132 organisations had been consulted about the needs of tourist operators in Victoria. A senior Monash University student who is interested in tourism, Julian Watson of Berwick, subsequently contacted me. He was concerned about anecdotal evidence he had come across that things were not rosy as the government claimed and that tourism operators throughout the state were finding things difficult. With assistance from my office he took the initiative to conduct a survey of 100 tourist operators listed in the March 1994 issue of *Royal Auto*. That information, which he made available to me, provides an interesting analysis of the government's rhetoric about things improving for tourism in Victoria when the fact is that there is much concern about the industry. The results of the survey put in serious doubt the minister's comment on 24 March 1994 that, phoenix-like, the industry is rising from the ashes and leading in a new and positive direction and suggest that this is not the case for small independent tourist accommodation places.

Tourism is important to Victoria. About 80 per cent of Victoria's tourism is intrastate, so the confidence of Victorians is crucial to the number of overnight stays and the amount of money spent. About 80 per cent of all jobs in the tourism industry — that is, 80 000 of the 130 000 people employed in tourism — are in country Victoria, and tourism is worth $2.8 billion a year to this state. It is an important potential growth industry, but we have to get our act together. There is bipartisan support for the many good initiatives that have been introduced both in the past and by the current government, but it is of great concern and not surprising that, on average, Victorians spend less when travelling in Victoria than tourists from other states and have the lowest average duration of overnight stays. That is disappointing, particularly as the government is telling us that Victoria is experiencing a phoenix-like recovery. It is important to get away from the government's rhetoric and perception of an improving tourism industry and assess where the growth barriers lie.

What are the operators telling us about the economy and what they think the government should do? The survey reveals that operators expect the environment for tourism to improve. We all expect that. However, 41 per cent say that there has been no increase or decline in local tourism. That is not a ringing endorsement of the government's view that there has been a recovery. When asked how their businesses were faring, 50 per cent of operators said that business had not improved in the past year and 26 per cent said that their takings had declined. It is important to consider what the operators said about why they think demand has dampened.

The owners of the Ballymena holiday units, Mallacoota, said taxes and charges are too high, particularly for families and pensioners, which is why people are not staying as long as they used to. We all know how much taxes and charges have gone up. Takings at the holiday units were down $3000. The owners of the Glenaire log cabins on the Great Ocean Road expressed concern about public holidays and the fact that because public holidays are no longer attached to weekends the amount of travel being undertaken has decreased.

The owners of the City Heart motel, Warrnambool, said we need lower bus and train fares, not that trains go to many places these days. The owners of Royal Cottage, Daylesford, expressed concern about increased state taxes such as SEC charges. The owners of Country Lane Holidays, who manage 160 properties across Victoria, expressed concern about petrol prices and the removal of train services. The owners of the Tawana Lodge complex suggested that the trains be put back on. These people who run businesses in Victoria are talking about what the government needs to do. The owners of River Queen Houseboat Holidays, Mildura, said that an upgrade of transport to country areas is needed. The owners of Pioneer holiday flats, Bright, said takings are down $10 000 on last year. The owners of the Grampians Wonderland Cabins said they did not want the government to take away public holidays. Another said, 'Bring back the long weekends that have been robbed from us'.

These comments come not from the Labor Party but from people in the community. The themes are: cutbacks in state funding on road infrastructure, high taxes and charges — since the election every person has been paying an extra $1700 a year — the loss of trains, high unemployment, public service sackings and changes to public holidays. It is important to focus on the changes to public holidays because it is one of the greatest concerns and a source of confusion and annoyance for tourism operators. Some 61 per cent of operators surveyed said their takings had been reduced as a result of changes in public holidays. That is amazing. The operators of the Bright Alpine Park said that because Australia Day no longer creates a long weekend it lost $1000, while the Grand Canyon Budget motel lost $7000. The owners of Colonial Cottages, Apollo Bay, claimed they lost thousands of dollars because of the changes to public holidays. Their comments are hardly a ringing endorsement of a government that supposedly supports business and tourism.

The government removed the Easter Tuesday and Show Day holidays. Boxing Day and New Year's Day have no substitution days if they fall on a weekend, and there is no substitution for Australia Day, Anzac Day and Christmas Day if they fall on a weekend. Bank holidays have disappeared. There is massive confusion among people planning holidays. Some people are on federal awards, so one person in a relationship may be entitled to a day off while the partner is not. That means they do not plan for holidays or they spend fewer days travelling.

The survey reveals that the government rhetoric is different from reality, that the concerns of local tourism operators need to be considered and that operators feel the government should address many other area. There is more to their concern than the dampening of demand because of the loss of confidence about planning holidays, the increase in state taxes and charges and the sacking of public servants. There is concern about the direction of tourism and its structure. The survey reveals a number of barriers that include the way the state packages and promotes its regions. We do not place enough focus on themes of exploring Victoria, adventure tourism, ecotourism or value for money tourism, which could attract people to Victoria. New Zealand, which is not much bigger than Victoria, has a proper tourism focus and people travel from around the world to explore the country and participate in different adventure activities. Victoria does not have that level of tourist interest from overseas and our own community.

The respondents to the survey expressed concern about the poor condition of roads and tourist infrastructure. They said the government is not providing sufficient resources to encourage people to travel and to support tourism levels. They highlight the need for better coordination of tourism operators and government agencies and the need for government financial assistance to local tourism offices.

I shall refer to some of the comments made by motel operators. The Coastal motel at Apollo Bay claimed Victoria should be promoted as an exciting place to explore and tourist information centres should be funded. The government has not done enough in this area. The Gellibrand River Cottage says there should be continual promotion, such as that started by the Labor Party, concerning specific areas.

Brackendale Flats in Lakes Entrance says there should be a ban on netting in Gippsland Lakes to encourage recreational fishing. The owners claim the government and local members representing the area are doing nothing about that matter. More recreational fishermen would be attracted to the area if that occurred. But, who is listening to the message? The Wombat Hill Cottage at Daylesford says we should develop a better road system and restore old buildings as tourist attractions.

Although the government spends a significant amount of money on surveys — on 27 October last year the minister announced the results of some surveys — nothing is said about the real concerns of local tourism operators. It is important that the government does not play down these sorts of responses even though they are not geared to what it wants. These were general responses to survey questions. It is important that the government focuses on the areas of concern mentioned.

The opposition is keen to work with the government to enhance tourist opportunities in Victoria. The government should continue to seek opportunities that will create jobs in regional and country Victoria, which would create great travel opportunities both for Victorians and for interstate and overseas travellers. It is about time government members got their heads out of the sand and stopped pretending there is not a problem with the way local tourism operators perceive their future and viability.

It is astounding that 61 per cent of respondents to the survey believe the change to public holidays has had severe consequences on their businesses. Some 76 per cent say there has been no change or

improvement in their business or there has been a decline in the number of tourists visiting their businesses.

School maintenance

Mr FINN (Tullamarine) — I join the grievance debate to talk about the condition and maintenance of a number of schools in both the northern and southern parts of my electorate. In the 18 months during which I have been the member for Tullamarine I have built up a friendly and warm relationship with representatives of schools in the area. As a result they have come to me with their problems. By working together in that way I believe we have some hope of overcoming them.

Some weeks ago I visited the Gladstone Views Primary School and saw the problems caused by the breaking up of asphalt on the playground. It is clearly unsafe, and has been unsafe for some years. This is not a new problem. It appalled me that children would be put at risk by those sorts of conditions. I was also disgusted to find that children were sitting in classrooms when the roof was leaking. Buckets had been placed on the floor to catch the water running off the ceiling when it rained. The school was opened in 1976 and since then not one paintbrush or drop of paint has come near the building. The schools also suffers from overcrowding. It is some years since anyone has examined the facilities. The administrative area is extremely cramped and the teachers and administrative staff experience difficulty working there.

The principal of another school told me that he thought it was perfectly normal for the school to have problems. He said that just about every school in the state needs a coat of paint. That situation existed well before the coalition government came to office.

The Greenvale Primary School has already received some funds this year for maintenance. Although I am pleased with and thank the minister for that, the prospect of massive overcrowding arises. The school now has 516 students but in a year or two that figure may well increase to 800, which would present enormous problems for the principal, staff and school council. There has definitely been a lack of planning because the potential growth of the area has not been taken into consideration by previous governments. I have spoken with the minister about the problems and I shall continue to do so, because the minister should take into consideration the planning processes of the school. Earlier this year I was pleased to hear that the school had had its first paint job after many years.

The Gladstone Park Primary School has not been painted in 21 years — that is how long the school has been open. It needs a good going over with a paintbrush inside and out. The fire service infrastructure under the asphalt has corroded which is causing degeneration of the asphalt. The playground is clearly unsafe and has been declared unsafe by physical education personnel of the department. I am pleased to note the department is taking that matter in hand. The roof is also leaking. In fact, I am told a completely new roof is needed.

These issues are not new. They have existed for some years. However, the school affected most adversely by this sort of neglect is the Gladstone Park Secondary College. Its condition is nothing short of disgraceful. It has an excellent principal, staff and school council and a great record but the condition into which it has been allowed to fall by previous governments is appalling. No major maintenance has occurred at the college for some 20 years. There is a desperate need for a building program. Although 1400 students are enrolled the school has permanent room for only 700. It has broken walls, no soundproofing, broken windows and windows that do not work, and the carpets throughout need to be replaced urgently. It is overcrowded and cramped; and there is no room for the teachers to carry out their basic functions. Its roof also leaks.

I am staggered at the number of schools in my electorate with roofs that leak at the slightest hint of rain. Most of the schools with major problems seem to be located in the southern part of my electorate, the part that the Labor Party likes to call its home territory. That is how well it looked after them when in government!

I should congratulate my predecessor in the Sunbury area, the Minister for Sport, Recreation and Racing. Although some Sunbury schools have particular problems, including the Sunbury Downs Secondary College and the Sunbury Primary School — one would expect the latter to have problems, considering that this year it celebrates its 125th birthday — the minister has done an outstanding job in representing the needs of the schools and obtaining the resources they needed to provide for the children in the area.

I assure the house that I will raise those matters with the education minister and will continue to do so, because these issues will not go away. They will clearly not be solved overnight because they have built up over many years. However, I have given a firm and strong commitment to the schools in my electorate that I will present their cases to the minister to obtain the resources they need to serve the children. After all, the priority of any education system must be the children. That is something I will certainly take on board with the minister shortly.

Question agreed to.

Sitting suspended 1.00 p.m. until 2.04 p.m.

QUESTIONS WITHOUT NOTICE

CROWN CASINO LTD

Mr BRUMBY (Leader of the Opposition) — Will the Premier inform the house whether the government is considering giving the Crown casino consortium a rebate of up to $24 million as part of the consortium's bid to treble the size of its hotel from 360 rooms to 1000 rooms, and was the matter discussed yesterday when the Premier met with Mr Ron Walker at Parliament House?

Mr KENNETT (Premier) — I thank the honourable member for his question. He clearly speaks with no authority because he sold that yesterday to the highest bidder, and any politician — —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order.

Mr KENNETT — Any politician who sells his soul to his own faction will never be in a position to lead the state or his own party.

The casino is in two parts. The temporary casino, which is due to open on 30 June, is without doubt one of the greatest achievements in this state because the total work force from management through to the unionists working on the site — which number more than 500 — have taken a shell and in almost five months have turned it into an almost completed facility.

Mr Haermeyer — Is it one of your shaggy deals?

Mr KENNETT — André asked me about our shaggy deals. The government is involved in — —

Mr SEITZ (Keilor) — On a point of order, Mr Speaker, I ask you to direct the Premier to use the proper form of address and refer to the member as the honourable member for Yan Yean.

The SPEAKER — Order! I uphold the point of order. The Premier will use the proper title.

Mr KENNETT (Premier) — The temporary casino is the sort of deal, which, as the honourable member for Yan Yean interjected, we would like to be associated with. It will employ 2500 people, who are mainly young Victorians; at the moment 50 per cent of them have no jobs at all.

Mr Haermeyer interjected.

Mr KENNETT — Do you want to know?

The SPEAKER — Order! The Chair will not tolerate such behaviour. The house will come to order and the Premier should conclude his answer.

Mr KENNETT — I am sorry, I am not anywhere near the finish. The temporary casino will employ 2500 people. Hundreds of people are already employed on the permanent casino and thousands of people will be employed there when it is operating.

I shall give the house some concept of the size of the project. The employment of 2500 people on the temporary casino is similar to the number that Carlton and United Breweries Ltd employ right around Australia, but in this case the people will be employed in one location in Melbourne. The opposition continues, however, to oppose the project.

The casino is part of the government's vision for the future of this city. The answer to the question asked by the temporary Leader of the Opposition as to whether the government is returning $24 million to Crown casino is: we are not about to give rebates.

Mr Brumby interjected.

The SPEAKER — Order! Supplementary questions are out of order and interjections are disorderly.

Mr KENNETT — This is a man who yesterday sold his soul to his own people to save his job. Without a doubt you are an empty suit! Sadly, the

socialist left did not do what it set out to do; it voted for a spill but it lacked the courage — —

Mr BRUMBY (Leader of the Opposition) — On a point of order, Mr Speaker, the question related to discussions the Premier had yesterday with his good friend Mr Ron Walker. The Premier was asked during those discussions — which were held here at Parliament House — whether he discussed with Mr Walker the $24 million secret deal in relation to the revised proposals. I ask you to direct the Premier to answer the question about the meeting he had with his friend Mr Walker to discuss $24 million of taxpayers' money put into the revised bid.

Honourable members interjecting.

The SPEAKER — Order! I have heard enough on the point of order. I cannot direct the Premier as to how he should answer the question. However, I judge that it is no longer relevant to the question. I ask the Premier to return to the question.

Mr KENNETT (Premier) — It is true that I met with Mr Walker yesterday, as I continue to meet people. I am surprised the Leader of the Opposition had time to observe that given that he was locked up in a huddle. I suppose I can ask of you: have you sacked your electorate officer yet? Have you sacked your electorate officer yet?

Honourable members interjecting.

Mr KENNETT — That was the deal. Have you sacked him? Have you sacked him?

Honourable members interjecting.

Mr Micallef — It is about time you were sacked, Kennett!

Honourable members interjecting.

The SPEAKER — Order! I ask the Premier to come back to the question. If not, I will call the next question.

Mr KENNETT — I only say that yes, I met Mr Walker yesterday. In his capacity as Chairman of the Melbourne Major Events Company Ltd he continues to work to pursue other events for this city.

An Honourable Member — I hope there was no conflict.

Mr KENNETT — No, it was not discussed, and we continue to pursue — —

Mr Brumby interjected.

Mr KENNETT — And you wonder why I get so carried away when old Empty Suit here continues to interject. Have you sacked your electorate officer? Have you done what you have been told? Have you done it? Have you stopped the branch stacking?

The SPEAKER — Order!

Mr KENNETT — Mr Speaker, he is interjecting! I am being victimised here!

Honourable members interjecting.

The SPEAKER — Order! I will wait until the house comes to order. I advise the Leader of the Opposition that he may not ask supplementary questions. Interjections are disorderly and lead to the disruption of the house. I ask the Premier to conclude his answer.

Mr KENNETT — I was trying to, Mr Speaker. The answer to the question is yes, I met Mr Walker yesterday. Yes, I did it proudly. Yes, Mr Walker continues to try to attract new events for Melbourne, and we hope he is successful. No, the matter that the honourable — —

Mr Micallef — You want to be serious more often.

Mr KENNETT — I want to be serious? You would have to be the greatest traitor, the greatest scab to the socialist left of all time!

Honourable members interjecting.

The SPEAKER — Order!

Mr KENNETT — You are an absolute scab!

The SPEAKER — Order!

Mr KENNETT — Sorry, Mr Speaker. The answers are yes, yes, yes, yes and no.

Questions interrupted.

ABSENCE OF MINISTER

The SPEAKER — Order! Before calling the next question, I advise the house that the Treasurer will be absent during question time today due to

government business interstate. The Minister for Finance will handle any matters relating to the Treasurer's portfolio.

QUESTIONS WITHOUT NOTICE

Questions resumed.

Agenda 21

Mr DOYLE (Malvern) — Will the Premier advise the house of the latest initiative to revitalise Melbourne via the government's Agenda 21 program?

Mr KENNETT (Premier) — While the opposition tries to continue to pull itself and the community down, the government gets on with the job of governing. Today I, together with my colleagues the Minister for Industry and Employment and the Minister for Major Projects in the other place, had the honour of unveiling the plans for the new exhibition facility to be built on Southbank. As it happens, it will be alongside the casino, which is costing private investors $750 million and will employ thousands of Victorians.

This facility is of 30 000 square metres and will be the largest exhibition facility in Australia. It will attract substantial new investment from overseas and will form one of the most vital precincts in Victoria, when put together with the casino and the World Congress Centre over the river.

During its construction the exhibition centre will employ 1250 Victorians. It will cost approximately $120 million on top of the $6 million that the frontispiece has already cost. It will be completed by the end of next year and bookings are already being taken. Unlike the National Tennis Centre, for instance, this project will be funded through the Agenda 21 program. It will be funded through the casino income. It will therefore be debt free. Not one dollar of additional debt will be incurred by the people of Victoria in building — —

An honourable member interjected.

Mr KENNETT — The only people you heard it from before are your own people because they are the ones who misled the people of Victoria. This facility will be built debt free and will therefore be profitable from day one. It will add to our critical mass and Victoria will be able to compete with any state in Australia. It will add to employment activity. It is good news. It is just another indication that while the Labor Party continues to tear itself apart, the government, having been charged with the responsibility of governing, will continue to do so. It will continue to do so for all Victorians.

I can only invite those members on the opposite side at some stage to take time out to open their eyes and have a look around them to see the way the city is being reinvigorated through new programs and new facilities.

Mr Sandon — With fewer teachers, bigger class sizes.

The SPEAKER — Order! The honourable member for Carrum is out of order. The Premier will ignore interjections.

Mr KENNETT — The new facilities will employ our children, because there is no point in educating them if they have no jobs. What you actually have to do — —

Honourable members interjecting.

Mr KENNETT — I am trying to ignore the interjections.

The SPEAKER — Order! The level of interjection is far too high. I ask opposition members to cease interjecting.

Mr KENNETT — Agenda 21 programs, such as the casino, the exhibition buildings, the library and the new museum, are all designed to give our children — —

Mr Batchelor — The tram loop!

Mr KENNETT — The tram loop, absolutely; it happens to be one of the greatest attractions at the moment. The honourable member who interjected, this man who illegally tried to conceal a scam — —

Honourable members interjecting.

The SPEAKER — Order!

Mr KENNETT — Mr Speaker, let me not be diverted. I am sorry. I received a note yesterday that in fact — —

An honourable member interjected.

Mr KENNETT — I received a note yesterday that in fact the honourable member for Thomastown may have actually been elevated to the leadership.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, I draw your attention to standing order no. 127. The Premier was asked a question about Agenda 21. He is now straying from the question. I ask you to draw him back to the question.

The SPEAKER — Order! I uphold the point of order. I ask the Premier to ignore interjections and to come back to the question.

Mr KENNETT (Premier) — It is extremely difficult when inane interjections are made. Had the honourable member for Thomastown been elected to the leadership, it would have been like a dream come true. Fancy having the honourable member for Broadmeadows and the honourable member for Thomastown! It would have been more than we could have expected for Christmas year after year. The new exhibition building is without a doubt a major initiative by this government; it will be debt free and is designed to create jobs. It is goods news. It will be completed by the end of next year. It will be open for business from about March or April 1996. As I said, it will add to our critical mass. On this side of the house we will continue to remain terribly focused on doing those things that the vast majority of Victorians want and expect of their government.

Mr Brumby interjected.

Mr KENNETT — The Leader of the Opposition said we continue to fall further and further behind. The only one who is falling behind is you! You are the only one falling behind. You have sold your authority. The only loser in this house today is this man. He is a weak man. He provides weak leadership and has no long-term future.

The SPEAKER — Order! The difficulty the Chair has with a barrage of interjections is that it tends to tempt honourable members to reply to them. I ask all honourable members to cease interjecting. Has the Premier concluded his response?

Mr KENNETT — Yes, I have had enough.

Melbourne casino

Mr BRUMBY (Leader of the Opposition) — Will the Premier assure the house that neither he nor any of his ministers has given any assurances, commitments or undertakings to members of the Crown Casino consortium, including his good friend Mr Ron Walker, about the new revised bid by Crown Casino to treble the size of its hotel from 360 to 1000 rooms?

Mr KENNETT (Premier) — There seems to be in the mind of this small man a concept that because you are a friend of someone there has to be something wrong with it. I know that you have no friends, no friends at all — not even in your own faction!

We do not walk away from our friendships. I have a couple of friends on the other side of the house. I do not want to point them out now but they are good friends. My point is that my friendship with them doesn't make it wrong. Given that I have now been in politics — —

Honourable members interjecting.

Mr KENNETT — The honourable member for Northcote is laughing. We welcome you back to the shadow front bench. Again I can only say it is manna from heaven!

The SPEAKER — Order! The Premier will concentrate on the question.

Mr KENNETT — All the old ads are coming back, but this time we won't have to worry about 30-second ads, just 10-second snippets will do. What was the question? I can't remember the question!

Mrs Tehan interjected.

Mr KENNETT — We have a lot of friends, and the friends we mix with are achievers: those who actually do things; those who actually create jobs. We make no apology for that whatsoever.

Mr Micallef — You haven't many good friends then!

Mr KENNETT — More than you have, Happiness! You had a bad day yesterday: 'Bakes, why don't you stand? Go on, Bakes, you stand.'

Honourable members interjecting.

The SPEAKER — Order! Although the Speaker does not want to interrupt the flow of the theatre of Parliament, I ask the Premier to come back to the question that was addressed to him.

Mr KENNETT — Crown Casino, like anyone else, must follow the process that was laid down by law under the former Labor government. Although from time to time the company may, if it wishes, vary the design of the bid that it put in — not the terms of the agreement — the same process will always be followed. The variation initially goes to the Victorian Casino Control Authority. From there, if it so wishes, the company can make an application to government based on the authority's recommendation.

In the past the government has always made sure that it accepts the recommendation because the former government established it as an arms-length authority; if anything that it recommends is to be accepted it must go through the normal process. No guarantee has been given to anyone, including Crown casino and ITT Sheraton, about anything that has not been pursued through the appropriate channels, and particularly through the Victorian Casino Control Authority.

V/Line Freight

Mr A. F. PLOWMAN (Benambra) — Will the Minister for Public Transport inform the house of the government's intention to open up freight transport to competition in Victoria?

Mr BROWN (Minister for Public Transport) — Over the past two years V/Line Freight has undergone substantial change, and I am delighted to inform the house that V/Line is currently having its best year ever.

In 1992-93, the government's first year in office, V/Line revenue was up 12 per cent on the previous year and its tonnage was up 14 per cent. That was achieved at a time when the number of staff was reduced by 23 per cent and the number of locomotives by 17 per cent, so clearly there was a stunning turnaround in the performance of V/Line. Those significant achievements are continuing in the current financial year.

In order to show the government's commitment to the long-term future of rail transport and freight in particular, I am pleased to announce two significant projects that will underpin the future of rail freight in Victoria. The government has committed $10 million in 1994-95 to the first stage of the conversion of Victoria's western grain lines to standard gauge, which is a $20 million project. The area is one of Victoria's most consistent grain-growing areas, producing an average of 77 000 tonnes of grain each year.

Under this initiative the Murtoa to Hopetoun and Dimboola to Yaapeet branch lines together with the line from Maroona to Portland will be converted from broad gauge to standard gauge. I commend the role of the local members in that area, particularly the support and assistance I have received from the Minister for Agriculture. The government recognises the benefit of rural industries to Victoria. Unlike the former Labor government which virtually gave them no assistance, we are prepared to invest where it makes sense.

Mr Dollis — Turn it up!

Mr BROWN — The honourable member may say, 'Turn it up' but he had better listen to this. V/Line Freight will be extending its operations into southern New South Wales with the re-opening of the line between Strathmerton and Tocumwal. That 16-kilometre section of track has not been used since 3 January 1990 when six bridges were damaged by fire. The former government just forgot about the railway line and the bridges and walked away from the southern New South Wales freight business, which was good business for Victoria.

The government will spend $1 million to reopen the line and provide new tracks in the Tocumwal yard. This will allow V/Line Freight to win new export grain and rice traffic from New South Wales into Victoria, which will be quite profitable now that the changes in the way we administer and run freight in this state have been put in place.

V/Line Freight also expects to win new export container traffic of hay, stockfeed and dried fruit worth approximately $1 million in revenue from the Finley and Berrigan areas of southern New South Wales. Those projects, which are to be funded from the government's capital works program outlined by the Treasurer in his autumn economic statement, will enable the government to continue supporting initiatives in rural Victoria. The government will support the carriage of grain on rail rather than on road. The reforms that it has put in place were long overdue.

Ambulance services

Mr THWAITES (Albert Park) — I refer the Minister for Health to her comments in the house yesterday that ambulance response times statistics would be provided from the ambulance service.

Given that the ambulance service has since informed me that it was not allowed to release those statistics to me, will she now give an undertaking to provide the information to the house as soon as possible?

Mrs TEHAN (Minister for Health) — Yes, I will give an undertaking that as soon as the statistics are available in a manner that reflects the changes in the Metropolitan Ambulance Service that have occurred as a result of the considerably improved management introduced by the new management team I will make them available.

Victorian Women's Council

Mrs HENDERSON (Geelong) — Will the Minister responsible for Women's Affairs inform the house of the recent initiatives taken by the Victorian Women's Council in relation to rural women?

Mrs WADE (Minister responsible for Women's Affairs) — The Victorian Women's Council was established in 1993 to advise the government on issues of concern to Victorian women. It has done a magnificent job in consulting with women throughout Victoria and passing on their views to the government.

Honourable members interjecting.

Mrs WADE — A number of ministers, including the Treasurer and the Minister for Community Services, have met with the council since it was established. In that way the council has also been able to report back to a large number of women in Victoria on the aims and priorities of the government.

The council has just held one of its regular meetings, on this occasion a two-day meeting in Wangaratta, which provided an opportunity for women from the north-east of the state to have an input into government policy. The women who took part in the meeting made it clear that they felt forgotten by the rest of Victoria; they appreciated the opportunity of having consultations with the council so that they could have an input into government policy.

Honourable members interjecting.

Mrs WADE — The council was briefed on the flood recovery efforts following the 1993 floods and the long-term effects of the floods on the region. The council met with a wide cross-section of women, including representatives from education, health, business groups and other women's organisations. Many issues were raised, including the need for greater choice in services provided by the government and private sectors. The participants were concerned about the demands placed on women as a result of the recession. Many women on farms in rural Victoria, have been forced to be active on the farm while undertaking outside paid employment, acting as family managers and meeting the needs of the ill, disabled and older members of their families.

The meeting is one of a number of meetings that will be held in rural Victoria. In fact, the council is committed to holding at least two of its meetings in country Victoria each year. The council will be reporting to me on the outcome of the meeting, the issues raised by the participants and the proposals put forward at various workshops during the two days. I am convinced that my cabinet colleagues will find the input from the women of north-eastern Victoria extremely useful.

Honourable members interjecting.

Mrs WADE — It is unfortunate that the opposition is not interested in these issues.

Honourable members interjecting.

The SPEAKER — Order! I ask the minister to pause while the house comes to order.

Mrs WADE — The opposition has demonstrated that so far as women are concerned it is interested only in rhetoric. It talks about having more women in Parliament, but it was a great shame to learn that the woman who was nominated for preselection to replace the honourable member for Williamstown did not win preselection. I am disappointed that opposition members are so obviously lacking in interest in women's issues.

Mr SEITZ (Keilor) — On a point of order, Mr Speaker, the minister is debating the question rather than answering it. I ask you to call her to order.

The SPEAKER — Order! I uphold the point of order. Has the minister concluded her answer?

Mrs WADE (Minister responsible for Women's Affairs) — No. It has been said by women on both sides of the house that more women should be represented in Parliament. The coalition parties are working towards that aim rather than using rhetoric. I was shocked by the interjections I heard while I

was trying to answer the question. They did not indicate a real concern for women, particularly the women in rural Victoria.

I am looking forward to receiving the report of the Victorian Women's Council in the next few weeks. My cabinet colleagues, in contrast to the opposition, have indicated their regard for the Victorian Women's Council, which will prove to be of great assistance to the government in providing services to women.

WATER (FURTHER AMENDMENT) BILL

Introduction and first reading

Mr COLEMAN (Minister for Natural Resources) introduced a bill to amend the Water Act 1989 and certain other acts and for other purposes.

Read first time.

CATCHMENT AND LAND PROTECTION BILL

Introduction and first reading

Mr COLEMAN (Minister for Natural Resources) introduced a bill to establish a system of integrated management and protection for catchments, to establish a framework for controlling noxious weeds and pest animals, to repeal the Soil Conservation and Land Utilisation Act 1958 and the Vermin and Noxious Weeds Act 1958, to amend various other acts and for other purposes.

Read first time.

STATE TRUSTEES (STATE OWNED COMPANY) BILL

Introduction and first reading

For Mr STOCKDALE (Treasurer), Mr Gude introduced a bill relating to the conversion of the State Trust Corporation of Victoria to a state-owned company, to repeal the State Trust Corporation of Victoria Act 1987, to amend the Guardianship and Administration Board Act 1986, the Administration and Probate Act 1958 and certain other acts and for other purposes.

Read first time.

VICTORIAN FUNDS MANAGEMENT CORPORATION BILL

Introduction and first reading

For Mr STOCKDALE (Treasurer), Mr Gude introduced a bill to establish a Victorian Funds Management Corporation, to amend the Borrowing and Investment Powers Act 1987 and the Transport Accident Act 1986 and for other purposes.

Read first time.

MELBOURNE WATER CORPORATION (AMENDMENT) BILL

Introduction and first reading

For Mr STOCKDALE (Treasurer), Mr Gude introduced a bill to amend the Melbourne Water Corporation Act 1992 and for other purposes.

Read first time.

WESTERNPORT (CRIB POINT TERMINAL) BILL

Introduction and first reading

Mr BROWN (Minister for Public Transport) introduced a bill to facilitate the development and operation of a petroleum terminal at Crib Point, to amend the Westernport (Oil Refinery) Act 1963, to repeal the Westernport (Oil Refinery) (Further Agreement) Act 1985 and the Westernport (Oil Refinery) Land Act 1990, to clarify the status of certain pipeline agreements and for other purposes.

Read first time.

SOUTHGATE PROJECT BILL

Introduction and first reading

Mr MACLELLAN (Minister for Planning) introduced a bill to facilitate the Southgate project and for other purposes.

Read first time.

SWAN HILL PIONEER SETTLEMENT AUTHORITY (REPEAL) BILL

Introduction and first reading

Mr McNAMARA (Minister for Tourism) introduced a bill to transfer the management of the Swan Hill Pioneer Settlement to the Swan Hill City Council, and to repeal the Swan Hill Pioneer Settlement Act 1974, the Coal Creek Historical Park Act 1975 and the Gippsland Folk Museum Act 1976 and for other purposes.

Read first time.

OFFICE OF THE REGULATOR-GENERAL BILL

Introduction and first reading

For Mr I. W. SMITH (Minister for Finance), Mr Gude introduced a bill to establish the Office of the Regulator-General and to create an economic regulatory framework for regulated industries and for other purposes.

Read first time.

ELECTRICITY INDUSTRY (AMENDMENT) BILL

Introduction and first reading

Mr S. J. PLOWMAN (Minister for Energy and Minerals) introduced a bill relating to the further restructuring of the electricity supply industry, to amend the Electricity Industry Act 1993, the State Electricity Commission Act 1958 and the Electric Light and Power Act 1958, to make consequential amendments to other acts and for other purposes.

Read first time.

APPROPRIATION (INTERIM 1994-95) BILL

Second reading

Debate resumed from 3 May; motion of Mr STOCKDALE (Treasurer).

Mr TURNER (Bendigo West) — I am pleased to speak on the bill. After the ructions in the Labor Party yesterday I attempted to draw an analogy to a football team similar to the one I drew in a grievance debate some time ago and I called for a training run for opposition members last night. Not too many showed up, and to my horror the honourable members for Sunshine and Niddrie were severely injured and are not available to play for the rest of the year. So many others suffered substantial injuries that it was impossible for me to pick a team.

Turning to more serious subjects, I shall spend some time speaking on unemployment and education. Yesterday I listened intently to the dismal contribution to the debate of the Leader of the Opposition, which left me wondering where the opposition is going. The Leader of the Opposition said that unemployment in the Loddon-Campaspe region is 12.3 per cent. I should like to turn the clock back to 20 August 1992 when I was the preselected candidate for Bendigo West. I did some research on unemployment in municipalities in the Bendigo region and a press release issued at the time may have stated:

> The Bendigo region has become the unemployment capital of Victoria. Bendigo region councils dominate the rankings of those with the highest unemployed in the state. That's the tragic conclusion from the March jobless figures for each municipality in Victoria prepared by the Department of Employment, Education and Training.
>
> Eleven Bendigo region councils are listed among the 30 worst hit in the area. The same 11 rank amongst the 12 worst affected in country Victoria. Only one other rural council municipality is in the rankings of Victoria's top 30 and six of the municipalities are all or partly within the seat of Bendigo West: Bet Bet, Eaglehawk, Castlemaine, Marong, Bendigo, Newstead.
>
> If Bendigo region is the unemployment capital then David Kennedy, the previous member from this place, is certainly the premier of the jobless. Kennedy the builder (as he portrayed himself) has built a record of family suffering that no-one else wants to surpass.

At that time the Bendigo region was regarded as the basket case of Victoria, requiring large sums for relief work to ease hardship and distress. In the 11 municipalities in my electorate, the unemployment rates were: Bet Bet, 29.8 per cent; McIvor, 22.8 per cent; Maryborough, 21 per cent; Metcalf, 19.3 per cent; Korong, 19.1 per cent; Eaglehawk, 18.8 per cent; Castlemaine, 18.1 per cent; Marong, 17.2 per cent; Bendigo, 16.8 per cent; Huntly, 16.6 per cent and Newstead, 16.6 per cent.

I do not know where the Leader of the Opposition got his figures from yesterday, but he is clearly

wrong, as we often find in this place. I invite him to consider carefully where he is getting his figures from. As a past federal member for the area he should have some knowledge of what has happened in the Bendigo region. He either does not know or does not care. He was thrown out, so obviously the people rejected him.

The latest figures available under the heading 'Small Area Labour Markets — Australia — June quarter 1993' show that estimated unemployment rates in my electorate in May 1984, when Labor had been two years in office, averaged 8.5 per cent. By the 1992 June quarter the rate had risen to an average of 16.6 per cent. The latest figures available show that in the 1993 June quarter the unemployment rate was 15.7 per cent. That is an improvement since the Kennett coalition government has been in office.

Yesterday the Leader of the Opposition quoted a figure of 12.3 per cent. How wrong he was. Where has he been over the past few months? He should come out from under the mushroom and portray things as they are, because we are talking about unemployment, about people's emotions and their lives. It is time the Leader of the Opposition realised that. When the coalition came to government the opposition ridiculed what was happening in Bendigo West. I inherited a mess, and no-one pretended it would be easy to remedy.

The government has always said there would be pain before the gain. It has told the public what it intends to do, which has been accepted. As I move around my electorate I can clearly see that people have more confidence in the economy and the government and are looking forward to Victoria playing a part in the overall improvement to the picture of Australia.

I turn to today's newspapers. If one wants reassurance about what the public thinks of the current Leader of the Opposition, today's *Age* editorial headed 'A troubled leader' provides that reassurance. It says:

> For all his widely touted new-generation appeal, Mr Brumby has so far made little impact. His lacklustre performance in Parliament and his failure to dent the Premier's popularity might have been the immediate cause of this week's challenge but there are clearly other problems. One of these, branch stacking, is almost as old as the Labor Party itself. But the other, affirmative action, is new and is likely to cause more disruption in future as opposing ALP sides try to reconcile what will often be conflicting priorities: more women in Parliament or simply better parliamentarians? Mr Brumby might be the first casualty in this war.

Today's *Herald Sun*, under the heading 'Brumby bows to left deal', reports:

> When John Brumby felt himself sinking into the political quicksand yesterday, he must have wondered if it would be better to disappear than take the hand of his saviour ... The most obvious consequence is that he will be forced to live with the tag of lap dog to the left ...

That is how the people of Victoria see the Labor Party today. That is sad because if there were a better opposition there would be better government.

Members of the opposition have a short memory on unemployment. They did not want to know about it because they are a pack of Pontius Pilates who have washed their hands of the past. It is about time opposition members realised that Victoria was left in a mess by the Labor government and the Kennett government is being open, honest and up-front with the people of Victoria. The government is endeavouring to improve the lot of the unemployed.

I turn to education in the Bendigo region, particularly as it relates to the Victorian certificate of education. I am sure that if the honourable member for Williamstown were in the chamber she would agree that Bendigo has one of the finest VCE facilities in the state. When I gained preselection as the candidate for Bendigo West I well remember the grandstanding and pork-barrelling of the Labor Party in the lead-up to the election. The former Labor government talked about creating a new greenfield site for education at Kangaroo Flat, a brand new facility. It spent hundreds of thousands of dollars on drawing up plans for the new school and told the people of Bendigo that it would be the Taj Mahal of education.

What happened when the coalition came to government? It found that the former Labor government had not secured the site on which it was going to build the school. That empty promise represented about $1.6 million of the total of $18 million worth of empty promises made to the people of Bendigo and Bendigo West leading up to the last state election.

The government has been working with the community and the local VCE provider in Bendigo. I congratulate the Minister for Education, the principal at Bendigo, Mr Ron Lake, his school

council members and the teachers on acting in a professional way with only one thing in mind: the best interests of education. That is the way the Kennett government is tackling education for our present and future generations.

The government has been criticised by the opposition for not having a site since it shelved the Kangaroo Flat proposal. I shall quote from a number of articles that have appeared in the *Bendigo Advertiser*. The first, which was published on 2 April 1994, is headed 'VCE plans "in shambles"':

> The state ALP candidate for Bendigo West, Bob Cameron, has blamed Bendigo's VCE shambles on the state government.
>
> Mr Cameron said Bendigo Senior Secondary College's rejection of the Girton site at Strathdale was a 'stunning rebuke' to the state government.

The government spent $4.1 million on that site, and it will be one of the best acquisitions it has ever made. The article continues:

> Mr Cameron said for the site to be viable it needed the government to fund staff and provide buildings and facilities.
>
> 'The college never wanted the second-hand school site that the government tried to foist on them with the Girton site. The college wanted a new school designed specifically for VCE,' he said.
>
> Mr Cameron said the college's decision to ask the government to scrap plans for the second site doomed the entire VCE complex as being 'non-viable'.'
>
> 'When it came to office it scuttled the new VCE facility that the previous Labor government was planning to build at Kangaroo Flat.'
>
> 'The Kennett government also dumped the $5 million project to redevelop the Bendigo Senior Secondary College itself.'
>
> 'The government has never been serious even about the former Girton site.'
>
> 'They promised to have it ready for 1993, then by the start of 1994 and today they still can't guarantee it will be ready for the start of 1995.'

That is the garbage I have to read in my local newspaper, that is the harping and carping of the Labor Party. It has nothing constructive to say and is not acting in the best interests of education or Victorian students.

An article in the *Bendigo Advertiser* of 30 April 1994 headed 'New VCE site not needed' states:

> The 12-month delay in building a second VCE campus in Bendigo may turn out to be the most fortuitous delay in our history.
>
> Computer analysis of the likely outcome of splitting our VCE population over two campuses has shown it almost certainly would have led to:
>
> radically restricting course access to our students;
>
> spreading teaching resources thinly;
>
> serious reductions in the range of courses available in Bendigo;
>
> unnecessary expenditure;
>
> the development of a facility not popular with the students themselves; and
>
> the downgrading of the present Bendigo Senior Secondary College as the acknowledged state leader in VCE education.
>
> Like most of Bendigo, this newspaper has been solidly of the opinion that a second VCE campus was urgently needed.
>
> However, having gone through all available evidence with the BSSC yesterday, we now believe this city had been on the verge of a great mistake with all the best of intentions.
>
> The analysis has been as much of a shock to senior educationalists as it is likely to be to the whole community.
>
> But the evidence cannot be overlooked.
>
> By spending just $3 million on the present BSSC we will be guaranteeing as broad a possible education to the greatest number of our young people ...
>
> And, quite happily, saving the taxpayer almost $4 million.
>
> Luckily, the state government and our community had not gone too far down the second-campus path to turn back.

> All that has happened is that the state government now owns a very desirable property at Strathdale which has unlimited potential.
>
> It could even be used to fund the much-needed final stage at the Rosalind Park campus.

Recently a report was released for every parent and student at that school. Over the past eight or nine months, the Honourable Ron Best from another place, the honourable member for Bendigo, Mr Michael John, the Minister for Education, the Director of School Education, Mr Geoff Spring, and I have had consistently long and rewarding discussions with the school community, council and administration. The newsletter to parents says among other things:

> Since late last year the Bendigo Senior Secondary College Council has had extensive and positive discussions with Mr Max Turner, MLA for Bendigo West, and Mr Ron Best, MLC. On 17 and 18 February we met with Mr Geoff Spring, the Director of School Education. Mr Turner has arranged a deputation for us to the Minister for Education, Mr Don Hayward, in the near future.
>
> The purpose of this newsletter report is to present to the college community the details of the case that council will present to the minister.
>
> The deputation will have the objective of reaching a memorandum of understanding with the Directorate of School Education and the minister which will secure the future of Bendigo Senior SC in the short and long term.

In other words, this government is not looking for short-term political fixes or political gain; it is looking with the school council and the school community to solving a longstanding problem at Bendigo which in the past has been treated differently by the Labor Party.

The newsletter also refers to the improvement of facilities between 1992 to 1994. The former government can share in the success of those improvements because some facilities are the result of that government, and I congratulate it. In 1992 there were 31 rooms in permanent buildings, yet in 1994 there are 55 rooms in permanent buildings. In 1992 there were 41 portable buildings, yet now there are 16. In 1992 there was no gymnasium, yet now there is a new gymnasium. In 1992 there were no student common rooms and now there are two student common rooms. In 1992 facilities in technology and the arts were poor, yet now there are new or upgraded technology and arts facilities. There are also excellent science, music, information technology and drama facilities. In 1992 the college had an old, poorly equipped canteen, but it now has a new modern cafeteria.

The academic results of the Bendigo Senior Secondary College have improved as the college has become larger. In the 1980s results were always better than the state average. In the last two years they have been substantially better with a 97 per cent pass rate, markedly greater numbers of higher grades than the state average, and 15 premier awards being granted in the last two years, which is a superior performance of all but two metropolitan private schools. They are great achievements for Bendigo and for the administration of the school council and the staff, and they are great outcomes for the students.

For some months I have been worried that the creation of two campuses would result in a fall in curriculum choice. The documentation and computer analysis of recent months clearly show that that is correct. The curriculum offered is the widest presently in the state. The school offers 63 year 11 subjects and 61 year 12 subjects. It is important to understand that the VCE is almost an individual choice and that 1522 students are doing more than 1400 different courses. If we were to go down the path that the Labor Party pursued, nearly 30 per cent of students would not have been able to access their chosen subjects, whereas currently almost all students are able to do so.

According to the school newsletter, if the government had adopted the suggestions of the opposition the outcomes would have included:

> ... curriculum offerings reduced from 123 to about 80-90 subjects;
>
> the number of students who could not access their chosen curriculum would increase to 60 per cent;
>
> nearly all students allocated to the Girton campus would correctly argue that they would have access to their chosen subjects if they were allocated to the Rosalind Park campus;
>
> about a third of the subjects offered in the arts and technology would disappear;
>
> nearly all history, social education and earth studies subjects would disappear;

> foreign language and music would be difficult to sustain;
>
> some students would not enrol and more would leave;
>
> students would not be able to freely change subjects at the half year;
>
> at the start of each year many students would have to change campus; and
>
> a considerable number of staff would be in excess because their teaching subjects would have a decreased number of classes or would disappear altogether.

There are many other issues regarding the best outcome for VCE education in Bendigo. Clearly the school council's position in the matter — and I shall be putting this point very strongly to the Minister for Education in the near future — is that the best outcome for education in Bendigo will clearly be to stay on the one campus and not to deal with the matter as has been the case in the past: in a pork-barrel fashion. There is no shadow of a doubt in my mind that the best outcome will be to have one campus.

In conclusion I quote from the principal's report, which reads:

> This has been a very difficult and complex issue for staff, councils and the community over a number of years.
>
> Council is convinced that this is the best outcome for future generations of parents and students in Bendigo.
>
> We are confident that with the support of Mr Turner and Mr Best this issue will be resolved very speedily.

I hope the confidence expressed in the report by the principal in Mr Best and me is met. I will be doing everything I can to make sure that it is met, and that it is in the best interests of education for the people of Bendigo.

I invite the opposition, particularly my opponent in Bendigo, to get his facts right and at least to portray to the people through his ramblings in the local paper the real issues of the matter, which will be in the best interests of the students and the people of Bendigo for the next 15 or 20 years.

I am thankful for the opportunity of addressing such matters as unemployment and education in my electorate of Bendigo West and the greater Bendigo electorate. I believe that the government is being constructive and efficient in its performance, and that can only be in the best interests of the people of Bendigo.

Mr THOMSON (Pascoe Vale) — The Appropriation (Interim 1994-95) Bill provides an opportunity to canvass a wide variety of aspects of government administration and government economic policy and direction. I wish to canvass a number of aspects of government administration and I shall then turn specifically to matters of government economic policy and to some of the areas where government economic policies have shortcomings that will result in Victoria slipping further behind the rest of Australia rather than making progress.

I begin by highlighting the government's administration of the liquor control legislation and, in particular, the passage of the Liquor Control (Amendment) Bill last year which involved in the first instance the convening of what is referred to as the government's small business committee, which was given a take-it-or-leave-it proposition, with no possibility of amendments on liquor control changes, by the Minister for Small Business. The committee voted against that proposition by a margin of six to three, and I understand it was then also defeated at a party room meeting.

I have previously advised the house of the altercation on this issue between the honourable member for Frankston East and the Honourable Ken Smith from another place. The honourable member for Mooroolbark changed her mind from the previous meeting. Nevertheless the bill still failed to pass through the small business committee. I shall raise this afternoon what then happened in the Liberal Party room with Premier Kennett in the chair when a vote was taken on the bill. The vote was lost on a show of hands. The Premier then stood up and said that he would personally count the votes. He then proceeded to go around the room threatening members, saying, 'Oh, you're voting this way, are you?'

Mr S. J. Plowman interjected.

Mr THOMSON — 'And you want a trip!' It was a matter of intimidation!

Mr McArthur — What absolute nonsense!

Mr THOMSON — It was under this kind of pressure that the honourable member for Bentleigh

changed her mind, but there were other members who remained solid. The National Party ministers — the Minister for Local Government and the Minister for Roads and Ports — absented themselves from the room. As a result of the intimidation and threats by the Premier a vote was passed by a margin of 41 to 38, which is a narrow margin and reflects a great deal of concern within the Liberal Party regarding the direction of the legislation that the government was introducing.

I have received reports that the reason the bill was brought forward was that the Premier had done a personal deal with the Coles group for the legislation to be introduced and simply ordered the Minister for Small Business to prepare the bill and go ahead with it. The reason for the Premier's personal enthusiasm above and beyond the call of duty was that Coles and Safeway had provided his — —

The ACTING SPEAKER (Mr Cooper) — Order! The honourable member for Pascoe Vale is well aware that he is now transgressing standing order no. 108. The honourable member is imputing improper motives and making a personal reflection on an honourable member of the house. He knows that he cannot do so, and I direct him to discontinue that line or I shall sit him down.

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — Mr Acting Speaker, I ask that you instruct the honourable member that what he has now given us so far is a story fabricated from his own head. It seems extraordinary that he is able to come up with such a farrago of figures and get away with it. The honourable member should stick to the truth.

The ACTING SPEAKER — Order! There is no point of order. The honourable member for Pascoe Vale's attention has been drawn to standing order no. 108; I have given him instructions in that regard and I expect him to follow them.

Mr THOMSON (Pascoe Vale) — There has been a lot of disquiet and discontent within the coalition parties because of the legislation having been railroaded through the party and the Parliament in the way it was, and also because of the reason behind the legislation being brought forward, but I emphasise to the house that the disquiet and discontent relate not only to the liquor control legislation but to other issues also. For example, on the issue of daylight saving the Premier had promised his party that there would be no decision without consultation, but he went to Canberra and simply announced the government was extending daylight saving. In a subsequent party room meeting the honourable member for Benambra complained about the decision and threatened to vote against it. The honourable member was told by the Premier, 'If you vote against us, you will not only be out the door, you will be out of the party'. Indeed the Minister for Energy and Minerals, who is sitting at the table — —

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — Mr Acting Speaker, this farrago of lies astounds me! The honourable member for Pascoe Vale was not present. What happens in the party room is a matter for the Liberal Party. The honourable member is out of order. If he has any concern for what goes on within the party room, he should concentrate on his own party room.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Acting Speaker, I have used the appropriation bill to describe internal matters within the Liberal Party and it is in order on a bill such as the Appropriation (Parliament) (Interim 1994-95) Bill to canvass matters of government administration such as those I am canvassing now. If the minister disagrees with what I am saying, he is at liberty to debate the bill also.

The ACTING SPEAKER — Order! I do not uphold the point of order. There will clearly be an opportunity for government members to rebut allegations being brought before the house by the honourable member for Pascoe Vale, so therefore there is no point of order.

Mr THOMSON — The Minister for Energy and Minerals, who has just taken the point of order, was told, 'If you want to stay in the ministry, you talk to your brother'!

Mr S. J. Plowman — What absolute nonsense! That is an outright lie!

Mr THOMSON — And the honourable member for Eltham — —

Mr S. J. Plowman — That is an outright lie, and I hope my comments go on the *Hansard* record.

Mr THOMSON — I believe it to be accurate. The honourable member for Eltham informed the party room that on the basis of assurances that no decision would be made on the issue he had written to constituents and had informed them that no decision

would be made without proper consultation. The honourable member for Eltham said in the party room, 'I can hardly go to the mailbox and pull the mail out now that the Premier has gone ahead and made a decision on daylight saving without consultation'. A great deal of discontent expressed was on the matter. Discontent has also been expressed concerning the decision to absolve the Premier in Parliament to avoid legal action regarding KNF Advertising — —

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — On a point of order, Mr Acting Speaker, I draw your attention to the question of relevance. This debate has nothing to do with the matters the honourable member has been debating. This is debate on an appropriation bill, and it is time you directed him to the appropriations instead of this farrago of his imaginings — I do not want to put it any higher than that. I normally have a high regard for the honourable member, but he is away with the fairies.

The ACTING SPEAKER — Order! The Appropriation (Interim 1994-94) Bill is a wide-ranging bill. Debate can cover all aspects of government administration. At the moment I believe the honourable member is in order.

Mr THOMSON (Pascoe Vale) — Coalition discontent has been expressed about putting through Parliament a motion to absolve the Premier of any obligation to appear in court and discuss his role in KNF Advertising and whether a breach of section 55 of the Constitution Act was involved, which would mean forfeiting his seat. The coalition members who expressed concern were told that the big problem would be the discovery of documents and that papers from KNF would be provided to the court that would be embarrassing because they would expose the Premier's business links.

Some members of the National Party at their own party meeting objected to the use of a motion under section 61A and believed it to be inappropriate. The Honourable Bill Baxter in another place said, 'Do you really want to lose him?'. He argued that it would be bad for the government if those files were produced and the Premier's business links were exposed to public scrutiny.

National Party members have expressed their unhappiness about other aspects of government administration, including the endorsement by the Premier of the honourable member for Mildura, a member of the Liberal Party, as next agriculture minister when the present minister steps down. As honourable members would be aware, the agriculture ministry is regarded by the National Party as its own bailiwick. National Party members would be very unhappy about losing that ministry.

The honourable member for Warrnambool, also a National Party member, has been approached by members of the Liberal Party who have said, 'If you would like to step down, we would find you a job'. There is no coalition agreement regarding succession in Warrnambool, and there is a suspicion on the part of National Party members that the Premier would disadvantage the National Party within the coalition if he could. That feeling has been of such serious concern that Bernie Dunn, a former parliamentarian and senior National Party figure, has told the National Party — —

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — On a point of order, Mr Acting Speaker, the bill under discussion is the Appropriation (Interim 1994-95) Bill. Surely it has to do with the finances of the state and allocations to various areas. I can see absolutely no relevance to that in what the honourable member continues to pursue. His speculative comments are all very interesting, but I would like to hear comments of some relevance to the appropriation bill. This debate is not simply a continuation of grievances. It is not an open session for discussion of anything members like. Debate has to have some relevance to the appropriation bill and, with due deference to you, Mr Acting Speaker, I do not believe the honourable member's comments have been one bit relevant so far.

Mr TANNER (Caulfield) — On the point of order, Mr Acting Speaker, I draw your attention to the purpose of the bill before the house, which is to appropriate certain sums and supplies for the period July to October 1994. For the honourable member to discuss what he imagines to be occurring in the National Party hierarchy, even in the minds of people who are not associated with the parliamentary National Party, is going way beyond the purpose of the legislation before the house and beyond the broad parameters of the bill which you have previously brought to the attention of the house.

The ACTING SPEAKER — Order! The question of relevancy has been raised. All honourable members are well aware that in an appropriation debate, a budget debate, members' comments range far and wide. Members have a responsibility to relate their remarks to the appropriation of

government expenditure and spheres of activity. The honourable member for Pascoe Vale has been making some references — I hope references in passing and now past — to activities of parliamentary political parties. If the honourable member continues along those lines at any length, as he has been doing, he will be out of order.

Again I draw to the attention of the honourable member for Pascoe Vale standing order no. 108. In some of his most recent remarks he has again been treading down the line towards imputing improper motives and making a personal reflection on a member, again in this case the Premier. If the honourable member continues along that line I will pull him up. The honourable member should relate his remarks more closely to government administration than to the internal affairs of parliamentary political parties.

Mr THOMSON (Pascoe Vale) — The appropriation bill presents the opportunity for a wide-ranging debate. I have discussed this matter with the Clerks and they have advised me that the opposition is in no position to move an adjournment motion on any matter because there is no matter that cannot be canvassed in the debate on the appropriation bill. That advice concerned an adjournment motion about Anzac Day not being in order.

Bernie Dunn said that the Deputy Premier must be more rock solid and pull his finger out. That is the situation prevailing within the coalition today. That is of concern to me. Honourable members ought to be aware of what is happening behind closed Liberal and National party doors.

The setting for the Appropriation (Interim 1994-95) Bill is economic recovery in other parts of Australia instead of investment and employment in Victoria. The rest of Australia is warming up under the kind sun of a recovery while Victoria is still trapped in an economic ice age. The government is moving at glacier-like speed; it is doing nothing about it. It is now 18 months into the coalition's term of office. The coalition, when in opposition, recklessly sowed the seeds of disharmony in the Victorian community and sought to undermine confidence in the elected government and the parliamentary process. Yesterday's hero, Danny Johnson from Warracknabeal, filled the people in the streets with hopes that have now been dashed. I look at the unemployment figures and say to Danny Johnson, care of Warracknabeal, 'Where are you now?'.

The coalition's preparation for office included a great deal of editorial support from the *Herald Sun*. On 12 June 1992 there was a front page editorial, a wholesale political advertisement for the coalition. More than that, it was a call to arms. Mr Akerman, the de facto member for Flinders Street, said in that editorial that the May 1992 unemployment figures were a watershed for the state. He suggested that they triggered that famous *Herald Sun* editorial. The May 1992 figures showed Victoria's unemployment hitting 11.8 per cent. That was above the national average of 10.6 per cent, but since that time unemployment has risen to 13 per cent.

However, we do not see any front page editorials of the type that Piers Akerman produced in 1992; although levels of unemployment in Victoria are significantly higher than at that time and worse than those of other states, and our unemployment projections have been revised upward, we do not now get any call to arms saying that the situation is unacceptable.

The average figure for unemployment was expected to be 11.7 per cent in the 1993-94 budget, but in the revised unemployment estimates cited in the April economic statement accompanying the bill it had risen to 12 per cent. The budget suggested unemployment would be down to 11 per cent by 1994-95; the figure has now been revised to 11.5 per cent. In the previous budget unemployment was expected to be 10.5 per cent by 1994-95; the revised estimate in the April economic statement puts it at 11 per cent. Whereas the budget said the rate for 1996-97 would be 10 per cent, the April economic statement puts it at 10.5 per cent.

So, looking ahead to 1996-97, the government admits that unemployment will be 10.5 per cent. Unemployment in the rest of Australia is already running at less than 10.5 per cent, yet we must wait almost three years before catching up. It is an appalling admission of failure by the government — it is not interested in or capable of solving Victoria's unemployment problems.

Similarly, economic growth assumptions for Victoria have been revised downward and Victoria's situation is deteriorating by contrast with the situation in the rest of the Australia, which now is motoring along well — Victoria and Victorians are getting further and further behind.

I draw attention to a couple of the slogans the government has been so keen on. The first is 'Victoria on the move'. In fact there is mass

migration out of Victoria. Many Victorians are leaving the state every day. Far from Victoria being on the move, it is Victorians who are on the move!

The other slogan is 'Victoria, open for business', which the government often uses. However, when one examines some of the deals that are going on and hears reports of the way the rumour tank and networks of influence operate, it seems the slogan should be 'Victoria, open for funny business'. That is of great concern to the opposition, which has been raising and will continue to raise the issue of business links, who has influence and whether proper tendering processes and practices are being observed.

The April economic statement that accompanies the appropriation bill shows that Victoria is falling further behind: it has a higher rate of unemployment than other states, it is trailing on key economic indicators, there is no relief for households from the $100 home tax despite a sustainable surplus, households are suffering from the imposition of an extra $1 billion in taxes and charges, and state debt is continuing to increase.

By what yardstick does the government judge itself? Victoria has gone backwards on jobs, living standards, taxes and charges, education, housing, transport, community services and state debt. By what yardstick does the government believe it has succeeded?

Inadequate action has been taken on capital works and infrastructure. Capital works can be described as having received a boost only when compared with the record low levels of capital works spending — in fact, underspending — by the government itself over the past couple of years.

Mr McArthur interjected.

Mr THOMSON — The honourable member refers by way of interjection to cheating the books. The government has produced papers to suggest there has been an increase in capital works, but when one looks at the figures it is obvious there was underfunding of capital works by the government in the last budget. A comparison of the current situation with the situation that should have prevailed reveals a boost to capital works of only $15 million, of which $9.2 million is being spent on refurbishment of 1 Treasury Place, the office of the Premier and Treasurer. Approximately 60 per cent of the new capital works expenditure will be on the offices of the Premier and Treasurer!

The so-called boost in capital works and education does not match the cuts; it matches only the funds available from sale of schools. The level of proposed new works is less than under the last two years of the previous government. The proposed level of new capital works is inadequate and will not promote economic recovery in Victoria. The sorts of capital works taking place are on things such as upgrading the highway to Brisbane. I am sure the irony of that is not lost on hospitals or on the community generally.

We have a situation in which there is likely to be little or no job growth. The massive job reduction and redundancy program will continue. The retail trade, business services, recreation and personal services areas are still sluggish in Victoria compared with what is going on in other states. The government's policies have set us back compared with what is happening in other states that are able to take off under the general stimulus of economic recovery.

There is no relief for households that are suffering under the highest level of taxes and charges in the country. The budget shows Victoria continuing to lag behind the rest of the country in all key economic indicators. It does not offer any hope to Victorians whatever. According to the government's own report card — the April economic statement — its policies have failed. It is unacceptable to have the kinds of policies put forward in the economic statement and appropriation bill. Victorians are most concerned about the government's apparent unwillingness to listen to community concerns about jobs, industry policy, taxes and charges, debt, and the impact of the voluntary departure packages and so on on jobs in Victoria and the future of the state.

Opposition members have a great many concerns about where the government is heading on employment in particular. We think from the evidence coming through from regional Victorian that some areas are suffering particularly badly. We do not see any evidence that the government is fair dinkum about addressing unemployment. It has put in place a community employment program to the value of about $9 million — the only job creation program going. The money being spent on it roughly approximates the amount being spent on the refurbishment of 1 Treasury Place. The government was elected on the promise of a job creation program in excess of $100 million, which it scrapped. The Minister for Industry and Employment seeks credit for a $9 million program

that replaces a program that was to cost more than $100 million.

Employment is not improving in Victoria in the same way it is improving in other states. Taxes and charges are rising. Insufficient attention is being given to capital works. I hope the federal government's white paper, which is being published later this afternoon, addresses infrastructure spending and support for regional Victoria and Australia.

The government has no intention of or lacks the political will to address some of those problems and needs. State debt is continuing to rise as a result of the massive program of voluntary departure packages, retrenchments and the like. The total impact has been to flatten the Victorian economy so that it does not take part in the economic recovery in the way that it should. Victoria is continuing to fall further behind. Unless the government changes its economic policy and direction that fall will continue.

Mr DAVIS (Essendon) — I shall make what I hope to be a concise and brief contribution to the debate. I wonder what happens to people when they come to this place. It seems to me that the debate, particularly the contributions from the other side, tend to issue in the form of amorphous treacle — there is no substance or form to them. The house just heard a typical example of that from the honourable member for Pascoe Vale. He indulged in flights of fancy. I would be more interested — I am sure other government members would be as well — to hear him give a blow-by-blow description of yesterday's massacre. At least he could speak on that topic first-hand without basing his comments on rumour, innuendo and plain lies.

I was delighted to see that table 1 of the Appropriation (Interim 1994-95) Bill allocates $500 000 to the refurbishment of the Essendon campus of the Broadmeadows College of TAFE. That is a subject very dear to my heart because Essendon, to date, has not had a permanent tertiary campus. Much discussion has taken place among the council, educationalists and me about Essendon's potential as a commercial hub. Several methods of transport merge in Essendon, which is located close to the city. It is on the airport route and could be developed as a commercial centre to generate employment and act as a hub for commerce.

The allocation of these funds was the result of considerable consultation and cooperation between various people — namely, the Directorate of School Education, the Office of Training and Further education, the Broadmeadows College of TAFE and the Essendon City Council. Historically the site in question was known as the Buckley Street Technical School. Although I did not attend that technical school in my youth, it is located in a very up-market part of Essendon. It is close to public transport — both bus and tram — and many Essendon footballers passed through its halls. Two or three years ago the Broadmeadows College of TAFE was allowed to establish a temporary campus on the site. The college began running business-orientated courses. In 1992 the Queens Park Secondary College, as it is now known, closed due to falling enrolments. With the concurrence of all the principals of the secondary colleges in the area the Essendon-East Keilor District College was formed. I have some pleasure in observing that that college continues to flourish. I have managed to secure funding for a campus library, which is at present being completed.

However, the Broadmeadows College of TAFE was then in a very difficult position — it was in temporary accommodation on a site with an uncertain future. In its wisdom the Directorate of School Education allowed the TAFE college to remain on site. The college was allowed to move temporarily into the building which, as I mentioned, is historically significant as a good example of 1930s architecture. Negotiations then began because at that stage three-quarters of the site was sold by the DSE to the Urban Land Authority. At present the land is being subdivided for housing. The excellent local journal, the *Essendon Gazette*, had the following to say on the subject:

> The Essendon Technical School site in Buckley Street will yield up to 40 housing lots in a major Urban Land Authority (ULA) project.
>
> The ULA bought the site from the Directorate of School Education but will transfer an 0.92 ha portion of it back to the directorate.
>
> It is one of six sites the ULA has bought from the Education Department.
>
> Minister for Planning Mr Maclellan said the sites would complement the development of 350 medium-density residences in the inner suburbs.
>
> The sites had existing infrastructure and were perfect for redevelopment, he said.

The government expects the redevelopment will give a $57 million boost to the building industry.

Mr Maclellan said the ULA projects would begin quickly to provide urgently needed employment.

'Over the past three years, the building and construction industry has lost over 70 000 jobs.

'With the long lead time required for major projects, these smaller projects which can be developed and marketed quickly, are important,' Mr Maclellan said.

A ULA spokesman said it was important for the community to know the school sites would not become derelict and would be used for housing.

Funds from the sale of school sites are being returned to the education system. This morning I received some more delightful news that is relevant to my electorate: $420 000 has been allocated for a major maintenance project at Moonee Ponds Central School. This is part of the government's school refurbishment program. Under this program 100 primary and secondary schools across Victoria will receive funds for painting, renovations and general maintenance.

My local schools are in a disgraceful condition. For 10 years they have been left to deteriorate. If maintenance work is not carried out quickly they will reach the point where major renovation will be necessary. Because I spent some time in the building industry I know that neglecting a coat of paint today means that major surgery will be necessary in 10 years time.

Moonee Ponds Central School is a strange relic of the past: it is one of only two remaining central schools in Victoria that takes children from prep to year 8. The focus at that particular school is on individual learning programs. At present it is running an interesting computer research program with IBM and the Victoria University of Technology. The school sometimes takes pupils with learning difficulties. It has excellent programs and does a very good job — so much so that many parents from miles away take their children there to take advantage of the programs offered.

The $420 000 maintenance grant for that school will be used for roof work and external and internal maintenance. The school's heating system has been in a diabolical condition for several years. I learnt this morning that it is not expected to last out the year. I am delighted to hear that repairs to the heating system will form part of the maintenance program. That is just part of the government's commitment to providing high-quality learning facilities for all Victorian students.

I refer again to the site of the Broadmeadows College of TAFE. The three Edwardian houses on the site have been sold for excellent prices considering they had been used by the school and were in need of considerable refurbishment. Later this month, 30 housing blocks on that site will be sold. They will be sought after because it is a desirable area in which to live.

Given the problems among the Office of Training and Further Education (OTFE), the Directorate of School Education (DSE) and TAFE concerning the future of the school, in 1993 I organised a meeting with the Manager of the City of Essendon, Mr Peter Seamer, and the director of Broadmeadows TAFE, Ms Virginia Simmons, to discuss the future of the TAFE campus. Everyone agreed it would be desirable to maintain a tertiary campus in Essendon with an emphasis on training students for business. Negotiations between the OTFE and the DSE had reached a stalemate. I approached both responsible ministers and asked whether something could be done to resolve the situation. I said that terms as favourable as possible should be offered to the Broadmeadows TAFE to enable it to purchase the site.

It is fortunate that earlier this year agreement was reached and Broadmeadows TAFE purchased the site. It put in $630 000 of the total purchase price of $1.4 million. That contribution depleted the TAFE college's funds, so it did not have sufficient money to redevelop the site. Considerable work has to be carried out because the buildings into which the college has moved have to be brought up to TAFE standards — and computer facilities are also needed. Some buildings have to be demolished because they are in poor condition and surplus to requirements.

A car park is needed at the campus because the neighbours are concerned about students parking in the streets. TAFE students are mature young people; but many of the courses run into the night and the resulting traffic concerns local residents. I approached the city council on the issue and it was agreed that if sufficient funds could not be found to establish the car park quickly, restricted parking would apply around the site and council officers would work out of hours to enforce the restrictions.

At the same time I asked Virginia Simmons, the director of the college, to inform students in writing at the time of enrolment that there were parking problems in the area and that the council would enforce the restrictions. I also asked her to remind the students that they should respect the rights and needs of residents. The allocation of $500 000 will allow the refurbishment of the site, including the car park, to be completed in the 1994-95 financial year.

In that regard it is appropriate that I refer to another excellent publication in Essendon, the *Essendon Newsletter*. It summarises the future of the college and describes what it will do for Essendon. When talking about the transfer of Broadmeadows TAFE to the permanent site in Essendon, it says:

> This transfer brings vocational education training to Essendon and meets a longstanding need for young people in the area.
>
> The campus will be an exciting business and industry-focussed centre acting as the Training Services Unit for the north-western region and coordinating the diverse business and short course programs that Broadmeadows TAFE delivers.
>
> Its location is ideal in terms of accessibility and prominence for the delivery of training to this region's business community and enables the greater acquisition of their staff needs from the local labour force.
>
> The new Essendon campus, as it is known, will house the Training Services Unit of the college that specialises in client-focussed training to industry and small business. The campus will house an Industry Conference Centre that will accommodate up to 120 students, a small business Enterprise Centre and industry computing facilities. The campus will conduct a range of business short courses and will act as an agent for the New Enterprise Incentive Scheme. Specialised training in customs studies and traineeships in clerical studies are also to be conducted at the new facilities.

I am very pleased by the outcome. It is obvious that the government's economic strategy is working. All the economic indicators point to a bright future for Victoria. An examination of today's Saulwick poll in the *Age* will gladden the hearts of government members because it shows the extent of the community's confidence in the coalition's performance. The results disclose that 56 per cent of voters favour the government and 32 per cent support the ALP — a giant gap of 24 per cent!

The honourable member for Broadmeadows, the Leader of the Opposition, will rue the day he surrendered to the looney left just to keep his position. If he wants more information on the subject he should speak to the honourable member for Williamstown. It is a pity for the good government of Victoria that the moderate, intelligent members of his party are now languishing on the back benches.

Another positive indicator of economic conditions to come to my attention is the fact that at long last the honourable member for Keilor has been able to reopen his electorate office — and he is even offering an after-dark service, when several staff are on hand. I was delighted to see on last Friday's *7.30 Report* film of a constant stream of people entering his office — obviously they were being serviced in a short time! It could be said that he was really stacking them in!

This bill is a great boost for Victoria and a great boost for the electorate of Essendon. I thank all those responsible and I commend the bill to the house.

Ms MARPLE (Altona) — It is with pleasure that I contribute to the debate on this bill. The Treasurer concluded his contribution with a series of statements that began with the words 'We are getting on with it'. That begs the question — getting on with what? I have examined the economic statement with interest to see just what it contains. Government members have made their points, demonstrating that they have absorbed the rhetoric in the statement. Yesterday I remember the honourable member for Tullamarine saying with great gusto that he wanted the government to get on with making Victoria the best state in which to live.

It is unfortunate that people are not waiting around to see how the government is getting on with it. They are not waiting to see what the economic statement has to tell them because they are leaving the state in great numbers! The economic statement does not give those people any confidence in a secure future — although it gives hope to some, as is often the way with this government.

In the final sentence of his statement the Treasurer said he was looking to give confidence and a secure future to all Victorians. Unfortunately that is not the case. The picture is not a very good one. The government often says that all the opposition does is complain and that we should be excited about what is happening, but how can we be excited when we know that in the 19 months since the election the government has given ordinary Victorians the

highest unemployment on the mainland, tax increases of more than $1000 a year for every ordinary household and cuts in services right across the board? Rural communities are sliding into oblivion as National Party members turn their backs on them; mothers with new babies are being sent home from hospital too early; and now the ambulance service is so understaffed that it is unable to deliver the excellent service it used to provide. The situation is so bad that senior staff are resigning in disgust.

In this long list of horrors facing Victorians I have not even touched on the closure of schools and kindergartens or the cuts to home help for people caring for disabled family members. This problem was brought home to me by a family in my electorate. Two of its members are disabled but the family has used its limited allocation and cannot ask for further support or a break until September. That family is facing an insecure future under this government. I have not mentioned the turmoil and stress people feel at being cut off from their democratically elected local councils. In the past that is where they have gone to find services and to talk to the people they know. That has been whipped out from under them. Instead of being able to get in touch with familiar councillors on a regular basis they are confronted with strangers. That has added to the stress and strain of the past 19 months of coalition government.

The autumn economic statement shows just how the government is getting on with things. We can see how we do not want things to happen. The statement contains a range of economic indicators, including data on employment and gross state product growth, which reveal that Victoria has fallen well behind other states and suggests that the gap will widen in the future. It is no wonder that the opposition feels compelled to direct attention to that data when discussing the statement. The statistics are confirmed by the national accounts of the Australian Bureau of Statistics, which show that Victoria's quarterly gross state product is 0.7 per cent compared with the national figure of 1.2 per cent. We could say that the government is getting on with it — getting on with ensuring that Victoria is worse off!

Government members acknowledge that what the government is doing is not pleasant but because they want forgiveness they claim they have been forced to do it. Their attitude reminds me of Pontius Pilate. They say, 'It is not our fault,' as they wash their hands and shed their crocodile tears. Let there be no mistake: they are taking the knife to the people and bringing about the cuts, so they have to take responsibility.

The government is getting on with it and no amount of arguing, as the honourable member for Mornington is wont to do, will convince us or the people of Victoria that it is all the fault of the previous government. This government keeps saying, 'They made us do it'. Its actions are driven by its own ideology and nothing else. The government intended to do these things no matter what it found when it opened up the books. Its actions are based on a belief that the winners take it all, that there will be a trickle-down effect and that self-help is the best thing that can happen. As I said this morning, self-help is all right if everything is going your way in the first place. In a system of winners there must be losers, and if you leave them out of the equation you have a troubled society. I am afraid that is the way we are going.

People see many changes when they examine this statement. Their jobs are going, whether they are public servants or small business people who rely on the public service and what it can return to them. Many people face the prospect of having no job next week or the week after that. One month later they say, 'I thought I would have found a job by now' and then the depression sets in and they think about going somewhere else that might be brighter. That is why people are moving to New South Wales and Queensland, but the government is not worried about it because it helps Victoria's unemployment figures. In fact, Victoria has the worst unemployment figures in mainland Australia.

Last night when I asked the Minister for Agriculture about the closure of his department's office in Camperdown he said it will be closing and admitted that it would be a loss to Camperdown. We know what it means for small towns as each service is cut. The government is expert at putting the nails in the coffin of rural towns. It rips out a service here, takes away a school there and makes things difficult for a kindergarten somewhere else. Hospitals are under threat. The government discourages people from moving to rural towns because when people move out of Melbourne they look for the services they are used to receiving in the city and the closeness of people. They will certainly get support from people living in small towns, but the services they feel they should have for their children do not exist.

It is no wonder that the opposition is concerned about how the government is getting on with things.

When it is finished, will any small towns be left? How can National Party members hold up their heads when they go back to their electorates? What can they say? Do they say, 'We have to do this. Our towns will disappear but it doesn't really matter'? Ordinary people in country towns know the government is responsible, no matter what it says and no matter what statements it brings out. The people will no longer be put off by National Party rhetoric or the plea that it is always somebody else's fault.

I shall reiterate some of the points made by opposition speakers in this debate because they are important and need to be emphasised. In his contribution to the debate the Leader of the Opposition pointed out that the autumn economic statement is reinforcing the actions of a government that does not care and penalises ordinary families. It takes from those who cannot afford it and gives to those who do not really need it. One of the indicators that shows that is happening is the retail sales figures — they have not increased. That is a good sign of how people are feeling; it is the ordinary working people who spend their money in the retail sector.

Victoria is simply falling behind the rest of Australia. Its total budget debt and debt per capita have increased and are much higher than they were under the former Labor government. The Leader of the Opposition went on to say that this is a hard-taxing and service-cutting economic statement that provides nothing more for ambulance services, basic infrastructure, schools or teachers; it simply takes away and reinforces the injustices of the government. He said the level of unemployment forecast in the economic statement is scandalous. It is the highest level of unemployment on the mainland; it means that Victoria is falling away even further.

The unemployment figures for rural Victoria are shameful. The figure for Geelong and the Barwon region is 13.6 per cent; the Loddon-Campaspe region, 12.3 per cent; Ballarat East, Ballarat West and Central Highlands, 13.9 per cent; and for Narracan and Gippsland the figure, which I was shocked to hear yesterday, is 15.4 per cent. They are hardly the kinds of figures one would expect for a state that is getting on with the job.

Families are paying the highest ever level of taxes and charges — including the unfair $100 tax — in this International Year of the Family when a substantial surplus is expected in 1994-95. One must ask why that is happening in this International Year of the Family

The Leader of the Opposition also spoke about the privatisation program. The government often forgets that the infrastructure it is hacking away at belongs to the people of Victoria, and I doubt that they have been asked whether they wanted the SEC sold off. As the Leader of the Opposition pointed out, that will mean the charges will increase, particularly for people in rural Victoria. The likelihood of that is high because that is what occurred in other countries. It is also interesting that no other state is doing that to its provider of power.

The honourable member for Melbourne said the one area the government should bear in mind is the impact of service delivery. The word 'reform' is often used and, I believe, much misused. He quoted the Treasurer's remarks:

> Ongoing reductions in service delivery costs of over $1.2 billion have formed the core of the government's strategy to reduce its budget deficit.

That is called a 'reform'. As the honourable member for Melbourne pointed out, we all know about that. There is no doubt that over the past 19 months the government's policy of slash and burn has cut into every area — I have mentioned many of those today. It has resulted in the most awful catastrophe for many families that are unable to cope.

Unfortunately the autumn economic statement says very little about the environment other than to use the word 'autumn' in its title. I do not think I have to remind people that the world is in a state of accelerated environmental degradation. Although we may go from day to day thinking that is not so, the figures on the loss of topsoil, water quality and so on across the world reveal that environmental degradation is of major concern. We are contributing to that degradation. We would like to think we are not as bad as others, but figures that were released earlier this year show that Australia is one of the worst polluters of the air. Even though I have been examining such figures for some years I was shocked to see that.

We need to take into account what people have been saying in polls about the issues that most concern them. Across Australia — which includes Victoria, even though we often think of it as a place apart — the issues that concern people most are the economy, jobs and the environment. These are closely linked and I believe they are interlinked. As

people concerned about our future, governments, oppositions and the general community should be thinking of the environment whenever they discuss the future.

We should create new parameters when we present statements like the autumn economic statement that include more than columns specifying amounts of money to be spent. I acknowledge there is a need to have money columns, but there is also a need for a greening of our economic thinking. Unfortunately that does not seem to be happening with this government even in the most rudimentary way.

I am interested to hear the responses of ministers during the adjournment debate. In response to a matter raised by the honourable member for Gippsland South about the Toora wind farm project, the Minister for Energy and Minerals provided a long-winded answer. What he really meant was that the government is not interested in making a commitment to research into alternative power. Although some alternatives are being supported in a limited way in this area — the minister mentioned them in his long answer — when it comes to allocating a substantial part of the budget to such research, it is just too much for the government to contemplate.

We must address more than just areas about which we can say, 'Yes, there is our little greening bit'. There has been a suggestion from the Australian Conservation Foundation that consideration should be given to developing a wool-scouring plant. Wool scouring is not the most environmentally friendly industry, but as Australia produces a great deal of wool consideration should be given to adding value to that wool by developing such a plant.

If we want to show we care for the environment we should be encouraging research into ways of meeting the best international greening practice standards in such industries. Wouldn't it be exciting if Victoria could lead the way! Although commitments can be made in budgets, and I call on governments to do so, I would like to see economic statements making a broader and more fundamental commitment by putting values on things like the environment and voluntary work and working out budgets accordingly. It is difficult but we should put our so-called brainpower to work on these environmental issues.

I acknowledge that in the autumn economic statement the Treasurer made a commitment to the Wimmera-Mallee pipeline stage 2. I strongly believe the work that was begun by the former government should be continued. The government has made a commitment and I hope that will come to fruition. I am also pleased that the Torrumbarry weir project, which is situated on the Murray-Darling Basin, has been allocated funding; it is an important project if the state is to prosper in the future.

I note that the Department of Agriculture has not spent funding of $700 000, and I should like to know why that is so. The department has made a commitment to upgrade facilities across the state, which is pleasing, because those facilities are necessary if the department is to deliver the best possible services to those who require them.

I am disappointed that the statement does not contain a commitment to green jobs. We could be tapping into the international market for chemical-free products as a commitment to the environment. A move such as this would have made the government a leader in this area, which is the direction in which we should head in the future.

We should move to green accounting to develop an overall picture of the environment. I should also have been pleased if the government had made a further commitment, which I have mentioned in debate on other bills, to setting up community consultative committees such as the one you, Mr Acting Speaker, set up in your electorate of Werribee. We had one in Altona which worked well. Such committees need support. We were fortunate to have your leadership but I have seen other committees unfortunately fall by the wayside because they lacked support and encouragement. It is important to find the right people to be members of those committees.

I am concerned about the provisions contained in environmental legislation that we will have to work under in the future. I should like to see a commitment by the government to ensuring the environment will be sustainable in the future for all of us. It is important that we look beyond the next few years. Governments have a responsibility to implement measures contained in appropriation bills in an appropriate way. Appropriation bills should also have a social base but unfortunately this one does not. It makes a commitment to the extreme right policies that were developed in the United Kingdom and the United States of America; unfortunately, we will have to live under similar policies that are set out in the autumn economic statement.

When the statement is stripped of its political and economic rationalist rhetoric it is essentially bad news for Victorians. It does not give us the confidence that we will be part of a sustainable state, both environmentally and job-wise, and that is why Victorians are leaving. The statement continues the basis for unacceptably high unemployment levels and it ensures further hardship, particularly for low-income earners. This has been caused, and will continue to be caused, by public sector cut-backs, privatisation programs and other programs about which I have spoken. The bill will be seen by ordinary men and women as a document that condemns them to more of the same!

Mr McARTHUR (Monbulk) — It is with considerable pleasure that I contribute to the debate on the Appropriation (Interim 1994-95) Bill. Firstly I will deal with the gratuitous nonsense contributed by the previous speaker, the honourable member for Altona. The only part of the honourable member's contribution that deserves attention is the statement that the government should plan for the future, set out established and sustainable long-term goals and work towards them. That is exactly what the Treasurer and the government have done.

When the government was elected in October 1992 it set long-term goals to maintain programs which the community could afford and with which the community agreed to ensure a sound future would be set for the 21st century. We will not be held hostage to narrow sectional interest groups. A little later I will return to a fairly well-known authority on being held hostage by sectional groups.

When first elected the government set out with some key objectives, high among which was the elimination of the current account deficit and the control of the spiralling debt problem with the long-term view of reducing state debt both in dollar terms and as a percentage of gross state product. The autumn economic statement continues that commitment.

When the government was elected it appointed the Independent Commission of Audit to examine the state of Victoria's finances. In its executive summary, the commission states:

> Calculated in accordance with recognised accounting standards, the Victorian government's expenses exceeded its revenue by $3 billion in 1991-92 financial year, an amount equivalent to approximately $2000 for every household in the state. This loss was entirely attributable to the budget sector.

It included no off-budget items. The $3 billion excess of expenses over revenue required borrowings to cover that amount because the government must pay its bills. The government does not often have the sheriff at the door but given the way in which the former government went about its business that was certainly a possibility.

The loans council made that situation known in no uncertain terms some two years ago — this government has been in office for only 18 months — but during the 1991-92 financial year there was an overexpenditure of $3000 million. In the autumn statement presented in the house only a week ago, the Treasurer outlined the current account predictions for 1994-95. The present government now has a current account surplus of $421 million, an extraordinary turnaround in two financial years.

Ms Marple interjected.

Mr McARTHUR — We have to pay some off the debts that the previous government incurred in the public's name. If we do not — —

An honourable member interjected.

Mr McARTHUR — They do not like hearing the truth. To establish the accuracy of these claims, I will quote an authority all opposition members know well — the Honourable Theo Theophanous, the Leader of the Opposition in the upper house — and what he had to say about governments which are held hostage to sectional interests.

The honourable member for Altona complained about government actions. She claimed that this government acts like Pontius Pilate and accused it of washing its hands of the problems. I will quote what the Honourable Theo Theophanous said about the Victorian Economic Development Corporation (VEDC). Page 4 of his paper, *Economic and Financial Management of Victoria under Labor*, published in February this year states:

> The VEDC was developed by Labor as a venture capital arm. Responsibility for its failures clearly rests with Labor.

To analyse a range of problems and summarise some of them, he states:

> But this analysis also shows that the real problem was not then, and probably is not now, the total level of the state debt but the capacity to service such debt by

> maintaining a surplus on the current account. This, Labor was unable to do.

If we have a debt, we must be able to service that debt. The continual spending of more than we earn prevents us from servicing debt; it simply adds to it. In case the honourable member for Altona has not heard of it, that is what is known as the debt spiral, and that is what Victoria was in two years ago. That is what Victoria is rapidly emerging from. This correction is entirely due to the actions taken by the Premier and the Treasurer as the leaders of this government.

The house should recognise that fact because the public of Victoria surely does. The comments on the autumn economic statement have been clearly reported by the press in all responsible financial journals. The *Australian Financial Review* of 27 April contains the headline, 'Vic's economic miracle'. I do not pretend to subscribe to some of the headlines that journalists give to their items because they tend to go over the top far too often. However, this is a remarkable turnaround. It is in the best interests of the Victorian community and it should be recognised as such by honourable members opposite.

Mr Theophanous refers to the family pledge and the problems it caused the previous government. Page 7 of his report states:

> When Labor came to office in 1988 it did so in the belief that strong growth in the economy, stimulated by government pump-priming, would allow its social agenda (and state debt) to continue to expand without the need for extra taxes ...

That was not the case, was it? He states:

> The pledge was not made simply because it was politically popular, it was based on an uncritical faith in the state government's capacity to create growth.

That was a sadly misplaced faith.

> When the economy began to contract there was little will to break the pledge in order to maintain state revenue or to cut back on government spending.

Why was there a lack of will? Simply because the factions in the Australian Labor Party were hostage to their various union bosses. They were told, 'No, you will not reduce spending in this area. No, you will not reduce spending on transport. No, you will not do any of the sensible things that have been done by the coalition government since it was elected in 1992'. Mr Theophanous's report continues:

> Of particular importance was the farcical attempt by the then government to remove conductors from Melbourne's trams. The initiative was poorly thought out and relied on scratch ticket sales to substitute for conductors.

We all know what a laughable attempt that was. Trams blocked the streets from one end of the city to the other. The city was paralysed because no-one could drive a car around or catch a tram. One could hardly walk around the place simply because somebody had tried to reduce excessive spending.

The previous government was held hostage to some particularly strong sectional interest groups and was told not to proceed with what was a reasonable initiative, which was to reduce the recurrent expenditure in the transport system.

Since then the current Minister for Public Transport has been remarkably successful in bringing the transport budget under control; something I am sure Jim Kennan, who was the Minister for Transport at the time of the scratch ticket debacle, would dearly loved to have done. It would have cemented his position for many years to come.

On the current account the Honourable Theo Theophanous states:

> The deterioration of the current account could not be addressed by Labor at that time without appropriate union/government enterprise agreements and greatly increased revenue. As these options seemed largely closed, Labor took the only other route available to it — it borrowed, not to build infrastructure or public assets, but to pay for the recurrent costs of delivering services.

The previous government did what no other government had done before: it borrowed money to pay the Bankcard bill. It borrowed money to pay the interest and it added to the state's debt not to create wealth or infrastructure or build assets but to pay the bills it was unable to pay through its revenue-raising activities. That was clearly unsustainable, and it was why the people of Victoria threw the previous government out of office in October 1992. This mess was given to the present government to correct.

According to Mr Theophanous, the previous government indulged in some fancy accounting practices, and I quote:

> The previous government shifted much of its spending from the current account to the capital account by classifying such items as ongoing recurrent spending on maintenance as capital expenditure. At least $450 million of recurrent spending appeared on the capital account and when this is taken into account the real current account deficits were much higher —

than the government admitted at the time.

Mr Loney interjected.

Mr McARTHUR — I will continue the quote just for the benefit of the honourable member for Geelong North:

> Governments across Australia have now agreed on accounting practices which do not allow this and I do not think that it is particularly useful to criticise the present government —

that is, the Kennett government —

> for discontinuing the practice.

He is agreeing with the course set upon by the Premier and the Treasurer — that is, to stop counting recurrent expenditure on maintenance as a capital item. He sums it up well at page 11:

> The above examples show how a failure of political will, an inadequate grasp of economic and financial imperatives and inappropriate accounting and borrowing practices led to Labor's inevitable demise. For these, Labor should accept responsibility and from these Labor should learn.

The Honourable Theo Theophanous showed remarkably good sense when he wrote those words. I hope the Labor Party heeds them, learns from its past mistakes and does not squeal and yell every time the present government embarks on the appropriate corrective action. That will enable this government to remove the burden of debts accumulated by Labor from the community's shoulders and implement a structure that will instil confidence in Victorians that it can build wealth in this state and expand the cake, unlike the previous government which relied on borrowings it could not repay and never-ending promises.

The path that the Treasurer and the Premier have embarked on is entirely appropriate. It has resulted in a spectacular turnaround in the state's finances. The government will now achieve a substantial surplus in its current account for 1994-95, and it is in line with its target.

The important point about a current account surplus, as pointed out by Mr Theophanous in his document, is that it allows the state to service its debt levels and to continue to build infrastructure for the benefit of future generations. Unless we have a current account surplus we cannot service our debt levels. As the Treasurer has clearly said in his economic statement, the government aims to achieve and maintain the current account surplus; it also has a longer-term aim of being able to finance approximately 50 per cent of its capital account requirements from the current account surplus. Once we achieve that it will be a remarkable day for Victoria. It will reduce our reliance on borrowing. It will enable us to reduce debt as a percentage of gross domestic product. It will help us to get back to the much sought after AAA rating from Moody's Investors Service and Standard and Poor's, which will reduce our borrowing costs — something that the Labor Party failed to do. If we can return to a AAA credit rating we will not only reduce the cost of borrowing but can also use the money saved on those interest bills for further debt reduction, service provision or capital works. The government will then have the option of spending the funds on something that is of value to the community rather than paying off an interest bill for which there will be no community benefit.

The Treasurer, in his appropriation speech, said the government is getting on with it. The Treasurer has set the targets. Ministers, in managing their departments, have been remarkably successful at coming in on or better than budget allocations. We are now getting on with the business of managing the state in the interest of all members of the community. The Treasurer also outlined a number of major projects, including those under the Agenda 21 program. Although I will not dwell on them here, the government is certainly getting on with it.

It is also getting on with it at the local level. I will provide some examples of what the government has been doing over the past 18 months in the Monbulk electorate. Last year after many years of neglect the government set aside $200 000 for a major maintenance program at the Montrose Primary School, largely due to the urging of the honourable member for Mooroolbark. This school had been neglected for many years. It also set aside $168 000 for a major maintenance program at the Upper Ferntree Gully Primary School, which had also been neglected for many years.

Mr Mildenhall — That is where the Footscray money has gone!

Mr McARTHUR — Up until 1992 Monbulk was held by a Labor Party member. Why didn't he get the money?

The government set aside $75 000 for Tecoma Primary School to undertake fire refuge site works. I was successful in obtaining $100 000 for the Dandenong Ranges Music Council at the Upwey High School to establish an after-hours music school, which will be of significant benefit to school children and adults interested in studying music.

The municipalities of Croydon, Knox and Sherbrooke received significant amounts for the funding of libraries. The City of Croydon received $189 000; the City of Knox, $500 000; and the Shire of Sherbrooke, $157 000.

The Minister for Conservation and Environment provided $50 000 to appoint a senior horticulturalist in the George Tindale Gardens because funding for the gardens had been sadly neglected for many years. The Victorian Conservation Trust was unable to provide the required resources to maintain the gardens at the level at which they should be maintained. The minister found the money to appoint a senior horticulturalist to get the gardens back to the standard that George Tindale, who left the estate to the state of Victoria, would be proud of.

Further grants in 1993-94 included a number of smaller amounts to environmental groups, including the Sherbrooke Lyrebird Survey Group the Hughes Creek Group and the Belgrave Traders who wanted to establish paths through Belgrave and the Fern Tree Gully National Park.

I turn now to Schools of the Future grants. The Boronia Heights Primary School, the Glenfern Secondary College, the Upper Ferntree Gully Primary School and the Upwey High School all received Schools of the Future grants to enable them to take part in the excellent Schools of the Future program.

Many substantial youth programs have been funded by the coalition government. It provided $23 000 to support youth accommodation services. Last year I handed over a cheque for $15 000 to the God Squad to establish a program aimed at preventing young people from re-offending by stealing, joy riding and torching cars. That excellent program is aimed at keeping young people out of jail.

The Institute of Horticultural Development at Knoxfield has also received significant funding from this government. The Minister for Agriculture is completely revamping horticultural research in this state and the institute at Knoxfield, which services growers in Monbulk, received $820 000 last financial year and more will be available this year so that the $8 million project will continue. The institute will be the biggest and best horticultural research facility in the southern hemisphere. It is appropriately located close to the Yarra Valley and the Dandenong Ranges where a significant amount of intensive horticulture is undertaken.

In 1994-95 the government will be still getting on with it. Recently I was happy to announce that the Minister for Health is providing $1.5 million to the Angliss Hospital to enable it to move the old Chandler rehabilitation ward back into the main building of the hospital. The old ward is the original building of the Angliss Hospital but it is sadly out of date. It is separate from the main building and rehabilitation patients who cannot walk or get to the main hospital building by themselves have to be carried to and fro by ambulance. That is expensive, involves unnecessary delay and creates many other problems. The decision to move the ward into the main body of the hospital will allow the hospital to cope better with the case-mix funding system. I am delighted that the minister set aside money to do that.

The Minister for Police and Emergency Services has announced a $2.6 million project for the Boronia police station, which was closed by Steve Crabb, a former police minister, when he was a local member. That decision caused uproar and outrage in the Boronia community. The police presence will be established on the eastern side of the railway line in Boronia and the whole community will benefit.

In the grievance debate today I was delighted to inform the house that $500 000 has been set aside for a major maintenance program at the Monbulk Secondary College. The college has not had appropriate maintenance funding for many years and this program is in addition to the $1.5 million capital works program that I announced last week. It will enable the college to continue parts of stages 2 and 3 of its redevelopment master plan. It will be of significant benefit to the students at the college, many of whom achieved excellent results over the past few years, despite the fact that they have had to cope with facilities that were clearly less than the community should expect — they were certainly less than adequate. It will also be of substantial benefit to

the staff of the Monbulk Secondary College in their efforts to cope with what were substandard facilities. They have done an excellent job this year in restructuring their face-to-face hours.

Mr Mildenhall interjected.

Mr McARTHUR — Yes, the teachers at Monbulk secondary and primary schools are doing an excellent job because they have taken up the challenge of the Minister for Education to be flexible, to restructure their face-to-face hours, to reduce class sizes and to maintain special programs — and they have done so in the interests of students.

The former Deputy Leader of the Opposition, the honourable member for Niddrie, has acknowledged that his defamatory statements about Monbulk Primary School were inaccurate. He has apologised to the school and amended his notice of motion accordingly. He now acknowledges that the teachers at the school have done a great job in maintaining the interests of the students while providing the best possible education programs. I thank him for his grace in admitting his error; but if he had checked the facts before he spoke he would not have been forced into that position.

This year the Sherbrooke Community Health Centre will receive another $50 000. When I informed Cr Drake of the Shire of Sherbrooke she expressed surprised. Cr Drake is a well-known supporter of the Australian Labor Party. She seemed mystified as to why I would go into bat and obtain funding for that organisation. That is a clear example of the differences between the former Labor government and the coalition government. This government is governing in the interests of all Victorians, not just the interests of those who elected it. I am elected to represent all the people of Monbulk, not just those who voted for the Liberal Party. If it is in the interests of the people of Monbulk to receive funding for a community organisation, I do not mind whether the members of the committee of management are supporters of the Labor Party or supporters of the Liberal Party. I shall support them if they provide a worthwhile and efficient service to the community.

The house is well aware of the failings of the previous Labor government. It is also aware of the aims and tasks the current government has set itself. In October 1992 the Kennett government said it would get on with the business of governing. It established targets and strategies, which were then put into the public arena. The government has been unhesitating in pursuing those targets and in working towards achieving the goals it has set. The Treasurer should be commended on the work he has done in restoring the finances of the state and setting the foundations for a sustainable current account surplus. He is redirecting Victoria's economic management so that the state can forge ahead in the coming years and build a sound future for the benefit of our children and grandchildren.

The honourable member for Altona said the government should set sustainable targets. She must recognise the need to set sustainable economic and financial targets. The government cannot go on spending money it does not have. It is a pity the former Labor government did not recognise that the same rules apply to families and governments. Families must spend within their means; otherwise they are in trouble. If you cannot service your debt, you are in serious trouble; and if you continue to borrow money that you cannot repay, the bailiff will soon be at the door. That is exactly what happened in Victoria.

The Treasurer should be congratulated on the work he has done. The government will get on with the business of governing in the interests of all Victorians. It will remove the odium and the burdens placed on the state by the former Labor government.

Mr LONEY (Geelong North) — I shall begin by commenting on some of the statements made by honourable members like the honourable member for Monbulk. I have now had the opportunity of listening to a number of government speakers. For example, last night I listened to the honourable member for Mordialloc rail against workers and the opposition's attitude to them. I did not think the honourable member would have the temerity to lecture members of the opposition about what they should be doing for workers. The honourable member reminded me of that legendary character who would do anything for workers except become one of them. The honourable member should forget talk of that sort and get on with his normal ideological diatribe, which suits him much better.

The honourable member for Mornington referred to outside influences controlling the Labor Party. He said there were many telephone calls from and to John Halfpenny. Of course, there is plenty of evidence of outside influences controlling the Liberal side of politics, given the efforts of 'Premier' Walker, David Edwards and Ranald Macdonald. In fact, Ranald Macdonald was so

insulted that he was not included in the list of people who had considerable influence over the Premier through the Rumour Tank that he spent a whole morning on radio saying so.

The honourable member for Mordialloc regaled the house with the news 'I have schools in my electorate'. I would hope so! I also have schools in my electorate, although there are now fewer schools, fewer teachers and fewer resources. I hope I can still say that I have schools in my electorate when the government has completed its education program.

Like a number of the members of the government who represent marginal seats the honourable member for Monbulk listed the capital works programs in his electorate. Of course, the list of programs was handed to him by the party whip for use in this debate. Many marginal seats now represented by Liberal members have been lucky in benefiting from significant capital work programs. I can produce a list of programs in my electorate — a blank piece of paper!

Just as he did last year, the Treasurer used a little phrase to sum up his budget. This year the phrase he relied on was 'getting on with it'; last year the phrase was 'the honest budget', but that lasted about two days before it was exposed for what it was worth — it was full of every rubbery and shonky figure one could find. The rhetoric simply did not match the graphs that accompanied the budget speech. He spoke about debt reduction when there was debt increase. He spoke about gains in employment when he was predicting increased unemployment and so on. His 'honest' budget phrase last year was quickly abandoned and he did not try to run on honesty in the budget again.

This year he is 'getting on with it', but he didn't tell us what he is getting on with. That phrase will also be quickly exposed. I thoroughly agree with the honourable member for Monbulk on one thing, that the Treasurer should be recognised for what he has done. What he has done is to doom Victorians to not participating in the Australian recovery. The honourable member for Monbulk also spent time reading from an economic document produced by the Honourable Theo Theophanous in another place. It is a pity he did not also read what the Treasurer said about the budget, because that is illuminating. It would serve the honourable member well if he read the transcript of the Treasurer's evidence before the Senate inquiry. The Treasurer was being pursued about borrowing on the current account and after hedging around he finally said there was no other way of doing it. Obviously the honourable member for Monbulk has not yet had a conversation with the Treasurer, and he certainly has not read the transcript of the Senate inquiry. It would be a good idea if he did, because other people have done so.

The Treasurer's figures show that Victoria is falling further behind the other states of Australia. That is a direct result of the Treasurer's policies, which were endorsed by the honourable member for Monbulk and others. The budget shows that Victoria is lagging behind and will continue to lag behind the rest of the country in all the key economic indicators, including jobs.

The *Age* of 27 April, the day after the Treasurer's economic statement, included coverage of the mini-budget, and some of the government's figures have endorsed what the *Age* said. An article by David Walker headed 'Victoria trails the nation as economy grows' states:

> The Victorian Treasury is predicting that Australia's economic growth will pull strongly ahead of Victoria's in 1994-95.

The Victorian government's own projection is that we will fall behind.

> The Treasury's latest growth forecasts, released yesterday, show that the picture of Victoria's economic growth has brightened only faintly in the past seven months, despite a strengthening recovery across the bulk of the country ... But the statement also argues that the government's own poor investment record may be undermining hopes of a private business recovery.

The government's own poor investment record has not really been addressed in the budget by a Treasurer who in the lead-up to the October 1992 election was stomping around Victoria saying that his policies would lead to immediate relief for Victorians. He said we would be on an upturn immediately after the election. At least this year we have been spared the rhetoric of an honest budget.

The government's biggest failure to date has been in the area of unemployment. The *Herald Sun* of 27 April included an article by Matthew Pinkney:

> Even accounting for the stimulatory effect of the capital works program, Victoria's jobless rate is predicted to lag behind the national figure by 1.5 per cent until at least the 1996-97 financial year.

> This means the vast majority of those now unemployed will still be hunting for jobs a year after the next election.
>
> The unemployed and needy could be forgiven for thinking the road to a balanced budget has run right over them.

In the *Herald Sun* of the same day another article by Neil Wilson headed 'Little cheer for the jobless' states:

> Double-digit unemployment has been tipped to continue in Victoria over the next three years, while the national figure is expected to be 9 per cent by 1996-97.
>
> And the state's growth rate will continue to lag half a per cent behind the national rate, increasing to 3.3 per cent in the coming financial year, but falling to 3 per cent in 1996-97.

On the same day in the *Age* Michael Magazanik said:

> Victoria's unemployment outlook has deteriorated and the state will continue to lag the nation's unemployment average for many years, the state government admitted yesterday.
>
> 'We would like to see unemployment falling more rapidly,' Mr Stockdale said. 'This government is doing everything it can to rebuild employment in this state. We are not pretending there is a quick fix.'
>
> Mr Stockdale blamed the increasing participation rate — 'the unexpected return of discouraged workers to the labour force' — for holding back an improvement in the unemployment figures.

The Treasurer's claims about the participation rate cannot be sustained because they are simply not true.

I turn to figures supplied by the parliamentary library in a statistical summary dated March 1994, table 6 of which shows the labour force participation rate in Victoria. The Treasurer's reason for not making an impact on unemployment is the increasing participation rate. The participation rate in the March quarter of 1993-94 was 63 per cent; in 1992-93 it was 63 per cent; in 1991-92 it was 63.2 per cent; in 1990-91, 63.6 per cent; and in 1989-90, 64.2 per cent. Seasonally adjusted there has been a decline in the participation rate for the March quarter over the past three years. The Treasurer's claim that increased unemployment is due to a rising participation rate is not true.

The figure for unemployed persons in Victoria in the March quarter of 1993-94 — the figures are expressed in hundreds of thousands — was 258.6; in 1992-93, 256.9; in 1991-922, 255.1; and in 1990-91, 203.3. The Treasurer's argument on the participation rate is, 'If there is an increase in the participation rate there will be an increasing number of people actually employed as a percentage of the work force and it shows up as a higher figure'. That is not true.

Figures supplied by the parliamentary library show that the number of Victorians employed in the March quarter of 1993-94 — again expressed in hundreds of thousands — was 1960.3, and in 1992-93 it was 1967.8. That is an indictment of the government's lack of will to adopt an employment strategy. It has no idea of how and no will to remedy the situation.

The problem is compounded by public sector sackings, which have effectively deprived Victoria of a pool of talented and skilled workers. Those people are moving interstate at a record rate. The only revenue the state is getting out of them is speeding fines as they drive up the Hume Highway. What is the Treasurer's response? It is that they are right to leave. They have analysed the situation correctly and made a sensible decision. An article in the *Age* of 27 April 1994 under the heading 'A very sensible reaction paves Stockdale's highway to Brisbane' reports:

> Asked about the record numbers of Victorians packing up and heading north, he said: 'The community is making a very sensible reaction; it is saying there are a number of things happening that individually we are not particularly happy about'.
>
> He went on: 'Nobody likes to see public employment reduced, likes to see schools closed, other services affected ...

The Treasurer is right: those people have made the right decision to leave. They are leaving for many reasons, but one of the main reasons is the drastic cut in services to Victorians. There are other reasons why they are leaving: households in this state are suffering under the highest taxes and charges in the country, including the iniquitous home tax. The government said, 'Once the budget is in surplus that tax will be removed'. That is what we were told, but now the government is saying, 'We are not quite ready yet'. Members who represent marginal seats know that the day it is removed an election will be held.

I turn to the government's lack of commitment to regional Victoria, which is suffering under the decisions of an extremely centralist government whose ideology is a belief in a big Melbourne — one puts what one can into Melbourne to try to boost it and, as with the trickle-down theory of economics, one hopes there will be a flow-on to regional areas and they will somehow participate. That is the government's approach to regional development.

There is a lot of talk about unemployment in my electorate. Unemployment, as bad as it is generally in the state, is even worse in regional areas. From December 1992 to December 1993 the increase in the unemployment rate in Geelong was 12.8 per cent.

Mr Gude interjected.

Mr LONEY — I do not think Pyramid closed at that time. The government removed vast amounts of money from people's pockets in the form of taxes and charges, thereby depressing their ability to spend, which has led to the worst-ever retail figures in the state. Over the past six months there has not been one month of growth in retail sales in Victoria.

Some attention should be paid to regional Victoria.

The government has hailed its road funding program, but not one cent of it has been allocated to the Geelong area. Funding has been made available for the gymnasium at Oberon High School, and I commend that because it is deserved. However other school projects should have been included in the capital works allocation, such as a new school at Lara where presently 900 high school children a day are bussed out of that area to schools in Geelong. The cost of bussing those students is $750 000 a year, and that cost should be an argument for a new school, but not to this government. The Bellarine Peninsula also needs a new secondary college, but again that has been totally overlooked by the government, even though most Liberal members representing marginal seats are able to read out their lists of capital funding in their electorates.

Before the last election the Premier and the Minister for Agriculture promised that Geelong would be the main wool selling centre in Victoria. At least, the minister still sends his wool to Geelong to be sold, and I thank him for that support. Although the coalition made those promises in its policy document the Geelong wool sales are under threat.

The government should also have provided money for the construction of a third lane on the Princes Highway between Geelong and Avalon because traffic on that road will become busier as job opportunities present themselves after development of that area. Geelong should have received money for tourism development, but it has not. Instead, it has received only a few crumbs.

The honourable member for Monbulk should examine the figures in the economic statement instead of the figures he referred to. They show that under this government projected debt will increase from $7000 per capita in 1992-93 to $8500 per capita in 1996-97. He should also refer to the much-heralded capital works program, which reveals that of the $1.1 billion allocated, $470 million is federal money.

The government claims that the community is behind it. Therefore, I conclude by referring to a letter in the *Frankston Standard* of 25 April which states under the heading 'Kennett's past year reviewed':

> A time to reflect over the past 12 months of life under the Kennett government — the good, the bad and the ugly.
>
> Cuts in funding to state schools, but not for private schools.
>
> Local ambulance offices running a raffle to purchase equipment, local Liberal Mps relocate and refurbish their offices.
>
> Service charges on gas, electricity and water increase. Five million dollars for an airline that doesn't even have an aeroplane.
>
> Cuts in public transport, stations unmanned at weekends, timetables no longer displayed ... but funds to bring British MPs for a visit.
>
> Three-cent levy on a litre of petrol to build roads/freeways, proposed freeway toll for Mornington Peninsula freeway.
>
> A $100 property levy, overseas visit by the Premier to bring a stage show to Melbourne in two years.
>
> Cuts in public welfare, hospital funding, but a grand prix.

That is a letter from one of those people who the government claims fully supports it. The person who wrote that letter has seen the paradox of this government and has portrayed it correctly. The

government is not interested in providing services to the community; it is interested in looking after its mates.

Mr DOYLE (Malvern) — I often listen to the honourable member for Geelong North because I have some regard for his speeches. Rarely is he so unutterably wrong as he demonstrated in one case today. I am happy to point out to the honourable member for Geelong North what he got wrong, but I do not want to spend my entire time talking about the wrongness of his speech. Rather I want to talk about the rightness of the government. I am sure the honourable member for Geelong North did not mean to present wrong information to the house, but I must correct his reference to the employment figures for October 1992 to March 1994 produced in a March 1994 parliamentary library background paper.

The honourable member referred to tables 5 and 7, which provide seasonally adjusted figures for employment and unemployment in Victoria, in which the numbers are expressed as hundreds of thousands. According to those tables the seasonally adjusted figure for employed people in October 1992 was 1951.1 and in March 1994 it was 1960.3. That represents an increase not a decrease, as the honourable member for Geelong North would have us believe. Again, the seasonally adjusted figure for unemployment in October 1992 and October 1993 is 260.5 — again expressed as hundreds of thousands — compared with 258.6 in March 1994. That is a decrease in the number of unemployed people in Victoria. I am sure the honourable member for Geelong North did not intend to be inaccurate, but he was wrong.

Mr Gude — He is often wrong.

Mr DOYLE — In this case he is demonstrably wrong.

The honourable member for Geelong North and I share a passion — it is the only passion we share — for the Geelong Football Club. Most honourable members would have been in football change rooms and noticed the inspirational signs on the walls. One sign that is often in change rooms says, 'To train without pain is to train without gain'.

Mr Cole — I have never heard that one.

Mr DOYLE — You have never heard that one? There are a few others: 'A wounded deer leaps higher' — I always had a penchant for that one — but there is always 'Train without pain, train without gain'. What was the relationship between pain and gain that football coaches were trying to put across to the players in the footy rooms — what they were trying to say about it? To step aside from that for one moment, it would be wonderful if we could have gain without pain; if we had a world where gain were possible without hard work or without austerity measures.

The question I ask is: when is it necessary to put up with the pain for the gain and what is the gain that follows? To answer that question I need to talk about why then there is need — —

Mr Hamilton interjected.

Mr DOYLE — At least I am on the Mount, if it is a Sermon!

Mr Hamilton interjected.

Mr DOYLE — It will be because what I am about to explain to the house is why there is a need for pain. I apologise, Mr Acting Speaker, for the following mixture of tenses, as I know it will offend you deeply, but I have extracted verbatim a number of phrases from the financial journals of last week to describe the fiscal situation in Victoria in October 1992. The phrases are in no particular order and are from a variety of media outlets. They are as follows: 'fiscal abyss'; 'ever mounting burden of debt'; 'public debt interest (gobbling) budget sector revenue'; 'terminal ... public finances'; 'mountain of debt'; 'financial crisis'; 'a state headed to hell on a handcart'; and 'lavishly and irresponsibly overspending compared with other states'. I note an interesting contradiction as I read these descriptions of the state of Victoria: 'wasteful spending' on the one hand and then apparently a contradictory observation: 'massive rundown in capital spending'. How can those two things both be true? The answer is quite simple: one of the reasons that Victoria had huge budget deficits was that its operating costs were irresponsibly inflated.

I had discussions with teachers in the Diamond Valley and Eltham area before I came into the house this afternoon. One of the matters I was trying to explain to them was that their salaries were being paid from the operating budget in 1992. As a state we were also paying interest on existing debt. We had the deficit fuelling debt and interest payments. The Treasurer and a number of government members have described that situation from the time the government took office until now as a

'disastrous spiral'; the debt trap that the Treasurer has warned of so often in the past 19 months.

Yet at the same time that we had 'wasteful spending' what was happening in our schools in my electorate and in the electorates of Morwell or Geelong North? What happened when the guttering started to fall off, school rooms were not being painted, no new carpets were laid and no new schools were being built? What happened to the $600 million that was supposed to have been spent on maintenance? What created that backlog? Instead of capital works spending being an important part of the budget, it was overlooked. It was allowed to run down.

I will return to this matter because when I talk about schools in my area it may not be a coincidence that my electorate happens to be a fairly safe Liberal seat and it has schools that are experiencing grave rundowns because of a backlog of maintenance.

There are two further comments that are worth mentioning from the financial journalists' comments about Victoria in October 1992 — 'addicted to debt funded spending' and 'a haemorrhaging state budget'. The point I wish to make about what those financial journalists were saying is that those comments were not made following October 1992; they were not made at the height of the crisis in the state's financial situation; they were not even made in a climate of new or unexpected revelations; they were not made after the revelation of another VEDC or Pyramid or Tricontinental or State Bank disaster or some funny-money coupon deal; they were not made in the light of some new financial crisis to which the state lurched! No! Those statements were considered judgments; they were made recently with the perspective of 18 months on 10 years of Labor Party rule. They were considered judgments of history, not statements made with an immediate election approaching; they came with the benefit of clarity of accounting and auditing procedures.

We know that there were two independent audits of the state finances. The comments were not generated by election hysteria; they were not 'financial ruin' hyperbole that often takes place with big stories like that of the Pyramid Building Society, to which the honourable member for Geelong North referred. There was none of that! What was the tone of those newspaper reports over the past week as they described the turnaround that the Treasurer has presided over? The tone was somewhat rueful about October 1992; the tone of those financial journalists was almost a shaking of their heads at the ineptitude of the previous 10 years; yet even as they recognised the turnaround, they also talked about the still-too-high costs of governing Victoria. Access Economics has suggested that if one were to look at the loss of the AAA rating — —

Mr Hamilton interjected.

Mr DOYLE — That may well be! I find it valid, I must say. Access Economics suggests that the AAA credit rating loss costs the Victorian taxpayer $70 million extra per year. That makes us the state with the highest per capita debt and the lowest credit rating of any Australian state, according to Moody's Investors Service.

The Treasurer was quoted by the honourable member for Geelong North and others as having said that he would not indulge in 'glib fixes'. Neither should we expect him to do so. What he has said is important — that we should not forget the lessons of the Labor 10 years; we should not get overly optimistic yet; we must not eschew the lessons of the tough times; and neither should we resile from the things we need to do to rebuild the long-term strengths of the economy. What the government has to do is to get the policy mix right.

I know that he may now be in some disgrace sitting on the back bench, but the former shadow Treasurer, the honourable member for Sunshine, often came into the house and told us that he had only two budget speeches: the first one being, 'You blokes are terrible' and the other, 'States can't really affect things much anyway'. I am astonished that the honourable member's colleagues seem to be saying something somewhat different! I am not sure that I ever agreed with him, and now I am sure that they do not agree with him either. What the Treasurer has done is to try to get the policy mix right — —

Mr Hamilton interjected.

Mr DOYLE — I would never agree with you! That would be very dangerous. And wrong! What the government must do is to get the policy mix right. The things you can affect, you affect. For examples of that one has only to think of the reforms the Treasurer has announced in areas such as tourism, local government, state-owned enterprises and revitalising Melbourne — which the Premier talked about during question time today in response to an excellent question.

One could read the financial papers if one wants a wider picture. Some things government cannot

affect as the private sector can. The financial pages do not indicate enormous changes but there are changed trends in areas like food production; manufacturing; wholesale and retail trade — the honourable member for Altona seemed to have misunderstood that point; transport; communications; and building and development, which is something I want to come back to as it relates to my electorate. There are encouraging signs in those areas.

Honourable members have talked anecdotally today, and I have listened to them both here and sitting up in my room thinking about what I was going to say in my speech. We often use the anecdotal evidence. Today much has been made by opposition members of community pain through austerity measures. I would not disagree. Public sector employment being reduced has caused hardship. The state deficit levy has caused hardship. School closures have caused pain to the community. Budgetary constraints in an austerity program will do that.

The honourable member for Geelong North said at great length that people do not like pain. Of course people do not like pain; but they will accept it if they understand there is gain. I will go back to the footy locker room analogy later when I talk about why that is so. People will accept the notion of pain for gain. There is no comfort — —

Mr Hamilton interjected.

Mr DOYLE — There is no comfort for you! Labor should not take false comfort from the public's recognition of the necessity for some pain because the public understands why it is necessary. People understand that some pain is necessary to create the conditions and to set the framework for recovery. The Treasurer has said that. He has advised, 'Don't relax; don't lose will for hard, necessary reform'. For the honourable member for Geelong North to accuse the Treasurer of a lack of will is breathtakingly stupid, but I shall come back to that, too.

If one wants to see the success of the strategy one should look at the 133 new projects in the autumn statement. Where was the mention of them in the speeches of honourable members from the other side of the house? What do the 133 projects do? They balance the capital investment-recurrent spending dichotomy that financial journalists have pointed out was lacking in the 10 years of Labor administration. What does that do? In the ways that the government can — and I admit that compared to the private sector government is limited — it provides stimulus for jobs and activity and starts to attract private sector investment. It does not 'quick-fix'; it does not offer false work schemes.

Announced funding of $560 million for roads, $90 million for schools and $70 million for health services is starting to turn around years of decay and decline. I cite one example of a recently announced government initiative in my electorate. It is ridiculous that the South Eastern Arterial crosses three sets of traffic lights: at Toorak Road, Tooronga Road and then Burke Road. It is disgraceful that the previous government made a transport decision resulting in that situation. Under this government funding of $26 million will provide for grade separations at those three intersections, setting up a proper transport route for travellers from outer parts of Melbourne coming into the city to work. That is an important step.

Mr Hamilton interjected.

Mr DOYLE — As the honourable member for Morwell knows, I catch the train — and I am happy to do so. Tomorrow morning I will be on the 9.11 train from Kooyong.

The community is starting to see results from pain. In my electorate two schools were closed, causing community pain. A great deal of history is associated with those schools, but what was the alternative? Enrolments were falling. A school that should have had an enrolment of 500 students had 250 students — then 200, then 150, then 90. What is to be done with a school that hopes to be able to cater for 400 students at the start of the school year but starts with 173 students?

What is to be done in an area like mine that has an ageing population? Young families will not be moving to my area in the numbers needed to replenish those schools. The decision to close schools is hard and causes pain, but it has to be made. Students have moved to new schools. Melbourne Girls College and the Tooronga Road primary school have been the beneficiaries of those closures and are operating wonderfully.

But what has been gained more generally from school closures? Honourable members should look to the announcements by the Minister for Education of 10 new schools for Melbourne's outer suburbs and upgrades to 38 schools. The honourable members for Cranbourne, Berwick and Tullamarine represent growth areas and know that they are

where schools are needed and must be built. If that means schools have to close in an area where enrolments are declining so that governments can make the responsible funding decisions to build new schools in growth areas, that is responsible management.

There will be some pain, but Victorians are starting to see the end of the tunnel; we are starting to see gain. My examples of gain may be modest stimuli but they are funded, responsible and fundamental to revival and a prosperous future.

Opposition members should consider the conveniently forgotten background to the autumn statement's capital works projects. The Treasurer's statement announces no new taxes or charges and no new spending cuts. There is a projected current account surplus for 1994-95. As so many government members have pointed out, that turnaround in the current account means that half the amount of investment in capital works will be implemented without adding to public debt.

To sum up the budgetary position I quote from Steve Burrell. I know he has already been quoted today, but I put on record his comments as economics editor of the *Australian Financial Review*:

> The Kennett government is emerging as a model of fiscal management and imaginative micro-economic reform from which the other states and the commonwealth government could well take some lessons.

I will move away from the general picture to something more local and perhaps a little anecdotal. Government members have acknowledged that there has had to be pain for the reasons I have outlined, but what is the gain in Malvern, for instance? Is gain just some theoretical judgment of the government's direction by a reporter? No, it is not.

In my electorate two years ago Glenferrie Road was a savage example of retail failure. Along the road all that could be seen was a plethora of signs reading 'For lease' and 'For sale'. Shops were closing down. Talking to retailers was a debilitating experience. They sat in their shops waiting for a customer to come through the door. That did not often happen. Day after day shops closed. Businesses folded.

I know that Glenferrie Road is but one street in one area, but today so far as I am aware there are no more 'For lease' or 'For sale' signs in the stretch between High Street and Dandenong Road. Shops are being refurbished, new tenants are moving in and businesses are starting up. In the past couple of months in the Glenferrie Road strip where my office is located a new restaurant, a fast food outlet, a hairdresser and a bookshop have opened. All the owners have opened their businesses with high hopes. The 'For sale' and 'For lease' signs are starting to disappear. Small gains, but important signs.

Earlier I spoke about the decline in proper maintenance under the Labor government. The honourable member for Geelong North would recognise this, having been a teacher. Three schools in my area, Chadstone Park Primary School, Lloyd Street Primary School and Armadale Primary School, have excellent programs and teachers. They have been doing an excellent job despite a growing backlog of maintenance problems. The schools know that, I know that, and the Minister for Education knows that. The government is beginning to address the backlog, but what happened to the $600 million that should have been spent on school maintenance? The maintenance was never carried out.

The real estate and property market is buoyant, active and optimistic in my electorate. Real estate and property agents do not suggest that the state is going through any boom time or rosy-hued economic miracle, but they do have some confidence in their businesses. They are taking on extra staff.

I sometimes speak to a local architect and developer because I find him to be a useful litmus test. As he tells me, architects can tell you when the economy is going into recession. They know what their workload will be 18 months or perhaps two years ahead. My friend said that six or seven years ago the situation was terrifying. Suddenly the work stopped rolling in and he knew that he would hit the wall. He did; a large company became a small company. Recently he has employed 14 new staff members: architects, draftspeople and office staff. He has done that because an upsurge in building and development is beginning.

A councillor from Prahran spoke of a 10 per cent increase in building development over the past two years. The figures for building development in Malvern are even more startling. Over the past 12 months $109 million has been spent on building development — this is private, not public, spending. The council officers suggest that this is starting to look like the peak period of 1988-89. Developments include the Kildara development of 100 residential

units valued at $12 million; the Chitty's timberyard development of 100 residential units, a $7 million project; existing retail shop development; the development of 46 000 square metres of retail space and 25 000 square metres of office and professional space at Chadstone, a significant boost; St Frances Xavier Cabrini Hospital, an excellent hospital in my electorate, spending $17 million on development projects; $5 million to be spent on cinemas for public benefit through private investment; and a private school recently spent $2 million on upgrading. All of these developments have been approved by the council over the past 12 months. They are all indicators of building and development.

Mr Loney — That is a result of the change of member, not the change of government.

Mr DOYLE — It may well be. Today in Canberra an important paper is to be delivered. I hope it is a historic document, but I have some real fears about it and about its effect on the work ethic. One of my hopes of 'the recession we had to have' was that it might generate in the young a value for work, a feeling that a job was worth having and was something to be pursued. I am less optimistic about that now.

What if a recession does not generate a resurgence of the work ethic? What happens when the work ethic weakens and wanes because people cannot rely on the availability of a job? This problem is explored by Hugh Mackay in *Re-inventing Australia*. What happens when society stops facing fundamental questions about the structure of our labour market and stops talking about the place of work in our culture? What happens when an unemployment mentality, a welfare-ism mentality, creeps into our society?

An honourable member interjected.

Mr DOYLE — Absolutely. The ambulance will be at the bottom of the cliff. It will be too late and society will fail our young. One would think that there must be an answer to the question of where one million jobs can come from. If everyone wants a job, can that be provided? How is available work to be distributed? Should this be through part-time work in growth areas, such as the service industries? We have heard of a 'golden age of leisure' — another Mackay phrase. What happened to that? Such an age relies on people having work so they can have leisure as well. When there is no work there is no golden age of leisure, just unending days. I know that the white paper on employment is due to be handed down today. I hope it has some historic answers.

Mr Gude interjected.

Mr DOYLE — The Leader of the House tells me it is a blank paper, a white flag. That must be one of the great betrayals of the unemployed of this country. If I were an unemployed person the lack of real debate would disturb me.

Mr Hamilton interjected.

Mr DOYLE — If I were an opposition member I would be careful about talking about unemployment. A few boys' jobs have gone missing in the past day or so. I would be a little gentle in speaking about unemployment.

The unemployed must feel betrayed by the lack of detail about the future of employment. Everyone sees unemployment as a malaise of our society and expects some sort of detail to come from the federal government. If the white paper does not deliver — the Leader of the House assures me it does not and I trust him implicitly — those people have been betrayed again.

When honourable members first come into Parliament they usually ask themselves some fundamental questions about why they are here. One of the things the April economic statement does and one of the things we do is sell good government, which is the efficient and responsible provision of services to people.

Good government is not a case of just throwing more money at problems. A good example of good government that has perhaps not been mentioned as often as it should have been is case-mix funding of hospitals. It reduced waiting lists by 70 per cent and enabled the treatment of 7 per cent more people with a reduction in spending of 9 per cent. Labor's own retiring federal health minister has praised it to the skies, which must have been hard for the Labor Party to swallow. Case-mix is an example of how you go about providing good government.

We can examine the gain resulting from the government's policies. I do not want to go into the hyperbole of the report in the *Australian Financial Review* that talked about Victoria's economic miracle because, as the Treasurer has made clear, we have a long way to go.

I have just been handed a copy of a press release by the Minister for Industry and Employment entitled 'White paper raises the white flag, says Gude'. Nothing more needs to be said! The press release begins:

> The federal government had once again refused to grasp the nettle and increase the pace of micro-economic reform in its long-anticipated white paper on jobs, industry and regions, the Victorian government said today.

That is not what Steve Burrell, economics editor of the *Australian Financial Review*, said about the Victorian government. What our government has done is a lesson for the federal government and I am sorry it has not taken the lead offered to it. Although we may make jokes about the issue on a partisan basis — I make no apology for the fact that I think our government has done the job — we are talking about the lives of 1 million Australians and generations of people who may be forever in the unemployment cycle.

How do you offer services to all in the community in an efficient and responsible way? You do that by rewarding initiative and hard work. The motto of the state of Victoria is 'peace and prosperity'. Without prosperity you do not have the other; unless you can provide the framework for prosperity to be achieved you cannot have peace. Unless we protect and support the most vulnerable people in the community and treat them with dignity and respect — in this case I am talking about the unemployed — we cannot achieve a society that has compassion.

All honourable members are here to work towards a better and more decent society. I do not say we have already entered the rosy-hued future or that the corner is well and truly behind us, but I believe the Treasurer's economic statement is saying to us that although there has been pain there has also been gain and that there is more gain in sight. He is saying, 'Stick with us, we will not let you down through force of will'.

Dr COGHILL (Werribee) — I turn first to matters affecting local government in Victoria, particularly the City of Werribee, within which my electorate lies. There is a tendency among members of the Victorian Parliament, particularly those who have not served in local government, to denigrate local government and its potential. I am probably lucky that the City of Werribee is widely regarded as one of the best administered municipalities with one of the most forward looking group of councillors in Victoria.

I have no reason to ingratiate myself to the council but I believe its administrators and elected officials are among the best in Victoria. For that reason I am particularly concerned at the way the municipality has been treated by the Minister for Local Government and the Local Government Board.

In October last year, the Minister for Local Government wrote to the Werribee council pointing out to the then municipal clerk that it was necessary to undertake a redistribution of the internal boundaries of the municipality. The advice was obviously predicated on the assumption that the external boundaries of the City of Werribee would not change prior to the next municipal election, which was then scheduled for August of this year. That is also reflected in the terms of reference provided to the Local Government Board in respect of 21 municipalities.

The board was asked to review the boundaries of the cities of Altona and Williamstown, Altona being a neighbouring municipality to Werribee. Following the letter from the minister, the council was confident that the external boundaries of the city would not be reviewed and the absence of any reference to the City of Werribee in the terms of reference of the Local Government Board was further confirmation of that fact.

In those circumstances it is entirely reasonable that the city did not make substantive submission to the Local Government Board. Why would the City of Werribee wish to intervene in matters affecting other municipalities, albeit municipalities that are part of the same region? The city had no reason to believe the issues to be addressed by the board would touch on it.

However, one of the recommendations of the Local Government Board was that the proposed city of Hobsons Bay should include part of the current City of Werribee. That took everyone by surprise and highlights a number of strange aspects of the way the Minister for Local Government has undertaken and is administering his portfolio. In response to that very sudden and unexpected news, and with only a fortnight in which to prepare comments on the recommendations of the Local Government Board, the City of Werribee, with the assistance of consultants, prepared a substantive submission that argues the issues and documents the case thoroughly.

The submission points out that the boundary suggested by the board is inappropriate. On one hand the board says it does not have particular population figures in mind for new municipalities, while on the other hand it says, at least orally, that the reason it has included Laverton in the proposed new city of Hobsons Bay is because of the population implications for the new municipality and the high population of the City of Werribee and its potential for further growth.

It then says that it is concerned to try to observe natural boundaries wherever possible. The natural boundary it has chosen is a row of back fences between one part of Laverton and another — the back fences between residential parts of Laverton and the RAAF Laverton base. Again, there is an absurd contradiction in logic. If the board were concerned about natural boundaries it would have been logical to select the boundary between the main part of the city of Altona and Altona Meadows along Laverton Creek, a watercourse. That would have given Laverton a natural grouping with Altona Meadows, or alternatively it could have gone much further to the west, perhaps to Skeleton Creek or Forsyth Road or somewhere in that area.

That was not done, and when one looks at the chosen boundary to the south of Laverton one sees that the new boundary has sliced right through the middle of future subdivision. That there is to be a new subdivision is well known to anyone who has made proper inquiries. If the Local Government Board were doing its job properly and if the minister were administering his responsibilities properly, this absurd situation would not have arisen. Instead the entire group of western suburbs municipalities would be being treated as one regional group for review and the Local Government Board would have been working with regional local government to see what was appropriate restructuring.

No-one is running away from the potential for restructuring in the western suburbs. The problem is the process that has been followed by the Local Government Board under this minister. The result has been botched up by an inappropriate process, and that is not surprising. What ought to occur in this case is for the minister to say, 'I will not accept those recommendations concerning Williamstown and Altona. I will defer consideration of those while there is a review of all the western suburbs as part of the larger review that has now been initiated'.

I have another concern about the larger review that is now under way. From the way the minister is carrying out the process one would assume that he believes he will not be the minister after 1996 and that he wants to get all of those changes behind him before the next election. He seems to be assuming that the next election will lead to his not having the authority of a minister — presumably he will be on the back bench of the opposition — and therefore will have lost the opportunity to go down in history as the one who made huge reforms and restructured local government in Victoria.

My concern is not that he is addressing it on a broad scale but that the process is not working. In this case we have seen the process as it affects the City of Werribee. Given the huge number of municipalities that have now been referred to the Local Government Board, it can be seen that it will be physically impossible for the board properly to consider the various inputs and factors that need to be taken into consideration when making recommendations for restructuring the remaining Victorian municipalities.

There are two problems: one is the time lines that have been given, which are frankly ridiculous — there is simply not the time to do it; and the second is the membership of the Local Government Board. In everything that has been put to the City of Werribee it appears that the Local Government Board does not have an understanding of the functions and functioning of local government in a stable municipality with not much population growth or decline and no huge amounts of development such as were experienced by the chairman of the board in the Prahran area. There is a huge difference between the sort of municipality Leonie Burke has come from and municipalities like Werribee or Cranbourne or other rapidly developing outer suburban municipalities where there will be huge investments in infrastructure.

Huge changes are occurring in the social structure and there are huge demands for new services by the community. The types of quality management Werribee councillors had to develop and introduce are quite different from the types of management that must be in place to provide adequate levels of services in Prahran or some of the other municipalities from which members of the board have been drawn.

This cavalier approach to local government reflects the fact that the government does not have an appreciation of the potential of local government. I rank myself as fortunate in having come from a period of service in local government, as have many

honourable members, particularly on this side of the house, prior to election. I can see that there is great value in state government, and for that matter federal government, devolving administrative responsibility and decision making to the local government level and local government to subsidiary levels, using a principle such as the European principle of subsidiarity where decision making and administration are brought to the most local level. The government is continuing to treat local government as if it were an instrumentality of the state government. I believe that to be singularly inappropriate at this stage of Victoria's social and economic development.

I will come back to some of those issues later, but there are a few other matters of local significance to the area that I am proud to represent that I wish to touch on. The first is the dispute preventing certain services at the new Werribee medical hospital. It is a wonderful new hospital and is beautifully designed. It officially opened a couple of months ago. Unfortunately almost all of it is still closed because of a dispute between anaesthetists, gynaecologists and surgeons with the Mercy Hospital. The dispute, not surprisingly, revolves around remuneration. From my discussions with the administration of the Mercy Hospital and the Australian Medical Association it is my observation that this dispute could be solved if there were an arbitral process where some independent arbiter, with the authority of the government, could come in and say, 'This is what has got to be accepted by both parties, after my having heard the case put by both sides, having taken into account the budgetary situation and having taken into account the other constraints'.

That is not possible because the government, led by the Minister for Industry and Employment, has taken the view that there should not be that sort of role for government, there should not be any centralised arbitral process and each unit and hospital should negotiate on its own with the parties with whom it is contracting.

That would be all very well if there were one hospital in Victoria dealing with one group of doctors, but there are dozens of hospitals around Victoria dealing with doctors, and I imagine in most cases, as in the Werribee case, the doctors authorise the Australian Medical Association to act on their behalf. I understand agreements have been reached by other hospitals, apparently with the imprimatur of the Minister for Health, and there has been agreement on levels of remuneration in excess of those the minister says are the maximum the Werribee Mercy Hospital should offer.

In other words, at a number of other hospitals, and despite her claims to have remained at arm's length, the minister has said it is okay to negotiate rates of pay higher than those she will agree to for the doctors at the Mercy Hospital at Werribee. That is both tragic and unfair to the Werribee community.

The next matter is the urgent need for the construction of the railway underpass at Derrimut Road, Werribee. That has become more urgent because of the construction of the national standard gauge railway line, which will run between Melbourne and Geelong and then on to Adelaide. The introduction of the national freight line will lead to further closures of level crossings, the use of which has increased markedly because of the volume of traffic in and through Werribee.

That project requires funding of between $6 million and $7 million. The Victorian government has offered to contribute $3 million if the City of Werribee comes good with, say, $1.5 million and the federal government comes good with the balance. That sounds a plausible sort of offer, but the tragedy is that the Victorian government is trying to have it both ways.

Late last year the Victorian government had available $2 million of federal funding which could have been used for the project. Instead, the Victorian government said it did not want to use that $2 million but wanted another $2 million or $3 million from the federal government for the underpass. Because of the Victorian government's stupid argy-bargy and its attempts to have it both ways, there is grave concern that the underpass may not be constructed as part of the extension of the national standard gauge railway line through Werribee. There is no excuse for the Minister for Roads and Ports in the other place acting as he has been, although one can understood that the government may be having internal communication problems.

The next matter is the upgrading of the Werribee Secondary College staff and administration building. The school was constructed in the late 1950s and is one of the older secondary colleges in Victoria. It has expanded considerably given the population growth during that time. The staff and administration facilities are grossly inadequate by any standards, which the government accepts. I seek an assurance that the $5 million provided in the

interim appropriation bill will include sufficient funds to enable the staff administration upgrade to commence during the supply period because it is urgently needed. I hope the encouraging indications I have received from senior officers and ministerial staff are honoured in the allocation of funds to be announced in the next few days.

I now turn to some of the broader issues affecting the mini-budget. I commend to the house the speech of the honourable member for Northcote.

Mr Honeywood interjected.

Dr COGHILL — I know it is not particularly fashionable to endorse the honourable member's views, but I suggest the honourable member for Warrandyte read the speech rather than snigger like someone suffering from a protracted period of adolescent development. History will judge that the honourable member for Northcote has been unfairly dealt with because he has had to shoulder the blame for things which occurred during his time as Treasurer but for which he was not personally responsible. I leave it at that.

The mini-budget contains a series of contradictions in the government's approach to monetary and fiscal policy. On the one hand, the coalition says it believes in smaller government, that governments should not be in the business of picking winners, giving guarantees or underwriting business enterprises. Yet, the house has heard the Premier say it is appropriate that the government underwrite the grand prix race around Albert Park Lake.

The Premier's rationale is that there will be a net benefit to the state, if not a direct profit to the Victorian government, from investing in or at the very least underwriting the grand prix. I can accept that, but it runs counter to the rhetoric and theoretical basis underpinning the government's approach to financial management. That is evidence of an absolutely irreconcilable contradiction between what this government says and its approach to things like the grand prix.

That is evident in a number of other areas. I turn to the issue of public transport. The Treasurer's speech records the fact that:

> Productivity improvements are indicated by a 20 per cent increase over the past two years in passenger boardings on suburban trains per employee ...

The Treasurer fails to acknowledge that one of the factors in that change is the drop in the number of passengers. Not only has there been a huge drop in the number of staff, but there has been a very significant drop in the number of passengers.

What is the purpose of running a public transport system? One would have thought the purpose was to attract and service more customers; yet the Treasurer uses some peculiar measures of success. He is measuring some purely monetary or management outcome rather than recognising that the public transport system exists to provide a service to the public. It also has an offsetting benefit because the more people you have on public transport, the less pressure there is on the road system. Those honourable members who have visited Los Angeles will be well aware of the ultimate folly of winding down or doing away with the public rail transport system and relying entirely on the road system. The public transport bus system in Los Angeles is not as bad as it is portrayed — but that is another matter.

The measure of the success of any public transport system should not be the number of passenger boardings per employee but the extent to which it attracts and retains patronage and diverts more expensive expenditure from road allocations, based on journeys per person per kilometre.

That particular example demonstrates more than anything else the ideological division between this side of the house and the government side. The government takes a purely economic approach, as though economic factors were ends in themselves. The coalition believes the only things it should be concerned about are returns on investment, numbers of employees and the like rather than social conditions and their distribution. The economy is certainly a key determinant of the social conditions under which Victorians live, but it is not an end in itself.

The government sees those economic indicators as ends in themselves. It has been said by previous opposition speakers that Victoria's experience gives the lie to the monetary and fiscal basis on which this government is proceeding. Certain economic indicators may well show an improvement, particularly if one looks within government rather than at the state overall, but despite those indicators the conditions for the people of Victoria as a whole are declining. Victoria is continuing its decline in comparison with the rest of Australia.

I shall conclude by mentioning the importance of infrastructure. The city of Werribee is a rapidly growing area, and as a consequence of the high rate of subdivision there is a huge need for road improvements, particularly new roadworks and road widening. The council estimates that in the five-year period from 1992 to 1996 a budget of about $42.6 million will be required and that from 1996 to 2001 a further $79.7 million will be required. They are huge sums. Honourable members should consider the money the council has available to put into roadworks. From VicRoads it receives about $2 million a year, $500 000 of which is allocated for new roads. From the federal government it receives about $1 million a year for local roadworks. From its own revenue the council devotes about $1.5 million a year to key projects and another $1 million a year to minor road projects. In addition there are developer contributions, which in a normal year amount to about $1 million or $2 million. About $6.5 million to $7.5 million a year is allocated to total roadworks, including a smaller amount available for the road improvement program.

It ought to be recognised that the state and federal governments should redistribute capital funds so that an area of rapid growth such as Werribee gets sufficient funds to undertake the infrastructure works that are essential to the long-term viability of the community in the knowledge that the future tax revenue as the area matures will repay the cost and enable similar funding to be provided to other growth areas. It is not happening because of the absurd preoccupation with cutting back on government expenditure and restricting investment in infrastructure. That runs counter to the most recent findings of investigations into the way economies function, which demonstrate that investment in infrastructure is a major determinant of economic growth and social conditions.

It is in Victoria's and also Australia's best interests to make substantial investment in infrastructure of the type that is essential for the future wellbeing of the community. That is not happening, and I believe that is to the ultimate cost of the entire Victorian community.

Sitting suspended 6.25 p.m. until 8.05 p.m.

Mr HONEYWOOD (Warrandyte) — It is a pleasure and a privilege to speak on the Appropriation (Interim 1994-95) Bill tonight. I am delighted that some honourable members opposite also support the bill.

I will provide a brief address on the social policy elements of the government's agenda. I will concentrate on a number of environmental initiatives, on languages other than English being taught by schools and also on ethnic affairs. Too often in considering the economic management agendas of any government there is a concentration on the fiscal policy without much concentration, particularly by our friends in the media, on genuine social policy initiatives.

Before I refer to the social policy initiatives of the government which are well funded under the bill, I will allude to the contributions to the debate of a couple of honourable members opposite.

Firstly, the main statement of the honourable member for Werribee whose contribution took half an hour this evening was that he had no need to ingratiate himself with the Werribee City Council. We all know why; he does not have any need because the Werribee councillors were the ones who worked against him to ensure he would not be the honourable member for Werribee ever again!

The honourable member for Werribee in his typical fashion went on with a whole heap of attacks on the government, which unfortunately were slanted, not well researched or based on factual data.

Secondly, the honourable member for Geelong North in his contribution which also lasted half an hour cried out about the lack of funds for his electorate. I felt like saying to him, 'Welcome to the club'. He may not be aware of the treatment that the former Labor government meted out to honourable members on this side of the house when they were in opposition. I advise the honourable member that in the four years that I was in opposition as the honourable member for Warrandyte, I did not get one cent for my electorate from the former government.

In fact on one occasion, three years into my term, I received a telephone call from the office of the former Minister for Planning and Housing, the Honourable Andrew McCutcheon, informing me that a cheque was being sent for one wonderful project in my electorate. We could not believe our luck — the first cheque ever in three years. However, 5 minutes later we received another call to inform us that it was a mistake, and that the cheque had apparently been handed out by somebody other than the local member.

To the honourable member for Geelong North, I do not say tit for tat but I welcome him to the club. It is about time some members on the other side of the house learnt what it is like to be treated the way Liberal and National Party members of Parliament were treated for almost 11 years by the former government. I am sure they can look forward to similar treatment for a long time to come, particularly based on their performance yesterday.

This government at least believes in a system of government administration which is fair to all. Recently the honourable members for Springvale and Dandenong made some supportive comments to me about the fact that the Minister for Housing accepted a delegation they brought in to see him. The honourable member for Keilor has led delegations on ethnic affairs from his electorate to see me. This government believes in the Westminster system; it believes in making sure that there is fairness for all. I am sure many honourable members opposite would have to say that at least we accept delegations from their constituencies on a fair and open-minded basis.

I will say two things to the honourable member for Geelong North: firstly, welcome to the club; and secondly, the coalition government is doing far better than the former administration when it comes to being fair to all.

The honourable member for Geelong North also said he is tired of the quotable quotes in economic statements presented by the Treasurer. He mentioned the Treasurer referring to this measure as being a healthy budget. I shall refer to a quotable quote from a former Treasurer on the Labor side of politics, the Prime Minister. All honourable members will recall one of his infamous quotes: this is the budget that brings home the bacon. We found out a few months later what he meant; all that was brought home was a pig farm! That is the sort of quotable quote we have come to expect from the Labor side of politics.

I pay tribute to the role of the Premier in his capacity as Minister for Ethnic Affairs because in that area, quietly but surely, the government has got on with the job of making sure that all members of ethnic communities in Victoria are looked after properly and given access — —

Mr Thomson interjected.

Mr HONEYWOOD — I take up the interjection of the honourable member for Pascoe Vale about Macedonians.

The SPEAKER — Order! I remind the honourable member for Warrandyte that interjections are disorderly and that he should ignore them.

Mr HONEYWOOD — Yes, Mr Speaker, they are disorderly. However, in that context one need only consider the stirring up of ethnic communities done by the opposition. Was it 100 Turks that queued up outside the electorate office of the honourable member for Keilor in the Labor Party's attempt at branch stacking, which the Leader of the Opposition calls multiple recruitment? Macedonians have been lined up by the hundreds as well, and the list goes on.

The honourable member for Pascoe Vale should bear in mind that his party is professional at stirring up ethnic communities. It is misusing the rights of Victorians who come from non-English-speaking backgrounds; they are trading for access to democracy and to local members of Parliament by signing on the dotted line and paying Labor Party dues.

I am glad the honourable member for Pascoe Vale has pointed that out because even members of his own party — Ms Licia Kokocinski in particular — have gone public in newspapers like the *Age* talking about how bad it is for constitutional democracy to have a political party cynically signing up members of ethnic communities, many of whom do not speak English, and do not know what the party represents or what the local member represents because they may have just arrived in this country. However, they have been signed up by the ALP for the cynical purpose of assisting, in one case, the Leader of the Opposition in his attempt to ensure his faction got the upper hand; and, tit for tat, the Turks and Macedonians have been signed up to the socialist left branches to balance out the Greek vote. Therefore, the honourable member for Pascoe Vale should be careful when talking about using ethnic communities and not providing them with proper access and equity. I am sure he is aware of Ms Kokocinski's well-informed articles in a number of newspapers attacking her own party for doing that.

In relation to the funding of ethnic communities, the government has mainstreamed service provision to Victorians of non-English-speaking backgrounds. In

so doing it is ensuring that departments that deal with ethnic clients are able to offer proper access and equity by providing adequate resources, whether they be interpreting and translating services or making sure some genuine ethno-specific, cultural-specific programs are delivered.

I pay tribute to the Minister for Industry and Employment for a recent community employment grant initiative through which $10 million is being provided over a two-year period. Although that has gained no media recognition whatsoever, $10 million is being given to organisations that have the runs on the board in the delivery of genuine employment schemes. I refer to programs that are deliberately designed not to overlap with the federal government's employment arrangements. The Victorian program is concentrating on providing a curriculum vitae assessment and writing reference points, providing linkages with local employers and placing clients into courses that will enhance their skills.

The house will be pleased to know that more than $2.5 million of that $10 million has gone to ethnic community organisations. The previous government did nothing for ethnic communities in the way of employment initiatives. However, through the program announced by the Minister for Industry and Employment, $190 000 has been provided to the Greek welfare society, $170 000 to the Australian Turkish Association, $55 000 to the Lebanese welfare association, $240 000 to Co. As. It, the major Italian welfare association, and the list goes on.

More than $2 million of ethno-specific funding has been made available for employment initiatives not by the federal government but by the Victorian state government. The government has provided this funding because it is well aware that the federal government has poured hundreds of millions of dollars — and today the figure of $6 billion was mentioned — into mickey mouse employment schemes which often create artificial jobs and give unfortunate expectations to innocent people who think they will be employed forever but who are given a mickey mouse job for six months and then return to being on the dole.

The state government's program is different. It is designed to fill the gaps that the federal government is not filling. More than that, the program is providing ethnic communities, where there is a high unemployment level — there is a high unemployment rate among Turkish, Italian, Greek and Lebanese Victorians — with funding to make available full-time employment counsellors to give a sensitive service and to ensure that clients who do not understand English do understand training schemes, English-as-a-second-language courses, curriculum vitae preparation and contact with employers.

I pay tribute to Labor Party members who have been in attendance when I have had the pleasure of handing out the cheques to those organisations on behalf of the Minister for Industry and Employment. The honourable member for Thomastown was supportive of the $250 000 grant to the north-west migrant resource centre in his electorate for an employment scheme for people of various ethnic backgrounds to look after a number of smaller ethnic communities and ensure they do not miss out on this wonderful community-based employment program.

The former Labor government gave money to ethnic communities to buy their votes and so that it could become involved in branch-stacking exercises for its own ends. This government is concerned with funding ethnic communities in places that will assist individuals, their communities and the wider community by making sure that instead of having to pay unemployment benefits all the time it is equipping people to obtain genuine jobs and take advantage of genuine employment opportunities, thereby paying taxes like the majority of Australians are required to do.

Those are the aspirations of most non-English-speaking people: they want career opportunities. However, they have not been given access to them, particularly by the former Labor government, which was happy to give them money for new clubhouses, bowling alleys and the like — nice, white elephant stuff — so that Labor members of Parliament could take advantage of photo opportunities when opening new buildings that were paid for by the taxpayers.

The government is on about genuine service provision, not artificial glitzy photo-opportunity handing out of money; that is one element of our ethnic affairs grant initiatives. I am mentioning ethnic affairs and environmental matters because they are social policy initiatives rather than purely fiscal ones, which unfortunately the media tend to concentrate on and do not allow the average Victorian community member to realise that the government is achieving a great deal in the social policy area.

The other area I mention is the Melbourne Parks and Waterways Advisory Council, a program that the honourable member for Pascoe Vale is becoming increasingly aware of because he is suddenly becoming better educated about the genuine bipartisanship of the program. As Chairman of the Melbourne Parks and Waterways Council I have the honour to chair a group of nine volunteers who have a great deal of knowledge about the environment. The government has given out $9.5 million every year from Metropolitan Improvement Fund money which all Victorian householders pay in their annual water rates. Where does the $9.5 million go? It goes on sustaining Melbourne's world renowned network of metropolitan parks. Whether you want to talk about Braeside Park in the south-eastern suburbs; the Warrandyte state park in my electorate; the Maribyrnong River and the excellent work that has been done in the western suburbs or any other major initiatives throughout the metropolitan region, that program, which is implemented by volunteers on a bipartisan basis, has been funding genuine environmental initiatives to ensure that all residents of Melbourne have access to a world-class system of parks.

One has only to go along the Yarra River out to the east of the city to see some of Victoria's wonderful parks and the wonderful recreation facilities the government is providing. It is a program which the opposition, in its rush to get a headline, initially claimed we were going to abolish. Then it tried to argue that it had been the subject of party politics. All the evidence shows that was not the case, based on the auditors' professional assessment.

The program has also funded bike paths in the electorates of Williamstown and Albert Park so that cyclists can enjoy riding on proper bike paths and not on the roads where they risk being run over by motorists. Victorians and their families can enjoy over $1 million worth of bike paths throughout the wonderful Melbourne park system. The government has yet again funded a genuine environmental initiative on a bipartisan basis.

The other social policy area I would like to give credit to the government for is the Ministerial Advisory Council on the Teaching of Languages other than English, known as MacLote. The honourable member for Morwell might be interested to know that this ministerial advisory council, which I chair, recently recommended to the Minister for Education that we fund over $2.5 million worth of satellite dishes to go into every country school in Victoria and beam in from TV studios which are being hired at Ripponlea. I understand the foreign languages are Italian and Japanese, to start off with, and the program will ensure that country schoolchildren, who for so long have not been given the opportunity to learn any language other than English, can now have their teacher trained through the TV satellite in how to teach languages, and for the first time the children will learn a second language. This is a wonderful thing for all schoolchildren because not only will the program train them to understand another language and learn about another culture and country, but it will give them an employment opportunity edge in the ever-expanding tourist and hospitality industry. Many foreign tourists travel to Australia and there is a need to have Australian staff who can speak other languages.

As a member for Parliament who speaks Japanese I believe that the program is a great tribute to the foresight of the Minister for Education in ensuring that this is one area where the government's funding is greater than that of the previous government and ensuring that all Victorian children have access to a second language.

Victoria is not doing what Queensland has done: the Queensland government insisted that all school students study one language — Japanese only. The government has recognised that Victoria's history is tied up with European settlement, and it is important that our schoolchildren learn a balance between European and Asian languages so they can make a choice. Given how hard it is for country schools to attract full-time language teachers, the satellite dish initiative is a great way of getting languages taught in those settings.

Not only has the government achieved that, but it has increased the funding of the ethnic schools compared with that provided by the previous government. Many more Saturday morning schools are funded. For the first time ethnic school teachers have professional development training, and this year more than $170 000 has been provided for that purpose.

Many members on the other side of the chamber have come to me requesting that their new ethnic communities have access to Saturday morning culture and language tuition. The government is funding this program at $60 per head for more than 22 000 students a year. I might add that the federal government subsidy for that program cuts out at approximately 15 000 students, so the state government is making up the difference. It is putting

in the federal government's share of the subsidy for the extra 7000 students from ethnic backgrounds who are often non-English speaking so they will have access to this worthwhile program.

The government is funding many programs, whether they be in the area of the environment through the Melbourne Parks and Waterways program; whether they be in the area of education through second-language tuition; or whether they be in the ethnic affairs area. I might add that our grants program has been decided upon by the Ethnic Affairs Commission — I know the honourable member for Springvale is very interested in this issue, given the wonderful multicultural area he represents — and the ethnic grants program will be announced by the Premier within the next few days. Again, this is an area where the government understands there is a genuine need, and it is an issue that is above party politics — an issue of social rather than fiscal policy which the government has not ignored and which is contained in the appropriation bills.

I might add finally that I am pleased that at long last my electorate is receiving funding for the Ringwood bypass, which was increased in the autumn economic statement by $20 million. Now people in my electorate will not suffer pollution or traffic congestion around Ringwood, and cars will be able to get through the Ringwood bottleneck instead of using residential streets as shortcuts and knocking over schoolchildren trying to cross the road — as has happened on a number of occasions when motorists have been found driving at 90 kilometres an hour in 60-kilometre-an-hour streets because they cannot stand the bumper-to-bumper traffic on the Maroondah Highway.

Although two schools in my electorate had to be closed, which I understand was average, $3 million has now been provided for a new school in Warranwood which was promised by the previous government, but never funded. The neighbouring school, which has 650 students and is overflowing with students, will now have new premises in this rapidly growing suburb. A third school, Warrandyte South Primary School, will have to close, but the community understands that it is far better to have a brand new school campus than to put up with an inadequately funded and maintained old school that the previous state government had never funded properly to keep the roofs from leaking and the walls from falling down.

There is a great deal of benefit in the autumn statement for the people of my electorate. For instance, $30 000 will be allocated for a community centre in the new suburb of Croydon Hills, jointly funded by Croydon council. These are all social policy initiatives to which the government is giving high priority.

Mr HAMILTON (Morwell) — I am pleased to take part in the debate on the Appropriation (Interim 1994-95) Bill. After listening to — it would be unfair to call it ramblings — the wide survey undertaken by the honourable member for Warrandyte, I shall mention a couple of points. As a local member I have also managed to obtain grants for my area no matter which party was in government. I have not had a problem. I am keen to support the general tone of the honourable member's remarks regarding ethnic affairs. Australia and, in particular, Victoria have harmonious multicultural communities that have been built on for many years. I am pleased that the government is supporting the development of various needs within the ethnic community. I congratulate the government for continuing the good work in this area.

However, those on the other side of the house suggest that in almost every area nothing happened during the 10 years of the former government, which is a slight if not vast exaggeration. Things may have been done differently but many things were done throughout Victoria.

Mr Kilgour interjected.

Mr HAMILTON — At least we kept the country trains running during the course of the previous administration!

Some changes were made subsequent to this government's election. A couple of schools in my electorate and the SEC customer service office have been closed, and a major acute care hospital is at risk of closure because of government policy. Neither one side nor the other can take credit for all the good things that have happened. It should be recognised that many good things were done by the former government and many good things have been done by this government. I am happy to recognise those things.

I shall make a few general remarks about the Treasurer's autumn economic statement and then I shall concentrate on roads and ports because that is my shadow portfolio responsibility.

In many ways the autumn economic statement illustrates the ideological differences between the two sides of the house. They are important differences. If they were not so, there would be little point in having a Parliament at all. Members from the government benches say that we need to get government out of this and that but what would be the point of having a government, let alone a large cabinet, if that were so?

The Treasurer's statement is directed towards facilitating private sector growth. The Treasurer made some positive comments with which I take no issue. I do not believe those on this side of the house have any objection, or lack understanding about the importance of facilitating private growth, but we do object to private sector growth at the expense of the public sector.

Almost 33 000 public sector jobs have disappeared during a time of high unemployment, and that has had a high social cost. The confidence of public sector employees in their future has been lost. The contracting out of public sector jobs has removed an important culture in Victoria. The philosophy that the private sector is able to do it better than the public sector does not hold water.

Mr Kilgour — Surely you don't believe that?

Mr HAMILTON — Much of the private sector involvement in our economy relates to its ability to obtain government contracts and government money. The actual changes that have occurred should be addressed.

The autumn economic statement makes reference to government business enterprises (GBEs), which I call essential services. They are: electricity, which is an essential service; water, which is clearly an essential service for any community; gas, which in one form or another is an essential fuel in most homes; and ports. In 1992-93 each of those GBEs made a profit. The SEC made a net profit of $270 million, which represented about 5 per cent of its total revenue. Melbourne Water Corporation made almost $200 million, which represented a 16 per cent profit on net revenue; the Gas and Fuel Corporation, which appears to be a cherry ripe for the picking by the private sector, made $408 million, which represented 35 per cent profit on a revenue of $1167 million; and the ports made $22 million on $150 million in revenue, which represented approximately 15 per cent profit. The total dividend paid into the government coffers was approximately $573 million from a total asset value of $18.5 billion. They have a value to the government as a revenue source of $573 million as well as an asset value.

That amount would build a lot of roads, schools, hospitals and services that the government must provide. It is contradictory for the government to flog the GBEs, because when they have been sold off, although there will be dollar profit, the long-term income stream will be lost. That contradicts the argument about the downsizing of the public sector. Millions of dollars have been borrowed to pay for the voluntary departure packages given to public sector employees. It has been argued that if the government does not have those employees it will not have to face lump sum payments or incur ongoing recurrent costs. Those two arguments are contradictory but they are representative of the different ideologies on both sides of the house.

The argument about the private sector doing it better is patently not true. There may be arguments about the private sector having a different management structure but there is certainly no intrinsic reason why the public sector cannot have equally good management structures. There may be an argument about work practices in the public sector being different from those in the private sector, but there is no reason why that cannot change. In the public transport sector unions have come to an agreement with the government to change work practices to make operations more effective or perhaps more efficient. There is no intrinsic reason why the private sector should be able to do anything better than the public sector.

In theory the private sector should not be able to do as well as the public sector because the public sector is able to borrow money to carry out capital works and to operate service industries at a cheaper rate because, by and large, it does not require great profit margins for the pockets of the rich.

All arguments come back to what is, in effect, bad management. There is no reason why management structures and patterns cannot be changed to ensure that the public sector does as well as the private sector. That myth is perpetuated not only in this state but across Australia by right-wing organisations such as the Industry Commission, the Tasman Institute and the Institute of Public Affairs. They are promoting an ideology that is, by and large, flawed in its logic and reasoning.

The Treasurer's statement is a good illustration of the misuse of statistics. On page 2-25, the Treasurer

outlines productivity increases achieved by the government for V/Line and the Public Transport Corporation. He states that there have been:

> ... estimated increases of 20 and 10 per cent respectively in the number of suburban and V/Line passenger boardings per employee, and 24 and 19 per cent in suburban and V/Line passenger revenue per employee since 1992-93.

That is a blatant misuse of statistics. If the number of employees has been reduced, the unit cost per employee has to change. It has nothing to do with efficiencies and says nothing of the number of passengers travelling on those services. It does not reflect the fact that there are 32 million fewer passenger trips on public transport, in other words, fewer passengers. It is a blatant misuse of statistics to quote those figures as increases in patronage; it simply reflects a deliberate downsizing in the number of employees.

Such misuse of statistics tends to make the community suspicious of what politicians are saying. Politicians have to learn to be more honest and open and to stop using and abusing statistics in mounting arguments. Information should be given as clearly, openly and accurately as possible so that the public is not misled by our statements.

The Treasurer's statement focused on the amount of new capital works spending allocated for various areas within the government budget sector — indeed the media seemed to pick up and run with this. There were headlines such as, 'Half a billion dollars for new roads'. People tend to read only the headlines or only newspaper reports. They do not go to the source of the article. Newspaper headlines can be misleading. Often they have little relation to the story, simply grabbing attention so that people will read the story. The story often contains few details and does not give a true picture. Members of my community say, 'This is great. Look at the money the government will spend on roads. We will be able to get road A and road B fixed up'. But the figures are not quite true in the first place.

Of the $559 million in road funding, some $214 million is from the federal government. So it is not a commitment by this government to new road projects. I am glad the honourable member for Shepparton is in the chamber. I hope there will be improvements to the Goulburn Valley Highway.

Mr Kilgour — Hopefully!

Mr HAMILTON — It is important to recognise that this project has not been approved as part of the national roads project. It is simply up for grabs. Whether the project will be approved will probably not be decided before September or October this year, yet the project is listed as though the government is ready to start building tomorrow. That is unfair for the people of Shepparton. They will be led to believe that they are getting a brand new road. There are only two things sure in this life: death and taxes. That road project is yet to be approved. It will be fundamentally funded by federal government moneys.

It has to be recognised that the amounts mentioned are in 1993 dollars, and the value of those dollars may well change by 1998. Clearly the project will take 8 or 10 years to complete anyway. It will be some time before the people of the fair City of Shepparton, one of the nicest places in country Victoria, will see any benefit from that announcement. It should have been said that $7 million has been allocated in the 1994-95 budget for preparation leading to what will be part of the national roads project funded by the federal government. Good on you, Paul Keating! Let us give credit where it is due. The government should also be a little more generous in giving credit where it is due.

Mr W. D. McGrath interjected.

Mr HAMILTON — People are sensitive when a sore nerve is hit. I am not trying to be provocative. I simply want to illustrate the point that care should be taken when choosing figures.

A number of other projects are listed as new capital works projects but are the result of the better roads program, a program funded by the 3-cent-a-litre government levy. There is some uncertainty as to how much money that levy will raise. It is estimated that it will raise some $150 million a year. I note that in one part of the Treasurer's statement it is suggested that it will raise between $150 million and $190 million a year, a significant difference.

The expectation of VicRoads is that the levy will raise about $150 million a year. As the levy will remain at 3 cents a litre, the only possible ways the amount raised could be increased to $190 million a year would be through people using less fuel-efficient cars — perhaps a stack of V8s will return to the roads; I hope not — or there being more cars on the road and hence more petrol used. That would not be desirable to anyone because most

cars in Victoria are based in the city of Melbourne and most pollution in the city of Melbourne clearly comes from the motor car. I hope the figure stays at $150 million and does not reach an exorbitant $190 million. As a country member of Parliament, I am pleased at the government's guarantee that it will allocate one-third of the $150 million — $50 million in round figures — to country Victoria instead of spending it all in Melbourne.

Based on current prices for road construction, $50 million a year will not go far in country Victoria. It is estimated that all the Better Roads funds would be needed to rebuild the road from Traralgon to Sale as a four-lane highway. That will not happen. Clearly, it will be a long while before vast improvements are seen from the distribution of $50 million in country Victoria.

Table B.1 of the autumn economic statement deals with budget sector capital works programs of the Roads Corporation. Obviously the Roads Corporation cannot build roads immediately. Property must be acquired, the engineering works must be carried out and building can take place only during certain periods.

These projects were to be planned over at least a five-year period, but that can no longer be the case because the $150 million from the Better Roads fund is a rolling allocation. The economic statement allocates funds which exceed the amount allocated for the first five years. Approximately $400 million is already committed to announced projects, and expenditure exceeding $300 million is indicated in the economic statement.

The allocation of Better Roads funds for the next five years has already been announced. I would hate to be the Minister for Roads and Ports; I would not have anything new to announce. However, honourable members can bet their lives he will announce some new projects. Honourable members must be aware that the projects to be announced are not likely to appear on Victorian roads in the short term. In fact, approximately 8 per cent of that $550 million or $560 million has been committed for the 1994-95 year. That is disappointing.

Page 2-13 of the economic statement contains a table outlining capital outlays for transport. Based on forward estimates the capital outlays for transport reduce significantly from a maximum of $651 million allocated in the 1994-95 budget to $452 million by 1997-98. That is a reduction of approximately $200 million, which is almost a 30 per cent reduction over the next four years. That is disappointing and should be of concern to the community.

Also based on the Treasurer's estimates, the current outlays for transport reduce slightly over the same time span. Honourable members need to be aware of that, because it is an important part of the roads program — I think the stitch in time is the name given to it. The resurfacing and rehabilitation of roads is covered by recurrent funding. If roads are used, they will wear out, and it is extremely important to have an ongoing maintenance program for them. Victorians cannot afford the reduced allocation for that important program, which currently receives approximately $140 million or $150 million a year. It represents a significant amount of the total transport budget. It is proper to spend reasonable amounts of money on the upkeep of roads, and costs will increase as the economy picks up.

As the economy fires up, the cost of everything will increase. The cost of jobs performed by way of competitive tendering for the roads construction program will increase. Victorians are likely to receive less for their money as the economy picks up and people become a little greedier and want to make more profit as a result.

The roads situation should and could have been explained more clearly. It is important that the community understands what the figures mean. The government has a responsibility to make sure it communicates accurately and properly with the community. That will enable people to make an honest attempt to judge whether the government's actions are right or wrong.

Mr HYAMS (Dromana) — I appreciate the opportunity to debate this bill and the Treasurer's autumn finance statement and to comment on the new practice in Victoria of introducing interim appropriation bills. The bill currently being debated appropriates funds for the first four months of the 1994-95 financial year, provides for recurrent government operations to continue and ensures that capital expenditure can commence from 1 July of the new financial year. The bill enables the government to maintain the initiatives of its reform program without delay. This government must continue to move fast, even faster than it has to date to put Victoria in the position it wants to be in by even the end of the century and thereafter.

These interim appropriation bills are reasonably simple documents. They are clear evidence of further down-to-earth practical management by this government. Those who understand the way the government must work in Victoria at this time will understand the position. From those people there will be no opposition, and one would not expect this bill to receive any negative votes.

The Treasurer's autumn statement is, however, important for other reasons. It is important because of the signals it sends to the community in Victoria, other states of Australia and beyond. In one sense the statement is just one marker post along the long road the government is taking in bringing Victoria back to full recovery and prosperity. It is an interim report on a far-sighted, long-range government reform program.

There is no way that one can sensibly talk about finances in this state without starting at the beginning. So far as the government is concerned the beginning is back in the gloomy days of the 1980s and early 1990s when the state was suffering from chronic and worsening current account deficits, confidence crises, constant credit rating downgrades with more in the pipeline, financial collapses and a continuing, never-ending running down of the state's assets.

Honourable members should not take just my word or the Treasurer's word for it. One need only look at the excellent report of the independent Victorian Commission of Audit and the comments of reliable commentators who are relatively unanimous in their assessments of the situation that existed when the government came to power.

It should always be remembered that we started way behind the eight ball as compared with the other states and with a momentum heading relentlessly in the wrong direction. The immediate target of the incoming government was, therefore, to get rid of the all-pervading gloom in Victoria; to get rid of the pessimism and negativity hanging over the state, and the feeling of despair and hopelessness. The first task facing the incoming government was to pull the state back from an impending financial crisis. The government had few choices; it had to act fast to prevent the state going over a financial precipice and losing control.

After only 18 months there is ample evidence that the government has achieved its first short-term target. The sense of crisis in Victoria has lifted. There is no doubt that the all-pervading pessimism and gloom and the feeling of hopelessness have gone. Victorians are no longer referred to interstate as 'mexicans', as the poor southerners of Australia; and Victoria is no longer the butt of economic and social jokes that reflect on not only our standard of living but also on the way the Labor government in the 1980s and early 1990s neglected the people who mattered — the people for whom it was principally responsible, those in needy situations, about whom it spouted all sorts of good intentions and rhetoric and did nothing but drag them down further and further. There is no doubt that the poor and needy were the ones who suffered most under Labor.

The financial figures are also encouraging and show that the state has definitely turned around. Although it is not yet the end of the financial year, it can be seen that the current account deficit is estimated to be below budget at around $1106.2 million against a budget of $1634 million — a tremendous improvement! The total budget deficit is now estimated to be approximately $1213 million compared with a total budgeted deficit of around $3678 million — also a huge improvement!

Mr Micallef interjected.

Mr HYAMS — Labor members interject that it must be a fluke; that it seems to have come as a surprise. It is not. In response to the interjection from the honourable member for Springvale, the good news is that this is not a fluke, because the predictions for next year are even better. The budget deficit for next year is projected to fall from $1213 million in 1993-94 to $94.4 million in 1994-95, with a projected current account surplus of $421 million in 1994-95. That is a fabulous turnaround, but the good news has not stopped yet!

After 1994-95 we expect the current account to show increasing surpluses. For the sake of the opposition I will explain the word 'surplus'. A surplus results when you earn more than you spend. A surplus is what is left at the end of the year for discretionary spending, for saving or, unfortunately in our case, for repaying debt. That is what this autumn statement is all about, and we are well on track for our targets.

Other good news in the statement concerns the budget sector debt — honourable members should never forget that massive debt is the legacy left us by Labor. It will last well into the next century and give us a competitive disadvantage to live with and struggle against for decades. As a percentage of gross state product, our debt is estimated to fall from

around 19.2 per cent in 1994-95 to 17 per cent in 1997-98, and interest paid as a percentage of revenue and current grants will fall from 17.4 per cent to 15.8 per cent in the same period. These are encouraging figures. Such debt reduction would be a great result and there is no question that the government is on the right track. The Treasurer's autumn statement is an interim report of the government's progress along the way.

We should not forget that the independent commission of audit not only found the same problems in the economy that the Victorian government found but also recommended the same medicine. The Auditor-General has acclaimed the action being taken to rectify the sad state of Victoria's finances and bookkeeping. The fudged accounting and the hidden deals are now out on the table. There will be transparency and accountability in Victoria's accounting from now on.

In general the media has also acclaimed the statement. According to the *Australian Financial Review*, which is no slouch in the financial field, it is an economic miracle. The international rating agencies have also acclaimed and given the government plaudits for the actions it has taken. More importantly, the government's actions have been endorsed by the markets themselves; they are buying Victorian paper at levels that indicate that they see the turnaround and the long-term trend heading in the right direction.

We have pulled back from the crisis and are taking one step steadily after another in pulling out of the debt trap and moving ahead with other important reforms. Anyone who needs further confirmation should look at the opinion polls. In spite of the hogwash being transmitted to the electorate by our opponents, the people of Victoria understand well the necessity for the government to do exactly what it is doing.

This bill is another welcome step in the right direction. It is welcomed not just by members of this government or by businessmen and economists who understand the need for such action but by members of the Labor Party, who hope evidence of their shame will not last any longer than necessary.

The *Australian Financial Review* of 27 April describes the revitalisation of the Victorian economy as an economic miracle, and in some respects it might appear to be a miracle. However, in fact there are no economic miracles. It was no miracle that the Japanese and German economies rose from the ashes after the Second World War and there is no miracle in Victoria now. The Victorian economy has been revitalised because of sound planning, expert management and outstanding leadership. There is no magic pudding or good luck.

The Premier and the Treasurer should be congratulated on their leadership, vision and foresight. They have demonstrated outstanding management ability and skills in turning the economy around. And they are leading a team of top-quality managers.

Many people ask why the government is cutting back in the health and education portfolios and not in other areas. Health services absorb approximately 28 per cent of public sector funding. Approximately 24 per cent of public sector funding is allocated to superannuation and interest payments and it was not possible to cut back in those areas. After education and health, a discretionary spending level of no more than 30 per cent is left, which has to include public transport, law and order and miscellaneous services. The government had no choice but to slash the funding allocated to health, welfare and education. However, although funding has been slashed, services have been maintained because a primary aim has been to improve the quality and efficiency of government services.

Look at the fine achievements of the Minister for Health, who has introduced case-mix funding and increased the number of patients being treated in public hospitals, with the result that the numbers on the urgent waiting list have declined by approximately 70 per cent. But the minister has also found time to deal with the problems of members and their electorates. She has visited electorates throughout the state, including mine, and given personal and special attention to the needs of the community. She demonstrates that the government is interested not only in the economic statistics and better quality services but is also directly interested in the individuals who are the recipients of those services.

The Minister for Education has rationalised the resources available in the education sector. He has improved school facilities and focused on quality education, schools of the future and other quality provision initiatives while reducing expenditure. Similarly, this minister is concerned with the needs of individuals, especially the students, and his first-class management skills are obvious.

That also applies in the transport portfolio. The Minister for Public Transport, although making significant funding cuts, has improved the efficiency of services. The minister has given personal attention to the needs of electorates such as Dromana, which I appreciate, as do the people who live there.

I am concerned about the lack of an effective opposition. I listened carefully to the contributions to the debate of members of the opposition, but I have yet to find one who shows any comprehension of where we are coming from, what needs to be done and where we are going. The former shadow Treasurer, the honourable member for Sunshine, is the only member of the opposition who appears to understand what is necessary to get Victoria going, because in all his speeches on economic and financial issues during the past 18 months, despite his flowery rhetoric and left-wing jargon, he put forward no substantive opposition to the government's initiatives. Clearly he understands and agrees with what is happening. As a fully empowered and authorised member of Redneck Hill I ask the honourable member for Sunshine to come down from his new lofty perch on the back bench — to come down from Boot Hill — to speak to us on this bill and demonstrate his continued agreement with the government's policies.

The Leader of the Opposition made a pathetic contribution to the debate. The only possible excuse for his speech might be that he did not have sufficient time in which to prepare it. He failed to come to grips with the real problems or address the key issues. Unfortunately, the government does not have an opposition in this place.

The real opposition to the government is in Canberra, in the form of a negative, stubborn, doctrinaire, recalcitrant federal Labor government. The federal government is failing to push ahead with micro-economic reform in its own sphere or to address the real problems of tax compensation for states such as Victoria which are undertaking reform of their government business enterprises. The proportion of revenue returned to the states by the federal government lessens each year. The fiscal equalisation problem continues to discriminate against Victoria and New South Wales in favour of Tasmania, South Australia and, of all places, Queensland. Further, the federal government continues to obstruct the Victorian government's reform measures, initiatives and intelligent programs — programs that should be conducted nationwide. The opposition gets some perverse glee from the federal government's obstruction of Victoria's industrial relations legislation. The rest of Australia will benefit from Victoria's comeback, not only directly through its prosperous economy but also through its leadership. That leadership will be copied — and is being copied — by other states.

The creation of long-term jobs is the most important underlying social problem in the community. The autumn economic statement articulates the most effective medium to long-term solution to the unemployment problems of Victoria and Australia. The statement is not an artificial contrivance; it is not a cheap trick. It depends on the simple formula of getting the economy in order, building confidence in the private sector and attracting investment to Victoria. The resulting healthy private sector will create jobs. There will be fresh, new, genuine, long-term, sustainable employment for those who are now out of work.

What is Canberra doing about unemployment? It has the authority to introduce initiatives in this area, and it certainly carries the responsibility. Although I have not had time to read the details of the federal government's job package that was announced today, I notice that even the headlines suggest that it is a sham. The federal government is spending large amounts of taxpayers' money trying to protect its own neck. Mr Keating's surprise win at the last federal election gave him an opportunity to do something about unemployment. It gave him an opportunity to put some of Labor's rhetoric into practice. What has the federal Labor government done? Absolutely nothing. The long-term unemployment figure remains stuck fast.

We have heard about subsidised wage programs and government job training schemes before. But for what? They don't work. There are no jobs. We have already witnessed government interference in the private sector and the free market — and here we see it once again. The package is unintelligent, unimaginative and very expensive. It is politically easy, although not courageous. The final and worst problem with the package is that it simply won't work.

The long-term unemployed are a permanent welfare cost and a political embarrassment to the federal government. There were three times more long-term unemployed in 1992 than there were in 1980, and that was after an extended period of economic prosperity in spite of an extended period of Labor government both federally and in many states.

But the Labor government is unable to use the long-term unemployed as an economic tool any more. For so long it thought the unemployed provided a buffer against inflationary pressure when the economy overheated. When the economy improves — which is currently the case — the short-term unemployed flow back into the work force. The federal government thought the long-term unemployed would flow back into the work force as well, but they have not done so. The long-term unemployed behave differently — they have been alienated by years of Labor government. They have been alienated and cast out; and sometimes they have no ability or wish to return to the work force. The Labor Party is finally embarrassed by its own guilt about unemployment, so it now plans to spend huge amounts of our money to try to solve that political, social and economic problem.

The autumn economic statement confirms this government's existing policies. It is moving on to the next chapter of reform and will do much for the creation of genuine, long-term jobs in Victoria. It will do more than any of the artificial schemes dreamt up by the federal government. Meanwhile, we should never forget that the broader economic policies of the federal government are taking this country relentlessly towards higher debt levels and lower standards of living, and as every day goes past we slip further and further behind our competitors.

The autumn economic statement highlights the long-term damage done by 10 years of Labor mismanagement. Although the urgent current account problem is well on the way to being fixed, the massive debt and the debt-servicing obligations remain.

We are also stuck with the structural reforms and change in the Australian economy that work against Victoria. The fact that Victoria is more reliant on a protected manufacturing industry, attracts fewer of the increasing number of tourists and has fewer natural resources than other states means it faces bigger problems in making the necessary adjustments. Meanwhile, we must never forget that our competitors — regardless of whether they are from interstate or overseas — are moving faster than we are. Victoria must fight for every competitive opportunity available to it. It must attract investment and move ahead with the initiatives and reforms outlined in this economic statement.

The government has again confirmed its commitment to economic and structural reform — it is the only long-term solution to this state's future. Although some other states may be growing faster than Victoria, they are not doing as well with their reform programs as Victoria is. Some of those states can do better. This state must do better — and that is the difference.

Mr PANDAZOPOULOS (Dandenong) — I am pleased to contribute to the debate. It is interesting to listen to the various contributions from honourable members on the other side of the house. It seems there are two factions on the other side of the house: one faction sticks its head in the sand and pretends there is no problem. That was obvious from the speech of the honourable member for Dromana. That faction glosses over the real issues affecting the state's economy and pretends that nothing is wrong.

The other faction is the Let's Panic brigade. Members of that faction include the honourable members for Cranbourne, Monbulk, Ballarat West and Mordialloc, who felt compelled to talk about the amount of money being spent by the government in their electorates. They are obviously panicking because they hold marginal seats. They can see that the economy is not improving so they are trying to convince their constituents that the government is providing some gain for the massive pain imposed.

I am pleased to contribute to the debate on the bill and the economic statement because after 18 months of coalition government this is the first time the real effects of the coalition's policies are apparent. People are concerned about what is happening in this state. The economic statement reveals the failures of the government. It puts renovations to the Premier's office ahead of jobs.

This economic statement provides approximately the same amount of money to renovate the Premier's office as it does to the jobs package. The statement reveals there is no relief for householders who now suffer from the highest taxes levied in any state. Since the election of this government, taxes and charges have increased by $1700 per person. No wonder there is little confidence in the economy!

This statement provides no relief. It is hard taxing and it cuts services. It maintains the $100 home levy tax so it can be used for political purposes. In its desperation prior to the next election the government will abolish the levy so that it will look as though it is being generous to the population. It hopes Victorians will forget the bad times. In effect, the economic statement puts the budget into a current account surplus.

The statement also demonstrates that anyone can put a budget into surplus when expenditure is slashed and when taxes and charges are increased, as the government has done through this economic statement. Victoria has moved from being one of the lowest-taxing states to one of the highest. This statement indicates that Victoria is underperforming and rearranging the economic indicators.

The economic statement will not stop the exodus of the 220 people who leave this state every day. People are voting with their feet; they are taking their voluntary departure packages and marching to Queensland and New South Wales to assist the economies there. The statement lays to rest the rhetoric of the Minister for Industry and Employment that Victoria is leading the country. Victoria is not only underperforming other states but is falling further behind. We are dragging our feet while they take off!

Regardless of whether the government likes it, the statement is an admission that its policies are failing. The government is concerned about that — which is why we have the stick-your-head-in-the-sand faction and the panic faction on the government benches. At a time when the economy needs encouragement, when consumers need incentives to go out and spend, the $100 home levy will remain in place. The opportunity for a $160 million boom in retail sales has been lost.

During my contribution to the grievance debate earlier today I spoke about a survey conducted by my office which demonstrated the government's poor performance and the growing concern of various tourism operators across the state. Some 50 per cent said that in the past year there had been no growth in their businesses and 26 per cent said that takings have declined during that time.

The economic statement provides for little capital works spending in Victoria. The pretext of a sudden mass injection of capital works spending of dollars on major projects is a sham. There is no gain for the pain in Victoria! As a report card of the government, the statement clearly fails.

I shall examine some of the newspaper headlines which appeared the day after the economic statement was released because they demonstrate the mixed response of the people out in the streets. The headlines to which I shall refer are all dated 27 April. The *Herald Sun* states, 'Room for sympathy', 'Tax pain to stay', 'Little cheer for the jobless', 'Family criticises office decorating', '$9 million facelift to Premier's rooms' and 'Cuts to hospitals'.

Headlines in the *Australian* include, 'Recovery lower than business national average', 'Message of gloom, says ALP' and 'Capital costs plan worries hospitals'. The *Age* had headlines such as, 'Victoria's job hopes lag behind average' and 'Victoria trails the nation as economy grows'. It is strange how the newspapers react when they know the truth.

The comments of Tim Colebatch in the *Age* of 6 April 1994 make interesting reading. At the end of a long analysis of Victoria's economy under the headline, 'Shooting messenger can't alter the facts', he states:

> Perhaps only the wise can react to criticism by seeing what they can learn from the critics.

There are no wise men on the government benches; they stick their heads in the sand and refuse to acknowledge the facts.

Honourable members interjecting.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Dandenong is entitled to be heard in silence without further interjection from the honourable member for Malvern. The honourable member for Frankston will return to his seat if he wishes to make any comments.

Mr PANDAZOPOULOS — Thank you for your assistance, Mr Acting Speaker. It is interesting that when a local member from the government benches goes to the relevant minister and talks about the complaints concerning ambulance services in his or her electorate the stick-your-head-in-the-sand strategy is to say, 'Don't you worry about that. There is no problem'.

What about public transport? What about the person who was mugged at Yarraman railway station one weekday at 5.30 p.m.? Do we pretend that is not happening? What about child protection? No problems! Apparently there are no problems with preschools, education or health! Perhaps that is why everyone is suddenly complaining out there and why the Labor Party, which is so well organised, has everyone on its side.

The Treasurer's economic statement states:

> It is not enough to point to some areas of Victoria's competitiveness that have improved in recent years.

> Our task is essentially relative; we have to compare ourselves not with where we were before, but with where the other Australian states and foreign countries with which we compete are now, and where they are headed.

Let us examine the state of the Victorian economy and test that statement. Instead of Victoria leading all states out of the recession, as the Minister for Industry and Employment has pretended is the case, Victoria is falling further behind. I shall examine where we are underperforming: annual gross state product — Victoria, 4.7 per cent, Australia, 5.9 per cent; state final demand — Victoria, 1.2 per cent; Australia, 1.5 per cent; and unemployment — Victoria, 11.7 per cent, Australia, 10.3 per cent. Three out of three — Victoria is going well!

The long-term unemployment figures, at a recent count, show that 110 500 were out of work. That Victorian figure has risen from 30.67 per cent of the Australian total to 31.4 per cent. In the past few months there has been be no growth in retail trade, with an actual decline in trading figures in the past two quarters. Australian statistics disclose a growth in retail trading of 4.4 per cent in the past two months and 5.1 per cent in the past two years.

In the last quarter some 20 174 Victorians migrated interstate. Each day 219 people left the state, which amounts to about 80 000 a year — and as the Leader of the Opposition said, that is equivalent to the number of people living in the City of Ballaarat or the City of Berwick.

I refer to comments made in a number of newspapers. Under the heading 'Bigger states lag in recovery' an article in the *Weekend Australian* of 2 April 1994:

> The two biggest states, New South Wales and Victoria, have lost about $4.3 billion in economic power to Queensland and Western Australia after trailing the national recovery for the second consecutive year ...

That is another ringing endorsement of the government. The article continues:

> New South Wales and Victoria had the slowest growth rates of the mainland states in 1993 ...

The *Age* of 15 April 1994 reports that a Dun and Bradstreet survey:

> ... found Victorian employers expected less improvement in the June quarter than those in any other mainland state ...

The *Age* of 8 April 1994 reports that:

> Statistics released yesterday by the Australian Securities Commission showed that, while there had been a marked decline nationally in the number of insolvencies and terminations over the past year, Victoria actually recorded more cases of business failure in February this year than a year ago.

An article in the *Age* of 1 April 1994 reports that:

> Victoria's first flush of economic recovery seems to be over. New official figures show the state's economic growth in the second half of last year was the slowest since early 1992.

I turn now to an examination of Victoria's performance with regard to average wages. An article in the *Sunday Herald Sun* of 17 April says:

> And the average income of all Victorian taxpayers is $25 995 — $1200 less than the NSW average.

On average Victorians have less money to spend than their counterparts in New South Wales, without taking into account the extra $1700 a year they have to pay in taxes and charges.

In today's *Herald Sun*, the chief executive officer of Ansett Airlines explains why there are more Ansett flights out of Sydney and Brisbane, even though Ansett is based in Melbourne. The Victorian market is not big enough. Why? Because Victoria is one of the low-income states in Australia.

The *Sunday Herald Sun* article of 17 April also says:

> In NSW, only six postcode regions recorded average taxable incomes of less than $17 000.
>
> In Victoria, despite lower numbers of postcode areas, 15 fell under the $17 000 mark.

Even in terms of millionaires, Victoria is doing badly. The article reports that:

> More than half — 155 — of the million-plus earners were in NSW.
>
> Only 68 came from Victoria ...

That is another ringing endorsement of the government's policies.

I turn to the government's forecasts.

An Honourable Member — Which government?

Mr PANDAZOPOULOS — Exactly, we do not have one. The government's economic forecasts show that the gap between economic growth in Victoria and economic growth in the rest of Australia is unlikely to close. Victoria is growing at a much slower rate than the rest of the country. The truth tends to hurt. The economic statement is full of bad news, despite the fact that during the election campaign the most important issue for the then coalition opposition was jobs, jobs, jobs.

Yesterday the Premier criticised the federal government's white paper even though the coalition is doing a poor job in implementing what was its most important priority prior to the election.

The economic statement contains a further upward revision of the state's unemployment figures for each of the next four years: between 11.7 per cent and 12 per cent in 1993-94 — the figure for the rest of Australia is expected to be 10.6 per cent; 11 per cent to 11.5 per cent in 1994-95 — the national figure is expected to be 10 per cent; 10.5 to 11 per cent in 1995-96 — the national figure is 9.5 per cent; and 10 to 10.5 per cent in 1996-97 — the Australian figure is estimated to be 9 per cent.

An additional 3500 public sector employees will be made redundant. Many economic commentators are saying that the reduction in public sector jobs has dampened demand and discouraged people from spending. That is why our economic indicators are worse than those in other states. Many people are taking advantage of the voluntary departure packages and moving to Queensland. The Queensland government estimates that 60 per cent of the people migrating to Queensland are recipients of the government's voluntary departure packages. Victorian taxpayers' money is being used to help the Goss government! The planned redundancies are to be financed by the $400 million voluntary departure package allocation that has not yet been spent.

I turn to the growth forecasts for Victoria and Australia. In 1993-94 Victoria is expected to grow by 3 per cent while Australia is expected to grow by 4 per cent; in 1994-95 Victoria is expected to grow by 3.3 per cent, and Australia, by 4 per cent; in 1995-96 the forecast for Victoria is 3.3 per cent, and for Australia 3.8 per cent. So much for the government's providing real hope for Victorians, particularly for the long-term unemployed! Based on a range of measures — private consumption, dwelling investment, non-dwelling construction, equipment, public demand and final demand — Victoria is estimated to underperform the rest of Australia in 1994-95.

An article in the *Age* of 29 March 1994 heading, 'Melbourne misses the jobs recovery' shows that during the February quarter Melbourne lost 3400 jobs and had a jobless rate of 12.4 per cent. During the same period Sydney experienced a growth in jobs of 3.8 per cent and had an unemployment rate of 9.9 per cent. Perth had a growth in jobs of 3.6 per cent and a 10.2 per cent unemployment rate; and even Hobart had a 4.5 per cent rise in jobs, leaving that state with a 12.1 per cent unemployment rate. Victoria is still underperforming in that area. The article reports that:

> More than one-third of the new jobs created in Australia in the past year have emerged in Sydney — while Melbourne has even fewer jobs now than it had a year ago.
>
> Over the three months to February, unemployment in Melbourne averaged 12.4 per cent, slightly above the 12.2 per cent jobless rate a year earlier ...
>
> By contrast, unemployment had fallen in all other state capitals, on average by a full percentage point.

Unemployment in Coburg and Broadmeadows averaged 13.5 per cent, in Ballarat and beyond it was 14.4 per cent, and on the Mornington Peninsula it was 14.5 per cent. The unemployment rate in Gippsland was 16 per cent and in the western suburbs, 16.1 per cent. In Dandenong and Springvale 11 600 jobs were lost during that time. As I have said, a range of economic indicators show that Victoria has been outperformed by all other states.

The Treasurer places great emphasis on the budget, using it to justify the continuation of the government's austerity programs and his arguments as to why Victoria must continue to be the highest taxed state in the country and forgo important capital works investments.

Let us consider the underlying financial situation. The Treasurer's own figures show that in the 1993-94 financial year there was a current account surplus of $297.7 million, and it is ongoing. Anybody would

get a surplus with the huge tax hikes, the job shedding and the cutbacks that have taken place in Victoria. The budget has improved only because of the massive injection of $1200 million from the sale of the Transport Accident Commission, the $400 million that was underspent on voluntary departure packages and the huge increases in taxes and charges. It is about time the government stopped playing games with the Victorian people and reduced their suffering by abolishing the $100 home tax. Taxes, fees and fines have exceeded budget estimates by $302.4 million, which is far in excess of the $160 million forecast to be raised by the $100 home tax.

Last year the opposition said the government was underestimating the growth in increased taxes and charges. The autumn economic statement reveals that what we said was right, although the government said we were lying. Payroll tax has increased by 1.5 per cent, which is higher than budget expectations; taxes on property have increased by 9.7 per cent; gambling taxes have increased by 2.2 per cent; taxes on insurance are 5.8 per cent higher; motor vehicle taxes are 2.5 per cent higher; and franchise fees are 4.2 per cent higher. The overall increase in taxes and charges is 4.4 per cent, which is beyond what the government forecast in the last budget. However, the government says it cannot reduce taxes and charges and cannot spend money on schools until 1996. In the past year taxes and charges increased by $910.6 million. That is in addition to the $451 million raised by the Kennett government since the 1992-93 financial year, to a total of $1.36 billion.

Why is the budget in surplus? Taxes and revenue in the economic statement are estimated to rise by 1.6 per cent to $118.1 million, a total increase of $1.5 billion since the election. Let us examine the so-called increases in capital works. It is a shame that the government has underspent $144 million of departmental capital works funds; those works have been deferred until 1994-95. The government has said work on Fleetwood primary school in my electorate will not commence until 1996, although it was originally planned to commence in 1995. The government is moving away from funding the Gleneagles campus of Eumemmerring Secondary College. We have been told that Courtenay Avenue Primary School and Brentwood Park Primary School could not be built for 1994 because there was no money.

Let us examine the supposed new capital works allocation of $1.14 billion. It consists of $476 million from the commonwealth government and $665 million of state funds. There are dedicated funds of $410.8 million collected from the road levy, the casino sale and school asset sales, but only 22 per cent of new capital works will be paid for from new sources. The biggest capital works project is the Goulburn Valley Highway, which is funded with $237 million in federal funds, and there will be a $80 million contribution from the commonwealth to new schools and TAFE colleges.

What does the government expect to spend the money on in the first year? It is a bit of a trick, but the government is good at that sort of thing. It expects to spend $189 million, which is only 16.6 per cent of the total that the government pretends it is spending on capital works.

The government has focused on debt and liability management since the election but its economic statement reveals that debt has increased. It is clear from the government's figures that debt levels are continuing to rise as it borrows money to sack people — —

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member's time has expired.

Mr JASPER (Murray Valley) — After listening to the honourable member for Dandenong — —

Honourable members interjecting.

The ACTING SPEAKER — Order! I ask the house to come to order. I know there is a degree of boisterous good humour but I should like the house to come to order.

Mr JASPER — The contribution by the honourable member for Dandenong was the greatest lot of mumbo jumbo I have heard for a long time. He treated us to statistics, facts and figures that could not be backed up, and so far as the government is concerned there is no truth in or justification for the information he presented. He talked about Victoria being the lowest income state in Australia but after 10 years of Labor government that is the greatest load of hypocrisy I have ever heard. The information provided by the honourable member cannot be substantiated in any way. Victoria faces these problems only because of 10 years of Labor government.

The honourable member talked about surpluses, state taxes and charges and the capital works program being underspent. We all know what Labor

did. It spent money it did not have. That is why we have a deficit. This government has to put Victoria's economy back on track, which is a difficult task after 10 years of Labor mismanagement. The government is making massive changes to restore economic prosperity to Victoria, and the honourable member for Dromana got it right.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The SPEAKER — Order! The time appointed under sessional orders for the adjournment of the house has arrived.

Impounding of car

Mr LONEY (Geelong North) — In the absence of the Minister for Police and Emergency Services, I direct to the attention of the minister at the table, the Minister for Natural Resources, the impounding on 14 June 1993 of a car belonging to Mrs Lorraine Hilder on the basis that police considered it to be a stolen vehicle. Mrs Hilder purchased the vehicle from the legal owner, Mr Tran, although a previous owner, Mr Jamal Mohammed, had lodged a claim with FAI Insurances Ltd company on the basis that the car had been stolen.

Following police investigations, Mr Jamal Mohammed was charged with fraud and obtaining property by deception. As a result of representations, on 14 January the minister advised that although no charges would be laid against the Hilders the car would continue to be impounded as evidence. Meanwhile Mr Mohammed had fled to Turkey and in the minister's words the department 'does not know when or if he will return'. The intention was to hold the car indefinitely. It was also pointed out to the Hilders that the car could not be returned to anyone as the ownership was disputed.

The Premier's office then intervened on the matter and Mr Rowan Lee contacted Mrs Hilder to tell her that police would release the car. However, Mrs Hilder could not get the car and had to pay the insurance company $2000 to get it to agree to release the car from the pound.

She recently collected it from the Tottenham police compound after being told by police that the keys could not be located. She therefore had to have the car hot wired to get it out of the police compound. Detective Andy Shay, who had impounded the car and who had taken the keys from Mrs Hilder, was contacted yesterday and asked the whereabouts of the keys. He replied that it was none of his business and that he was no longer worried about the car because it had nothing to do with the police. Mrs Hilder spent $3000 on an alarm system in the car which is worthless without the keys.

Will the minister take action to recover the car keys or at least advise the Hilders where they are if the police no longer have them? Will he also advise the Hilders whether, as the innocent victims of this crime, they have a right to claim under the crimes compensation legislation for the 10 months they have been without their vehicle and the money it has cost them to recover it?

Rowville educational needs

Mr LUPTON (Knox) — I draw the attention of the Minister for Education to the Rowville area which has been fortunate in obtaining approval for the construction of a new secondary college to cater for the growing population in the area.

Although there are five primary schools in the area, including Rowville Primary School — which is the largest primary school in the state — Heaney Park Primary School, Park Ridge Primary School, Karoo Primary School and Lysterfield Primary School, the population is expanding so rapidly to the east through to the Lysterfield valley that unless action is taken young children in the Rowville area in the future will be deprived of primary school education. On the estimates to date it appears that it will be necessary to open another primary school in the area by 1997, which will place a great strain on the government's finances.

Currently land is reserved off Lakesfield Drive, but that land may not be an appropriate place for a school as expansion to the east will result in a great deal of residential development in the Lysterfield valley. The projected population of children in the area is 2.8 per household, which is greater than the average of 2.2. If the expansion of the Lysterfield Valley goes ahead, some 350 houses will be built. That will mean that another primary school will be needed in about three years time.

Will the minister investigate the possibility of building an additional primary school in the Rowville area, particularly in the east? I also ask him to investigate whether the site that is currently reserved is the most suitable site.

Preschool funding

Ms GARBUTT (Bundoora) — I hope the Minister for Community Services will return to the chamber to respond to the matter that I direct to his attention. Last night the minister offered the Bendigo West preschool an extra $1800 in view of its situation. I visited that preschool several months ago and saw for myself that it was in an extremely difficult situation with few options for improving its budget. I am pleased the minister has granted that additional funding

However, I have also been in contact with other preschools in the Bendigo area, including the Epsom-Huntly kindergarten in the minister's electorate. That preschool also has problems, although they perhaps arise from different circumstances. It incurred extra expenses of $300 when it employed a relief teacher. The preschool believed it had a verbal undertaking from the minister that his department would cover the extra cost. Now it has been advised by letter that it should find the money itself. The preschool committee already has a budget deficit of more than $530 and it will have to organise more fundraising by selling lamingtons and the like to meet the extra cost. Will the minister provide assistance to this preschool as well because of its difficulties?

I was interested to note last night that the minister did not announce the guidelines for preschools obtaining extra funding. Many preschools around the state are struggling with deficits. Their difficult circumstances leave them few options and no room to manoeuvre. In fairness, the minister should announce to all preschools around the state the guidelines for extra funding applications. It behoves him to announce that from the beginning he made a mistake that has caused enormous chaos in preschools. They all need extra funding because they cannot survive in the current situation.

Dumping of Dutch cheese

Mr RYAN (Gippsland South) — I raise with the Minister for Agriculture the dumping in Australia of Dutch Edam red-ball wax cheese which is being sold at 40 per cent under its normal price. This Dutch product is having an enormous impact on the Australian dairy industry because it is being sold at well below the price that should apply.

The United Dairyfarmers of Victoria recently made an application to the Australian Customs Service to have antidumping and countervailing duty placed on the product but that application has been refused on the basis of section 269T(TB)4 of the Customs Act, which provides among other things that:

> (a) the raw agricultural goods are devoted substantially or completely to the processed agricultural goods; and
>
> (b) the processed agricultural goods are derived substantially or completely from the raw agricultural goods; and
>
> (c) either:
>
> (i) there is a close relation between the price of the processed agricultural goods and the price of the raw agricultural goods; or
>
> (ii) a significant part of the production cost of the processed agricultural goods, whether or not there is a market in Australia for those goods, is, or would be instituted by cost to the producer of these goods of the raw agricultural goods.

If it were to apply literally, the result of this absurdity would be that the major product of the Australian dairy industry, which is a $1-million export industry, would have to be devoted to the production of this red wax cheese, which would mean that there would be enough of it to have red balls of wax stretching all the way from here to Holland and back again.

Some 2000 of Victoria's 8000 dairy farms provide their product to factories in the electorate of Gippsland South. Some 2.9 million litres of milk a day from 835 dairy farms is going into the Leongatha factory, and that kind of production is repeated around Victoria and throughout Australia.

I ask the minister what representations, if any, have been or are to be made to the federal minister who is responsible for the administration of the legislation and what can be done either to bring about an amendment to the legislation or to change the interpretation of the provision to remove this ridiculous state of affairs — —

The SPEAKER — Order! The honourable member cannot ask for legislation during the adjournment debate.

Mr RYAN — I simply ask that representations be made to the federal minister responsible for the administration of the legislation.

Case-mix funding

Mr THWAITES (Albert Park) — I direct to the attention of the Minister for Health the dispute between doctors and hospital boards which has involved a number of hospitals throughout Victoria. I ask the minister to set up a mechanism for resolving the disputes. I indicate to the house that when the Employee Relations Act was introduced it had the effect of abolishing the Hospital Remuneration Tribunal, so there is no longer any way to resolve disputes between doctors and hospitals.

The need for a suitable mechanism is clearly illustrated by the disputes at the Werribee, Mordialloc-Cheltenham and Rosebud hospitals. The board of management of the Mordialloc hospital cannot operate under case-mix given the current fee-for-service arrangements. In a number of cases the hospitals are losing money on certain operations. On the other hand, the boards are asking doctors to take significant pay cuts of up to 12.5 per cent, and the situation has reached a stand-off.

Although a great deal of money was involved in setting up the Werribee hospital, that hospital is in a ridiculous situation because it is virtually empty. It is like the hospital in *Yes, Minister* that was so efficient because no-one was using it!

A resolution of the situation at the Mordialloc-Cheltenham hospital is threatened by industrial action, and a way of resolving the dispute needs to be found. It is not appropriate for the minister to wash her hands of the hospital system. She has been appointed to take overall responsibility for the system and to ensure that the people of Mordialloc, Werribee and Rosebud have the health care that they need. The only way to resolve the disputes properly is to have an independent conciliator or arbitrator. Both parties to the disputes would prefer that mechanism; it would enable them to find a way through the disputes and seek solutions.

If that does not occur I am concerned that the citizens of Mordialloc, Werribee and Rosebud will not receive the health care they need and deserve.

Geelong West town hall sale

Mrs HENDERSON (Geelong) — I direct to the attention of the Minister for Fair Trading a three-day sale that was held in the Geelong West town hall, which was run by a person who is not from the Geelong area. Prints, frames, mirrors and other items were sold in direct competition with local traders. The traders in the area who have worked through the difficult times of the economic downturn during the late 1980s and early 1990s are concerned that the operator has made no contribution to land rates, water rates, car parking fees, retail traders' membership fees or any of the other responsibilities established traders must face in business.

The trader was able to hire the town hall to sell the goods in direct competition with established retailers but has made no financial contribution to the infrastructure of the local retail precinct. The operator distributed promotional material throughout the area, advertising the sale as a garage and clearance sale at reduced prices. Some of the goods were 50 per cent below normal prices.

No-one objects to fair competition or trade, but in this particular instance the local traders believe they have been disadvantaged. I ask that the minister examine this issue, which is of great concern to those operating small businesses in that particular retail precinct.

Rats in Parliament House grounds

Mr MILDENHALL (Footscray) — I direct to the attention of the Minister for Health the rats that live in the vicinity of Parliament House. During recent days I have been surprised by a number of rather large rats that I have seen, particularly around the back steps of Parliament House. There has been a bit of speculation about the identity of the rats but they move quickly around the grounds, which has prevented identification. It is bad enough that members have to work in poorly ventilated, badly heated and cooled, flimsily built, poorly equipped and inconveniently accessed offices, without having to put up with rats as well! The members who are affected by the rats believe we know where they live.

Honourable members interjecting.

Mr MILDENHALL — They live somewhere between the kitchen and the temporary accommodation. I call on the minister to consult with the appropriate authorities so that the rats can be apprehended and identified. It has been suggested that they could be possums. I ask that they be removed from the precinct surrounding our luxurious accommodation!

The SPEAKER — Order! Would the honourable member please make it clear to the Chair whether he is talking about possums or rats?

Mr MILDENHALL — I think they are rats.

Irrigation

Mr KILGOUR (Shepparton) — I raise with the Minister for Agriculture irrigation developments in country Victoria. In June last year the minister announced the restructure of Victoria's agricultural regions, an excellent and forward thinking proposition. A new irrigation region known as the northern irrigation region was established encompassing irrigated farmlands of the Goulburn Valley centred particularly around Shepparton, Tatura and Kyabram, and including Murray Valley and as far as Mildura. That move recognises the importance of the region's contribution of more than $100 million a year to Victoria's economy.

While addressing the Murray-Darling Basin Ministerial Council in June last year, the Minister for Agriculture urged the council to prepare a regional economic development policy. The council said that a policy to enhance international competitiveness in an environmentally sustainable manner was needed. A key policy area would obviously be the solution of the problem of high water tables and salinity. I note with interest that that proposal was fully supported by the lead minister in this area, the Minister for Natural Resources. He has an excellent understanding of the problem of salinity and has given tremendous support to the whole effort. People involved in the Shepparton salinity project are especially thankful to him.

The Minister for Agriculture said that a great deal of positive action is already taking place in the basin and that the state needs to build on the confidence of the food processing industries that are spending millions of dollars in the area. In light of those comments, I ask the minister to comment on how the plans and aspirations of the people of Goulburn Valley and Murray Valley will be affected by announcements this week in the federal government's white paper.

The paper discusses proposals to support surface drainage in the Goulburn Valley, stating expected expenditure over three years. In the Sunraysia area expenditure will support an integrated strategy of water supply and drainage infrastructure. That is obviously good news for both areas, but it must be ensured that those dollars are spent properly and that the right achievements result.

I ask the minister to advise on the effect of this week's announcements on the areas concerned and how his department and the Department of Conservation and Natural Resources will handle the projects to ensure the enhancement of the economy of that area.

Home and community care recipients

Mrs WILSON (Dandenong North) — I ask the Minister for Natural Resources to bring to the attention of the Minister for Aged Care in another place concerns expressed to me by a number of councils regarding the changing profile of recipients of home and community care (HACC) services in this state. This issue has arisen mainly as a result of case-mix funding in hospitals, the closure of institutions for the intellectually disabled and the increased number of clients with psychiatric disabilities now living in the community.

Councils have expressed concern that their employees funded under HACC are often placed in complex situations for which they have not been adequately trained and that such situations could place councils in the position of not being able to guarantee the occupational safety of their employees. As the minister would know, council HACC workers were originally trained to look after elderly people who require services in their own homes. They were also trained to give respite care to people who have disabilities and to allow the parents of those people to have some free time for themselves. A few hours a week free time was negotiated.

Over the past 12 months the types of clients have changed dramatically and council HACC workers are now being required to assist clients who come into high-need and high-dependency categories. Those people require personal care and in some cases even paramedical care. According to council employees who have spoken to me, changes have unfortunately not been accompanied by adequate provision for ongoing training, nor has funding been increased to address the complexities of the cases.

All honourable members realise that most councils do excellent jobs in providing home and community care services in their communities. They want to assist their aged ratepayers and other disabled people. I am sure the minister understands the difficult situation in which councils have been

placed. On the one hand they want to provide the services, but on the other hand they are not provided with adequate funding to do so.

I ask the Minister for Natural Resources to transmit my concerns to his colleague in the other place and to request that this matter be dealt with urgently.

Footrot control

Mr JASPER (Murray Valley) — I direct to the attention of the Minister for Agriculture the concern of a number of primary producers within my electorate about the lack of progress made by sheep footrot control programs within Victoria. Parliament may not be aware of a plan which is in place to have Victoria footrot-free by the turn of the century. The development of the program began in 1969 in south-west Victoria, where footrot control areas were instituted.

By 1980 there had been marked progress in the eradication of footrot, which was evident from pilot programs. It was evident that continued effort would achieve appropriate results by the turn of the century, when Victoria would be footrot free. However, primary producers have indicated their awareness of an increasing number of sheep with footrot.

Primary producers have provided me with a number of reasons why the program has fallen away. The main reason is weather conditions, and another important factor is the lack of resources provided by the Department of Agriculture. In the past experienced staff have assisted with the footrot control programs in the various areas. However, in recent years the program has not progressed as it should and there is increasing evidence that the program needs greater assistance from the department.

The information provided to me indicates that at the latest meeting of the Victorian Footrot Consultative Committee with the pastoral council of the Victorian Farmers Federation a resolution was passed for increased support from the department, with additional funding being provided and increased experienced staff being employed to work within the areas being promoted throughout the state as footrot-free.

Will the minister indicate what priority is being given to the footrot control program within the Department of Agriculture and give an assurance that measures will be taken to encourage the program to meet the 2000 deadline.

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

St Albans level crossing

Mr SEITZ (Keilor) — I direct to the attention of the Minister for Public Transport the level crossing at the St Albans railway station. This evening the Premier visited St Albans and had to traverse the level crossing, a constant problem for the St Albans community. During the election campaign the then opposition spokesman on transport, now the Minister for Public Transport, visited the station and examined the area. The St Albans community has always aspired to the crossing going underground.

Will the minister advise the community if any action will be taken or if a further crossing will be provided to assist the St Albans community to traverse the railway tracks in that vicinity? When the Premier visited the area near the St Albans railway station this evening to open a duty free shop I am sure he also had trouble getting across the busy level crossing.

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

Responses

Mr McNAMARA (Minister for Police and Emergency Services) — The honourable member for Geelong North raised an issue concerning a Mrs Hilder, who purchased a motor vehicle that turned out to be involved in a $12 000 insurance fraud perpetrated by a Jamal Mohammed, who I understand from the honourable member is now in Turkey.

The vehicle has caused Mrs Hilder considerable frustration: it was held by the police as evidence for 10 months; when it was finally handed back the keys could not be found and it had to be hot wired; although it had a $3000 alarm system fitted to it, the system will not operate without the keys; and, Mrs Hilder has had to pay $2000 to FAI Insurances Ltd in relation to the insurance fraud.

The honourable member asked where the keys were and whether any crime compensation is available. I understand the problems these serious issues have caused Mrs Hilder. I will ensure that the matter is

adequately investigated in an attempt to satisfactorily resolve the matter.

Mr HAYWARD (Minister for Education) — The honourable member for Knox raised the need for a new primary school in the Rowville area. I am aware of the situation in Rowville, having had the opportunity of visiting the area on a number of occasions with the honourable members for Knox and Wantirna.

The Rowville area has a rapidly expanding population. The previous government did not recognise the strong population movement to the area and therefore did not adequately address its needs. The current government has addressed the area's needs in the secondary education sector. As the honourable member for Knox mentioned, I recently had the pleasure of announcing a new secondary college campus for the area.

There will undoubtedly be an urgent need for a new primary school in Rowville. The honourable member has asked me to further investigate the matter, particularly how soon a new school can be expected. The honourable member also raised the issues of the most appropriate site for the school and an earlier site that had been identified. I will investigate the matters raised by the honourable member as a matter of urgency and report back to him as soon as possible.

Mr W. D. McGRATH (Minister for Agriculture) — The honourable member for Gippsland South raised the decisions by the Australian Customs Service and the Anti-Dumping Authority to disallow an application by United Dairyfarmers of Victoria for anti-dumping and countervailing duty to be placed on edam red ball wax cheese being imported from Holland at 40 per cent below the cost of production in Holland.

I have written to the federal Minister for Science and Small Business, Senator Chris Schacht, asking him to take some action. The honourable member said that under the provisions of the Customs Act it was impossible for Victorian dairy farmers to meet the requirements of section 269. I understand the frustration experienced by the United Dairyfarmers of Victoria in not being able to submit a case because of the discrepancies in the act.

The dairy industry is very important to the Victorian economy and produces about 25 per cent of Victoria's gross agricultural product. The past two years have been reasonably good, but with the changes to the General Agreement on Tariffs and Trade, the phasing out of the dairy market arrangements and increasing competition, the future will be difficult.

The industry can withstand fair competition, but Australia should not allow other countries to dump subsidised produce that will disrupt our markets. Australian companies would be punished if they undertook similar practices in overseas countries. I thank the honourable member for raising this issue on behalf of Victorian dairy farmers. The federal government has an obligation to take some action so that dairy farmers can submit a case against dumped products.

The honourable member for Shepparton referred to the announcement in the federal white paper of regional development initiatives in the Goulburn Valley and Sunraysia irrigation districts. The Minister for Natural Resources and I are active in this area. In fact, when the then federal Minister for Primary Industries and Energy, Simon Crean, was Chairman of the Murray-Darling Basin Commission I made a submission to the commission which suggested that the federal and state governments should initiate improvements through the commission to maintain a sustainable environment. A regional development plan should not only incorporate criteria for a sustainable environment but also have a productive factor. Unless those issues are incorporated into integrated management strategies a single focus on a sustainable environment will fail.

The Goulburn Valley can develop a strong, versatile, regional economy. The dairy, beef, meat and fruit industries, associated value-added industries and the 13 or so multinational and agricultural industries in that region produce approximately $760 million of export produce a year. There is a lot to be said for providing $2 million a year for the next three years. The government has already committed funds towards the irrigation management strategy and salinity programs in the Goulburn Valley region to ensure that that region's future is sustainable.

The state and federal governments will provide $850 000 a year for the next three years to the Sunraysia region, where a similar sort of strategy needs to be put in place. The region has 3400 land-holders with an irrigation area of approximately 35 000 hectares producing about $200 million worth of horticultural products. Significant changes are taking place in the Sunraysia region and properly managed and coordinated

development plans involving the local community, the Minister for Natural Resources and me are required. The establishment of a well-adjusted, reasonable regional development program will ensure the region's future viability. That will benefit not only the Sunraysia region but also the whole of Victoria. The opposition may not understand that.

The honourable member for Murray Valley referred to footrot, which has been an ongoing problem in Victoria's sheep flock. Two strains exist — namely, virulent and benign footrot. Because of the past two wet summers the benign strain of footrot has flared up in many flocks where the problem was previously thought to be reasonably under control. There is only one way of coming to terms with the problem: sheep must be yarded, turned on their backs, and their hoofs trimmed and treated. The treatment is labour intensive and places huge demands on individual flock owners.

New initiatives could include declaring footrot-free sheep sales, industry-sponsored footrot-free flock accreditation and more local industry consultation. Recently the pastoral division of the Victorian Farmers Federation considered proposing that the Department of Agriculture provide $600 000 for a footrot program for the Victorian sheep flock. One of the difficulties is that, although Victoria produces approximately 20 per cent of the wool clip, 20 per cent of meat production and pays the appropriate levies, producers receive back via the Department of Agriculture only about 4 per cent of that money for wool and meat research and development. The industry needs to make a proposal.

I will be more than happy to accept a proposal from the pastoral group to examine funding proposals to combat footrot in Victoria's flock. Footrot and Johne's disease are two of the major problems facing Victorian farmers. However, the industry needs to say, 'We have some dollars to match up any contribution the government might be prepared to make'. It may not be possible for the Department of Agriculture to fund a program from a state vote. Significant funds must be available from the industry. I will be happy for the honourable member for Murray Valley to tell his constituency that I will talk to the industry, but only about a jointly funded program, not a program funded totally by the state government.

Mrs TEHAN (Minister for Health) — The honourable member for Albert Park referred to doctors negotiating with hospital boards. He referred especially to the situation at Mordialloc, where I understand threats have been made by doctors to withdraw their services because of their inability to negotiate a contract with the hospital board.

The honourable member suggested I intervene through some form of centralist system and seek to have some form of statewide intervention in the negotiating process. I will not consider that for a number of reasons, mainly because it is inconsistent with the whole philosophy and strategy of the government's Employee Relations Act, which is that enterprises negotiate with their workers and contractors at the appropriate level.

Even if the government were not committed to that philosophy, I need only remember the negotiations of the former government in its deals with the hospital employees unions, including the nurses — and, no doubt, the Australian Medical Association — to understand what happened to the provision of services within the health system. In the face of any threat of action — either possible or real — the government capitulated so rapidly that the state suffered a blow-out in the cost of running hospitals and in the number of people waiting to enter hospitals.

With the introduction of case-mix funding to the Victorian hospital system, hospitals are paid for the work they do. The formula is effective and is working extremely well in that many more patients are being treated, which is having a remarkable impact on our waiting lists. However, it is important that hospitals recognise what they can afford to pay and that doctors recognise that they have a chance to maintain their existing contracts on a rollover basis. They can negotiate upwards if there are trade-offs, as one would expect in any other negotiating system.

It is ironic that the honourable member for Albert Park should seek special treatment for doctors. In the past three or four years times have been grim for many workers, and especially grim for the unemployed. Most major areas of employment have enjoyed reasonable wage restraint. I do not know why the honourable member would want special preference for doctors. The doctors in our hospitals are paid for the work they do if they are employed on a fee-for-service basis. Given the increase in the number of patients being treated, they have the opportunity to earn far higher incomes. That is certainly the case at Werribee, where the new hospital has the opportunity to treat up to four times as many patients. That provides an opportunity for

the hospital to meet salaries up to four times higher than doctors now receive.

The government will not enter into any central negotiations with doctors. It will not treat hospital boards of management as though they are incapable of running their hospitals and negotiating fee salaries and contracts with all their employees, including doctors. They will need support, and in the case of the Mordialloc-Cheltenham facility the board has sought the assistance of a capable negotiator who will work on its behalf. Unfortunately he will deal not with individual doctors but with the AMA, which has insisted on being the negotiator for individual doctors. That is where the problem lies.

Assistance is given in the form of the maintenance of payments on the basis of the situation prior to the industrial strike. To that degree it will ensure that the Mordialloc-Cheltenham Community Hospital and other hospitals facing difficult economic times are not discriminated against because of their lack of work during those negotiating periods. I have confidence in the hospitals being able to negotiate appropriate levels of contract or fee-for-service payments with their doctors. I am sure the Mordialloc-Cheltenham Community Hospital will achieve that.

The honourable member for Footscray referred to rats in Parliament House. I am not sure why my portfolio covers rats in Parliament House or whether I am meant to pay the Pied Piper, but I shall speak with officers of the house to discover whether we can apprehend, identify and remove the rats. I am not sure about it, but I shall see what I can do.

Mrs WADE (Minister for Fair Trading) — The honourable member for Geelong raised a matter relating to a level playing field for traders in Geelong. Recently a three-day sale took place in the Geelong West town hall. I understand it was advertised as a garage and clearance sale but the goods being sold were mirrors, photograph frames, pictures, frames and framed prints. Those items were sold for approximately 30 per cent less than the prices charged by local traders.

In those circumstances the person running the garage-cum-clearance sale was competing directly with the local traders. Customers were buying at the three-day sale goods they may have bought from local traders over a longer period. Customers offered a 30 per cent discount might buy many more mirrors, picture frames and other such goods at a three-day sale than they would over a three to six-month local trading period.

It is not a matter of traders missing out on trade over the three days, they are missing out on sales over several months. As the honourable member for Geelong pointed out, in contrast with local traders, the person who conducted the sale in the Geelong West town hall did not contribute to the local infrastructure and, unlike local traders, would not have to pay water rates or council rates or contribute to any traders organisation.

The local traders were unhappy with what they considered to be unfair competition. The Office of Fair Trading and Business Affairs is committed to promoting a fair market trade not only to protect consumers in the marketplace but also to protect ethical traders from unethical traders, such as motor car traders who put back odometers and those who sell cars from backyards as a business, as distinct from people selling their own cars. That is unfair to ethical business people.

However, a level playing field cannot always be achieved. The matter raised by the honourable member for Geelong goes beyond the circumstances normally covered by the Office of Fair Trading and Business Affairs. The likely problem is that the trader obtained the use of the Geelong West town hall at a fairly cheap rent, which enabled him to sell the goods at very low prices. It would be desirable for the honourable member to raise the matter with whoever is responsible for letting space in the town hall. I am not sure who that would be but I imagine it is the local administration, and I should have thought it would be concerned about the impact of the cheap sales on local traders. Perhaps if the administration were aware of the problem it would set a more realistic rent when it is approached by somebody wanting to run that sort of sale in the town hall. If there are other aspects of the issue that I have not appreciated, I will be happy to take them up on behalf of the honourable member and her constituents; otherwise the local administration should be approached about re-establishing a level playing field for all those competing for business in Geelong West.

Mr BROWN (Minister for Public Transport) — The action required by the honourable member for Keilor was initially unclear. It sounded as though he wanted a duty-free shop on the intersection near the railway station at St Albans, which would create massive traffic disruption. However, the issue has been clarified for me by the Premier, who said he

was there earlier today to open a new business. It is pleasing to see support for the government's policies in electorates like St Albans, which could become a safe Liberal seat after the next election if the coalition's progress is compared with the progress the opposition is making.

New businesses are opening, employment is being created and the Premier is being invited to open new shops. I am tempted to mention that the honourable member was part of a government that was in office for 10 years and ask why it did not address the problem years ago. It had money to burn — and it did. This government inherited a public transport system that was run down and losing money hand over fist, but it has turned it around financially and is working on service improvement initiatives.

Regardless of the fact that the Labor Party did nothing about it in 10 years, it would be desirable to put underground the rail in the area to which the honourable member referred. It would be better from a safety point of view and for the amenity of the area. As the Premier has said on several occasions, it would free up the land above. At this time the government is not in a position to put it underground. Considerable expense would be involved. However, if the local community, in conjunction with the council were able to produce a redevelopment proposal that would interest private enterprise in coming to the government, we would be prepared to negotiate a long-term lease for the new space that would be created above the line should it be put underground. That is something for the honourable member to take back to his electorate. There are prospects for other developments in the suburban network. If the government is approached by private enterprise with such a proposal, it will be prepared to have it properly assessed and considered. If before the next election — when his seat will become a Liberal seat — the honourable member, working with the local council, wants to come to the government with a proposal to put that area of track underground, it may be considered and fully assessed in a mature and proper way to see whether such a proposal could be accommodated.

Mr COLEMAN (Minister for Natural Resources) — The honourable member for Bundoora raised a matter for the Minister for Community Services regarding guidelines for the funding of kindergartens, specifically mentioning the Epsom-Huntly kindergarten. I will ensure that the matter is brought to the minister's attention.

The honourable member for Dandenong North raised a matter for the Minister for Aged Care in another place concerning the administration of aged care as it relates to home and community care funding and the training of HACC workers employed by councils. I assure the honourable member that the matter will be raised with the Minister for Aged Care and a response provided in due course.

The SPEAKER — Order! The house stands adjourned.

House adjourned 11.01 p.m.

Thursday, 5 May 1994

The SPEAKER (Hon. J. E. Delzoppo) took the chair at 10.05 a.m. and read the prayer.

PETITIONS

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

Speech pathology service

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

The humble petition of Campmeadows Kindergarten Inc. and the undersigned residents of the state of Victoria sheweth their objections to the impending threat to speech pathology services in Broadmeadows.

Your petitioners therefore pray that urgent action is taken to ensure that speech pathology service continues to be available for Broadmeadows preschool children.

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

By Mr Brumby (50 signatures)

Maternity care

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

We, the undersigned citizens of Victoria, petition for the essential changes to the maternity care given in Victorian public hospitals.

1. Maternity care be extended to a minimum of five days, to allow lactation to be established, or ensure mothers are afforded the time and assistance required to make an informed decision on their feeding method.
2. Maternity care after a caesarean section birth be extended to a minimum of seven days.
3. The mother may apply for an early discharge, providing home support and domiciliary care are available locally.
4. Legislation be implemented immediately that provides the above changes be maternity care policy for all Victorian public hospitals.

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

By Ms Garbutt (100 signatures)

Merinda Park railway station

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

The humble petition of the undersigned citizens of the state of Victoria wish to strongly voice objection to the proposed siting of the Merinda Park railway station. We seek to have the station off Evans Road, with vehicular access from Evans and Thompsons roads and only pedestrian access from Endeavour Drive.

Your petitioners therefore pray that the house will take all necessary steps to ensure that this decision will not affect the amenity of residents nearby to the proposed site.

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

By Mr Pandazopoulos (426 signatures)

Laid on table.

PAPER

Laid on table by Clerk:

Parliamentary Committees Act 1968 — Response from the Minister for Roads and Ports on the action taken with respect to the recommendations made by the Crime Prevention Committee's inquiry into personal safety on the public transport system, 'Developing a safer taxi industry'.

AMBULANCE SERVICES

Mr THWAITES (Albert Park) — I desire to move, by leave:

That this house condemns the government for its cutbacks to ambulance services which have resulted in unacceptable increases in emergency response times, which are placing lives at risk, and accordingly calls on the minister to take immediate steps to rectify this appalling and reprehensible situation.

Leave refused.

ADJOURNMENT

Mr GUDE (Minister for Industry and Employment) — I move:

That the house, at its rising, adjourn until tomorrow at 10.00 a.m.

Motion agreed to.

SUPERANNUATION ACTS (AMENDMENT) BILL

Introduction and first reading

Mr I. W. SMITH (Minister for Finance) introduced a bill to amend the Parliamentary Salaries and Superannuation Act 1968, the Hospitals Superannuation Act 1988, the State Superannuation Act 1988, the Transport Superannuation Act 1988, the Emergency Services Superannuation Act 1986, and the Public Sector Superannuation (Administration) Act 1993 and for other purposes.

Read first time.

CONTROL OF WEAPONS (AMENDMENT) BILL

Second reading

Debate resumed from 21 April; motion of Mrs WADE (Attorney-General).

Mr HAERMEYER (Yan Yean) — The opposition is pleased to see that the Deputy Premier, the Minister for Police and Emergency Services, has had a victory over the Premier on the issue of knives. An article in the *Age* of 7 January states that the Premier appeared to distance himself from proposals to ban the carrying of knives: he was quite concerned that somebody might try to take his Swiss army knife from him! I consider those concerns quite irrational. The fact that the government is introducing this bill is an indication that obviously the majority of government members do not see eye to eye with the Premier on this issue.

Honourable members interjecting.

Mr HAERMEYER — I have obviously touched a raw nerve!

Mr Finn — I know what you've touched and it's not a raw nerve!

Mr HAERMEYER — The opposition shares the concerns that the government has expressed about knives in the community; it is clearly a serious problem. I shall refer to statistics that I have obtained that indicate that knives are the predominant weapon used in homicides, assaults and robberies. For example, in the period from March to December 1993, 32 homicides were committed with knives, whereas 29 were committed with firearms and 13 were committed with vehicles. Knives were used in 711 assaults and 354 robberies, whereas firearms were used in 241 robberies, so clearly offences involving knives are in the highest category. The statistics for offences involving weapons show that knives account for almost double any other category of weapon, and that shows dramatically that knives are a major problem.

There are considerable restrictions on the use, ownership and possession of firearms, but the weapon that seems to present the most problems is one over which there is a low level of control. At present weapons are divided into three separate categories. The first category is prescribed weapons. A prescribed weapon is one that is completely banned for any purpose. Such weapons include flick-knives, butterfly knives, knuckledusters and belt knives.

The second category is regulated weapons. A regulated weapon is one that a person may carry provided he or she has a legitimate purpose for carrying such a weapon. A legitimate purpose has been defined as a requirement for use in the areas of sport, recreation or employment. At the moment the types of weapons in this category include spear guns and crossbows.

The third category is dangerous articles, which may include items such as baseball bats, knives and various other items. Self-defence is regarded as a lawful, legitimate purpose for a person to carry a dangerous article.

At the moment there is a preponderance of people offering self-defence as a reason for carrying a knife. The opposition does not consider that to be acceptable: it is akin to the argument used by the National Rifle Association in the United States that it is always valid to carry a submachine gun or even drive a tank provided you legitimately believe it is for the purpose of self-defence.

I do not believe people should be able to carry knives for self-defence. There is a strong argument that the preponderant types of weapons being carried in self-defence only create a mood of violence. People may take the weapon out with them with the intention of using it in self-defence,

but if a threatening situation arises they are more than likely to use the knife.

The bill proposes to move knives from the dangerous article category to the regulated weapon category. In other words, a knife, which is defined as a regulated weapon, may be carried only in circumstances where a person has a legitimate reason for doing so. For example, a person going about his or her business of hunting out in the woods would certainly have a legitimate reason for carrying a hunting knife, as would a chef who was carrying his tools of trade to and from work. However, a teenager or gang member or any other individual could not carry a knife stuffed down the side of the boot if there is no legitimate reason for carrying it.

Mr McNamara — Such as at a Labor caucus meeting!

Mr HAERMEYER — Or even a government party meeting, from what I have heard! There has been considerable public concern and many high profile incidents involving knife assaults in the past 12 months. I know from talking to young people that many of them carry knives into discos and nightclubs or whenever they go about their business simply because they feel threatened by the fact that other people may be carrying similar weapons and they say they will use the knives as a means of self-defence. The use of knives for self-defence cannot be condoned.

The proliferation of knives has exacerbated community violence. An analysis of offences committed with knives reveals that it is a major problem among teenagers and that the offences peak in the 16-year-old group. Such weapons have found a high degree of favour among younger teenagers.

Yesterday I went into a disposal store and made a few purchases, which I have with me today. I was interested to see what a 15-year-old person could buy.

The SPEAKER — Order! The practice of the house is that the honourable member may not exhibit those items during his contribution.

Mr HAERMEYER — I understand. I am happy to leave those for any honourable member — —

The SPEAKER — Order! The honourable member for Yan Yean will take those articles off the table and put them in the bag or give them to the Serjeant-at-Arms.

Mr HAERMEYER — Perhaps I can incorporate them in *Hansard*! It is interesting that these items are not able to be exhibited by a member in the Legislative Assembly, but a 15-year-old can go into a store down the road and buy them without being asked for what purpose they are to be used. I bought what is basically a dagger with a decorative, serrated edge, which gets around the laws relating to daggers. The other weapon is a dart knife, which serves no purpose other than to be thrown. It is hardly an item that would be used for legitimate sport or for occupational purposes. Horrific knives are available for purchase in any disposal store. They are mean looking things. I have been told that many of these knives, particularly the ones that are easily stuffed down the side of a boot, are extremely popular with young people.

The opposition had foreshadowed moving an amendment to the legislation in the committee stage to restrict the sale of knives under the regulated weapons category to people over the age of 18 years. In other words, the amendment would have made it an offence for a retailer or anyone else to sell a knife in this category to a person under 18 years. However, there may have been some unintended consequences if the amendment were agreed to, so the opposition does not intend to pursue it, but asks that the government give serious consideration to it and perhaps refer it to the Crime Prevention Committee to see whether a more comprehensive proposal to restrict the sale of knives to those over 18 years could be recommended. I am sure it would find strong support on both sides of the house.

The legislation extends the powers that the police have to search without a warrant for prescribed weapons. It extends this power to weapons under the regulated weapons category, and with the passage of the bill that provision will include knives. Although the opposition supports greater restrictions on knives, it is cautious about any extension of powers that may be subject to abuse. There are already concerns among some youth groups that this provision may provide an additional reason for police to harass young people.

Although the safety of the community must take precedence, I believe those concerns need to be addressed to ensure that those increased powers, which I believe are necessary, are not abused. The opposition does not oppose the legislation; it is a positive move that will enhance the safety of the

community. We urge the minister, however, to examine the issue of the proliferation of knives and the ability of young people, especially younger teenagers, to obtain them, and to restrict the sale of knives to people over the age of 18 years. The opposition would welcome such a provision and would cooperate on any further investigation into means of restricting the sale of knives to young people.

The SPEAKER — Order! Before calling the honourable member for Glen Waverley, I seek to clarify the position for the honourable member for Yan Yean. Page 384 of *May* says:

> The rules of the house ... forbid bringing certain articles, notably weapons, into the chamber. Members have been permitted to display articles (but not weapons) to illustrate an argument in a speech.

Mr E. R. SMITH (Glen Waverley) — The government is extremely pleased that at long last this bill is before the house and it is delighted that the opposition supports it. It may be of interest to honourable members to know, apropos of Mr Speaker's remarks, that in the House of Commons two red lines are drawn across the chamber. In times past the lines were there to separate members who brought their swords into Parliament. Later, when weapons were banned, the lines were retained as a means of reminding members of the ancient tradition. The two red lines are two-and-a-half swords' length apart.

As the honourable member for Yan Yean rightly said, the bill has caused a vast amount of discussion in the community because most people want to see knives banned. I shall produce figures to show how widely knives are used in the execution of crimes. The figures apply to a period of a fortnight, not a year. The honourable member for Yan Yean referred to the Premier and his carrying of a penknife. I also include in the same group of people the Deputy Commissioner (Operations), Mr Bob Falconer, who also had a great deal of reserve about how the bill would be put together. It is because of his influence that the bill is now before the house.

Honourable members know that the Premier carries a penknife and so does the deputy commissioner. That was kept in mind when the bill was being drafted!

It is valuable for honourable members to have some idea of what the law says. If members of the opposition would like copies of the charts that I have given out to government members I shall provide them. They will help us work out just where we are going and from where we have come.

At present, there are three categories of weapons: prescribed weapons, regulated weapons and dangerous articles.

Prescribed weapons include flick-knives, butterfly knives and knuckledusters — in general, offensive weapons. Prescribed weapons are defined by regulation. Police have the right to search for prescribed weapons with or without a warrant. There is no lawful excuse for carrying a prescribed weapon other than under a limited exemption approved by the Governor in Council after police checks — for example, if the weapon is to be taken to a museum.

The next category is regulated weapons — weapons for other useful purposes — such as crossbows, martial arts equipment and spear guns. Those weapons are also defined by regulation. Regulatory impact statements will apply to the inclusion of knives in this category. That will clarify, for example, the position of collectors carrying weapons. So collectors need not fear: the government is not trying to prevent them from acting in lawful ways that meet police requirements.

One interesting aspect of this category is that under the guidelines people may have lawful excuses for carrying those weapons, whether for lawful employment — for example, a butcher carrying butchers knives or a circus worker carrying circus knives when on the job — duty or activity, sport, recreation or a legitimate collection. The important point is that the use of weapons in that category for self-defence is not allowed.

The third category, dangerous articles, includes any articles which can be adapted or modified to be weapons or articles intended to be used as weapons — for example, baseball bats, cricket bats or fence pickets. That category also includes knives. At present the police do not have the power to search for dangerous weapons or regulated weapons. The bill changes that. Lawful excuses for carrying dangerous articles include lawful employment, duty or activity, sport, recreation, legitimate collection and self-defence. The bill takes knives from the dangerous-article category and places them in the regulated-weapon category, so people carrying knives will no longer be able to claim they are doing so for self-defence.

Honourable members should remember that the bill has been introduced at the behest of the police, as have all bills introduced by the government dealing with police powers. In other words, they are not initiatives of the government alone. The government has been happy to endorse and has sincerely believed in what the police force has recommended; but the proposed changes to the regulations have not been introduced at the government's behest.

I shall give the house an example of the difficulties caused by categorising knives as dangerous articles. Police officers are called to a suburban nightclub. On arrival they are introduced to two youths, who say that they were threatened inside the nightclub by two youths, one of whom was brandishing a knife. Due to the poor lighting inside the club the youths who were threatened are unable to describe the knife in detail and police are unable to form a reasonable belief that it is a prescribed weapon. They therefore invoke the search powers available under section 10 of the Control of Weapons Act 1990. When the two youths suspected of the offence are asked whether either of them has a knife, one youth admits he is carrying a knife but refuses to produce it, saying that he has it only for self-defence. Police are unable to take further action.

I shall give another example that honourable members may have heard of. A girl crossing a city bridge late one evening in company with two friends was stabbed, for no apparent reason, by a single male who had approached from the opposite direction. Even if police officers had encountered the attacker prior to the stabbing and asked him why he was carrying a knife, they would have been powerless to take the knife from him if he had replied that he was carrying it for self-defence.

The government has cleverly managed to remove knives from the dangerous-article category and place them in the regulated-weapon category at the same time as empowering police to search for regulated weapons in public places. The government does not want these search powers to be used on private premises. If police have cause to believe something unlawful is taking place and take out a warrant in the normal way, knives may well turn up.

There has been a great deal of discussion of this aspect of the legislation from the civil libertarian point of view. The bill was sent for examination to the Scrutiny of Acts and Regulations Committee, which is chaired by the honourable member for Doncaster. The committee gave it a clean bill of health. Many combinations and permutations were considered prior to the introduction of the measure, so the bill before the house is the best solution.

Clause 5 substitutes proposed new section 10(3), which states:

> If a request ... is made before the search takes place, the member must comply with the request before conducting the search.

In other words, if a person asks police officers to identify themselves, they must give their names, rank and places of duty. That can be done orally or in writing. Police officers arriving at a nightclub would normally give their names, tell the person concerned that they suspect he or she has a knife and search that person. The bill enables police officers to do something they have not been able to do in the past.

Earlier I mentioned regulatory impact statements. The downside of the regulatory impact statement process is that it will take about six months to collect evidence to define what is meant by a 'knife'. Earlier the honourable member for Yan Yean suggested that people under 18 years should not be allowed to buy knives. That proposal has already given lawyers many headaches because there are practical obstacles. The last thing the government wants to do is stop members of the community from being able to conduct their lawful business. Nevertheless, I understand what the honourable member is getting at.

Our son James, who is 12 years old, is in the scouts. It was our decision as to whether he could have a bowie knife. There is collaboration with the scout leaders on the issue, and parents reserve the right to refuse to let their children possess the knives, as is only right. If the proposals of the honourable member for Yan Yean are designed to achieve similar controls over the use weapons such as those, all honourable members would support them. That is what the government is trying to do. But that scenario illustrates the difficulties that could arise if his proposals were adopted. Say, for example, that my family was going camping and needed a set of knives. James could be sent to Target to purchase them. Perhaps to get around that problem he could be sent with a note. The honourable member makes a relevant and good point.

The opposition has at long last realised that the government has conducted a great deal of research, consulted the public and asked its own members to

scrutinise bills dealing with police powers. The former opposition spokesman, the honourable member for Niddrie, and the honourable member for Melbourne predicted all sorts of dreadful outcomes would follow the changes that have been made to police powers; but those changes have been balanced by the extra disciplinary powers given to the Chief Commissioner of Police.

The message received from the police force is that the measures the government has taken to date have been what the police require. They are sensible and balanced to ensure that they will not be abused.

The suggestion by the honourable member for Yan Yean is one the government will be pleased to accommodate through the processes of the regulatory impact statement and the provisions regarding collectors and the like. The government wants to get it right. It wants sensible input from people like the honourable member for Yan Yean so that the whole community will feel that the final regulations provide the best possible protection.

Currently the community does not feel safe. A few moments ago the police sent me some figures outlining the incidence of knife use for the period between 15 to 30 April. The figures will give honourable members an idea of the widespread use of knives. They indicate that during that period knives were used on 32 reportable occasions. In the same time span there was 1 incident involving an axe or tomahawk, 16 cases involving cricket bats or iron bars, 7 cases involving bottles and 21 cases involving firearms. The use of knives is such a common occurrence that the government wants to stamp it out.

The police also sent me information outlining 16 incidents which occurred during the period of 10 February to 25 April. I will share with honourable members just three of those.

On 10 February a shop owner was closing his shop in Springvale when a male person entered and asked for some cigarettes. The offender produced a knife and demanded money but fled when the victim also produced a knife. On 13 February at a city hotel a male victim was involved in an altercation with another male when a female slashed the victim across the throat with a knife then kicked and punched him. On 25 April a male offender entered a service station in Clayton, produced a knife, demanded money and then fled on foot. Those incidents indicate the widespread use of knives. The whole community is extremely concerned. However, the proposed legislation will address the problem.

The *Age* of 27 April contains an article headed, 'Violence simmers on the suburban streets'. It is almost a daily occurrence for law-abiding citizens to have their security threatened by people who, in many cases, are out of control. The measures proposed by the bill will certainly calm some of those situations.

It is sad that Mr Les Twentyman, an independent candidate for Williamstown, does not support the proposed legislation, and he has given a number of reasons in the media for that. Given his involvement with youths, I would have thought he would have liked to have seen this power given to police. However, he thinks the police will abuse the power and use it to harass young people. The government and the police believe that is a furphy. The government is trying to protect the whole community, including young people, against an increasing level of violence. The proposed amendments will make police more accountable because they will have to identify themselves. Soon all police will be wearing name tags, anyway.

The provision will ensure that all civil libertarians — I consider myself a civil libertarian and I think all honourable members are, it just depends to what degree — will be able to walk around at night unafraid of being attacked, particularly by people wielding knives. The proposed legislation will certainly promote that.

Mr Twentyman probably wants people to be allowed to carry knives and for police to be denied an effective search power, but that will help no-one. The problem must be tackled. It is pleasing that the opposition is on side with the government on this issue. All honourable members realise that people from all levels of society feel threatened and that the problem is not isolated and is widespread.

A terrible incident occurred a couple of months ago at Glen Iris. Some young people in a four-wheel-drive vehicle were attacked by a mob who started to bash the car and then produced knives. It frightened the living daylights out of the victims. I have spoken to people who know the young victims and how they escaped completely unscathed, I do not know. Luck must have been on their side. However, the results could have been tragic purely because of an irresponsible group in society, the members of which see themselves as big men if they are brandishing or hiding knives.

During the next six months the government must use the regulatory impact statement process to educate the community. It must also receive more submissions, such as those of the honourable members for Yan Yean and Keilor. Honourable members will be able to generate publicity in their local areas that when police have a reasonable suspicion they will have the power to search people in public — not in private.

The provisions in the bill will help the police curb the gangs. The government knows it is not the perfect answer. If other incidents occur and other advice or suggestions are provided, the government will entertain that advice to enable people to feel more secure on the streets and in places of public entertainment, such as nightclubs. I have pleasure in recommending the bill to the house and wish it a speedy passage.

Mr COLE (Melbourne) — I support the bill. As so often happens when debating bills of this nature, I am pleased to speak after the honourable member for Glen Waverley, who spoke in his usual strident fashion. I am pleased to hear he says we are all civil libertarians, it is only a question of degree. The honourable member for Glen Waverley knows at which end of the spectrum he is; there has never been any doubt about it. A good thing about his contributions to debates and his sincerity is that honourable members always know where he stands.

The opposition has serious concerns about the Control of Weapons (Amendment) Bill and its proposal to outlaw the use of knives not only because of the deprivation of civil liberties but also because of doubts about whether the problems will be resolved. I am certain the minister has pondered the different problems associated with the control of weapons, particularly knives. The opposition wishes to examine that issue and whether this bill will resolve the problem.

It is hard to argue against the proposed change with respect to self-defence being an excuse for carrying a knife. In the normal course of events the opposition would not accept that concept. We would not accept it in relation to guns or knives. The government is increasing the power of the police to search for knives by changing the categories into which they fall. That of itself is one thing we are not so concerned about because the police can do that anyway and it is pretty hard for them to know at the time they go looking for a weapon whether they will find a knife or something else.

The government's timing is again good: opposition members have to talk about knives after having gone through some pretty amazing experiences. It is certainly character building. Some of the people in gangs with knives in some areas of Melbourne are probably only a working-class version of the way they see the bourgeoisie carrying on in politics. We do some terrible things to people and the only thing missing is the actual knife. I know the Minister for Police and Emergency Services is concerned about my career. I would say this is the first time in five and a half years that I have actually backed a winner. I have relinquished my position of leadership of the kamikaze faction; it has been taken over by the honourable members for Sunshine and Niddrie. The other night as the Premier was walking through the bar — I was not walking through but intending to stay there for some time — the Premier suggested that I would not give up that easily and that he was sure I would be back there. Coming from the Premier, who is the patron of the kamikaze faction in view of some of the things he has done, including the phrase 'bungee jumping without the ropes', that is a great statement.

It is a cause for concern that the bill will not solve the problem. Giving the police extra powers to search for weapons and taking away the self-defence argument will not stop the problem of gangs and knives, it will simply allow the police to search for those things.

I agree with the honourable member for Glen Waverley that it is lamentable such crimes exist. However, they have been around for a long time, and even go back to around the time of Charles I. There is a rule about bringing weapons into this house, other than the mace, which is not a weapon you can carry under your jumper.

The bill will not resolve the problem even in the important types of cases raised by the honourable member for Glen Waverley because an armed robber with a kitchen knife or butter knife, both of which are quite deadly weapons, cannot be stopped under the proposed legislation. It is not necessarily a prudent thing for armed robbers to carry prescribed weapons, so they do not. Someone could use a picket or a piece of four-by-two to commit a robbery and nothing could be done to stop it. Problems always arise when we try to define the issues.

When a former Minister for Police and Emergency Services, Steve Crabb, tried to do a similar thing the first bill produced was quite extraordinary: under its provisions a common ballpoint pen, commonly

known as a biro, could have been considered a weapon. In fact, a ballpoint pen could be used as an extreme form of weapon. You can do all sorts of things with a biro.

Mr McNamara interjected.

Mr COLE — Yes, in the eye and other places. It is hard to produce appropriate definitions because any instrument can be damaging and dangerous per se. The more severe examples, such as the daggers, knives and so on carried by 15 or 16-year-old kids — the majority are under 18 — are used infrequently. Although young people claim they carry such weapons for self-defence they are really almost status symbols.

While there are major problems they are not problems of the kind mentioned by the honourable member for Glen Waverley. Australian Institute of Criminology studies of violent assaults and knife attacks show that by and large people involved in those types of incidents are members of particular groups in society. The fact that they occur in night clubs can be addressed. Following each major incident the police have met with night club owners to address the problem. Most night clubs employ bouncers who would not admit a person who was carrying a weapon. Most honourable members would probably have trouble getting in, but if a member did get in he or she would not be allowed to carry a weapon. On the other hand, it is hard to detect some weapons because they are easily concealed.

It is difficult to define what constitutes a weapon. Even when definitions are drawn up, items such as bread knives, biros and pieces of four-by-two can be used by armed robbers. The bill will not solve neither that problem nor the problem of groups of kids in the western suburbs and other places like Dandenong using weapons when they are involved in brawls, or rumbles as they were known in the 1950s. I am not saying that the police should not have power to disperse them — that is easy, they drive their cars up as they have traditionally done — or search for weapons, which is obviously appropriate if they believe people are carrying prescribed weapons, but that will not solve the problem.

The problem is a symptom of the much greater problem of kids who are unoccupied or unemployed being on the streets. This is not new: the rate of medium and long-term youth unemployment is no less than 20 per cent and may even be as high as 50 per cent. In those circumstances people gather in groups to talk, which leads to a desire to exercise some authority.

Although we have to go through this process — I do not mean to be disrespectful to the Minister for Police and Emergency Services and the honourable member for Glen Waverley — we are looking at the quick-fix solution of extending police powers and not the more important issue of long-term youth unemployment. It is not a solution to introduce powers allowing police to search for weapons to overcome the fundamental problem of youth unemployment. That is my concern about the government and the honourable member for Glen Waverley. They believe if the police are doing their job quelling the masses somehow these kids will stop doing what they are doing.

The house has debated the drug problem on other occasions. One of the fundamental problems with the use of knives in armed robberies is that the robberies are done by people on drugs. We can go down the path of punitive action for the use of drugs, but we should look at solutions that require an open mind and in-depth study and not try to solve the problem from the direction taken by the honourable member for Glen Waverley. Unless we go to the cause of the problem we will end up like the United States of America, which has all these powers. It has taken a punitive approach and it has not worked, and the American cities are not much different from ours. Australia is more enlightened, thank God; but the problem has not been resolved over there, nor will it be resolved here.

The opposition will continue to argue that these approaches are not the solutions to the problem. They never have been and never will be. They are a method by which people appear to be doing something.

I know many government members will speak on this bill. Conservatives love to debate law and order issues and often talk about the control of weapons being a panacea. When it comes to sentencing laws and prisons they are over the moon.

Mr Turner interjected.

Mr COLE — The honourable member for Bendigo West said that is why the people voted for him. I do not think that is right. I think the former Labor government got a few things wrong, but I do not think the present government's mandate was

gained because of what it is doing about law and order issues.

Everyone is trying to grab the middle ground on law and order. The honourable member for Glen Waverley is to the right of centre, but his solution of taking a harsher approach to drug use will not work. If honourable members opposite believe their approach will solve the problem they should go and tell the community about it. The truth is that weapons are not the problem: social discord and unemployment are the problems.

The government is avoiding the issue by introducing harsh laws and increasing penalties. We have mammoth unemployment, isolation and dislocation in the community.

The honourable member for Mornington is not present in the chamber — perhaps he is taping my speech and monitoring every word in his office! That may overstate my importance. He will say, 'Don't come in here with your bleeding heart. These people are terrible'. That may be true, but the opposition says this approach will not solve the problem of weapons in the community: there will still be major problems with the use of knives. The bill does not cover the area of armed robbery and assaults which may occur with legitimate weapons such as the breadknife or, worse still, the envelope opener.

I agree with the honourable member for Glen Waverley regarding the issue of self-defence. When I appeared in court as a solicitor I argued the *Wilson v. Kuhl* defence, which was that self-defence was an excuse for carrying a knife or other weapon. A self-defence argument could be that I was seeking to defend myself but was carrying a knife for some other purpose, or that I was carrying a knife because I thought I might be attacked by somebody. That attitude leads to a proliferation of the problem of people carrying weapons. It probably has led also to non-intervention by police because it required them to go to court and prove that it was self-defence, a reverse onus of proof. We do not have grounds for saying that a person should have the right to carry a weapon to use for self-defence because it presupposes there will be some attack upon him.

The self-defence argument should be taken in context. I accept the minister's argument and that of the police for imposing these restrictions, but I do not believe we can argue self-defence to allow people to carry various weapons.

That argument was used in the United States of America for the carrying of guns. We now see the most complicated problem regarding the use of hand guns: each year in that country something like 50 000 people are killed by hand guns alone. The fear is that if you do not carry a hand gun you will not be able to defend yourself, and that leads to everyone carrying a hand gun and often using it before they should. However, it would be unfair to the United States to say that it alone has that problem. I disagree with it, but that is easy for me to say because I do not live in the United States of America and am not subject to those difficulties. However, in Australia the carrying of illicit and dangerous articles for self-defence never has been and never will be accepted. For that reason I strongly support that part of the Bill. In my days in the law that argument was always regarded as inappropriate. There may be legitimate reasons for carrying knives, which must be considered. For example, it is possible that a person will carry a knife for a purpose other than to inflict harm upon another. So I accept that the self-defence argument is of some concern to the police.

There have been problems with the search powers. In the past, if police officers suspected a person of carrying a weapon they would search that person without a warrant. I am not saying the police were acting illicitly when they did that; but it would not be stretching the point to say that there is a fine line between a dangerous article and a prescribed weapon. The police officers concerned would decide whether the person had such a weapon and whether they needed to get a search warrant — that would not be done — rather than their just assuming it was a prescribed weapon. If for whatever reason they believed the person had a weapon, off they went.

In recent years police have alleged they have not had the capacity to search for weapons. Although the legislation is being changed to include knives in the regulated-weapon category, I do not believe the police were prohibited from searching for knives in the past — but that is another story. One would not want to say the police should not have the power because, in spite of the views I hold on the matter, the community needs some protection from people who carry weapons — and knives in particular.

I do not have any great objection to the change. I do not like the idea of people carrying knives. I do not carry one myself, although if I want one to carve-up my apple I should be allowed to. That is covered by the bill, which is highly desirable.

Mr Cooper interjected.

Mr COLE — Yes, either party! An apple knife would not be enough in the party room, more's the pity. In my case the Special Operations Group would be needed to assist me!

Once again the government's timing has been pretty good. Thank God it did not bring this bill on for debate on Tuesday! The opposition supports the bill and accepts the intent and sincerity with which it is proposed. Members of the opposition disagree with some parts and have concerns about the handling of the youth crime problem. The opposition believes the bill will not do anything other than give the police force extra powers to address the problem. The bill will not solve the problem; certainly it will not solve the sorts of problems raised by the honourable member for Glen Waverley.

As I said, the opposition supports the bill. I know the honourable member for Mornington will attack the opposition yet again for feigning support but in effect speaking against everything.

An honourable member interjected.

Mr COLE — What a shame. He should be speaking to it; he is a very important contributor. The opposition supports the bill even though it believes it will not solve the fundamental problems underlying the violent use of knives. That would require a much broader approach than that taken by the bill.

Mr KILGOUR (Shepparton) — I am pleased to support the Control of Weapons (Amendment) Bill, which is important to law and order in Victoria. On coming to government the coalition promised Victorians a safer state, and the bill will help to deliver that. I disagree with the honourable member for Melbourne, who suggested the government believes the bill will solve all the problems of youth crime in Victoria.

I have travelled with police officers on their Saturday night shifts. Any honourable member who does so will gain a better understanding of the frustrations experienced by members of the police force when they cannot search somebody for a weapon they believe he is carrying. For many years police have asked for the power to search people for knives. It is high time they were given that opportunity.

After listening to the honourable member for Melbourne, I am not surprised that the streets of Melbourne are not safe for our youth. Given the thoughts that the honourable member expressed, it is no wonder that that is the case after 10 years of Labor government. The coalition is trying to do something about the problem. I believe the bill will go some way towards making the streets and trains safer, particularly for women and children. The police already have authority to search for prescribed weapons such as flick-knives, knuckledusters and so on; but problems arise because they do not have the authority to search for knives. Unfortunately there are more gangs carrying knives than ever before.

I am a member of the parliamentary Crime Prevention Committee and am involved with the Public Transport Corporation. It is interesting to see the damage done to trains by people wielding knives. Nobody can say that people travelling on trains do not carry knives. Train seats are often slashed and the walls and floors are carved-up, all because people are carrying knives with the malicious intent of doing damage, not only to public property but also to other people.

Unfortunately many people carry knives because they fear being molested by people who are bigger than they are. Young boys of 10, 11, 12 and 13 are carrying knives because they are concerned that they will be confronted by people they cannot deal with unless they pull a knife. The situation is serious because those young people can have their knives taken from them and used against them by people who are bigger and stronger.

The police need to be given the power to search the people who are carrying knives with an intent to do grievous bodily harm. The legislation does not target individuals who have lawful reasons for carrying knives. People have said some ridiculous things about the possible uses of the legislation. It is not about the butcher who leaves his butcher shop with his knives strapped to his belt to walk down the street to get a daily paper. Obviously the police must have reasonable cause for believing that a person carrying a knife intends to use it unlawfully.

If, for instance, the Minister for Police and Emergency Services were carrying a knife on the way from his home to his vineyard on the other side of Nagambie and he happened to stop in the main street of the town to buy some lunch and the knife with which he was going to cut the grapes from the

vine was hanging from his belt, we would not expect the minister to be charged

However if one is confronted by a gang of youths on a train or in a dark street at night and a knife is wielded, obviously the police will suggest they have reasonable cause to believe the knife should be taken from that person.

The police statistics show that from March to December 1990, 1411 offences involving the use of knives were reported — almost double the number of reported offences involving the use of firearms. The illegal and harmful use of knives in that period resulted in 32 homicides, 354 robberies and 711 assaults. Is it any wonder that the government is acting responsibly in introducing legislation that will give the police an opportunity to at least curb the use of knives in our community?

The statistics demonstrate what the police have discovered as a result of their investigations. One wonders how many more incidences of the illegal use of knives will be recorded when police are given the opportunity of searching citizens.

The bill provides for a member of the police force, who has reasonable cause to believe a person is carrying in his possession in a public place a prescribed weapon which could harm another person, to search that person. The police officer must inform the person of the grounds of his belief and, without a warrant, the person or his belongings may be searched. As the parliamentary committee discovered when examining the issue of safety on public transport, people may carry knives and other weapons in bags or conceal them in other ways.

The other night, when watching television, I thought of this legislation when I saw the movie, *Crocodile Dundee*. Many people will remember the character in the movie, Mick Dundee, walking the streets of New York with a crocodile knife in the back of his jeans. At one stage when he was confronted by local lads who produced a flick-knife, Mick pulled out his crocodile knife and said, 'You call that a knife — this is a knife!' Of course the honourable member for Yan Yean would never be seen walking around the streets of Melbourne with a crocodile knife, but if he did I suspect the police would ask him why he was carrying it. I would not expect the Mick Dundees of this world to be carrying such knives around the city — there are not too many crocodiles on the streets of Melbourne!

If someone were carrying a knife, a police officer would be entitled to ask why he or she was carrying it. The officer must give his name, rank and place of duty if he is to conduct a search.

I congratulate the Minister for Police and Emergency Services on giving the police the support that they look for from him and from the government. I have much pleasure in saying that the bill will help the police lose that sense of frustration in not being able to search people. It will give them a better opportunity of trying to control the use of knives in our community.

Mr SEITZ (Keilor) — I commend the Minister for Police and Emergency Services for his swift action on this issue. I raised the matter in the house last October and November. I also commend the government for its support of the minister.

I have some concern about civil liberties, which may be infringed when one introduces any controls into society. However in this case Parliament should deal with this matter in a bipartisan manner.

The carrying of knives causes concern in my electorate. I brought the matter to the attention of the house when Chris Evans, a journalist on a local newspaper, had a bad experience in a shopping centre and later commenced a local newspaper campaign about the problem. On that day my electorate assistant had picked up her child and was walking home; both witnessed what happened in the city square at Keilor. Unless and until a person witnesses such an attack, such a fear in society cannot be understood.

Everyone talks about the use of knives. One should also think about hedging shears, the blades of which can be spread and used as knives, or the other exotic weapons we use as garden tools; one may then realise that such incidents can be horrific.

We should also educate the community. As a former teacher I know from 20 years experience what can happen with knives. Some years ago because of some gang problems in St Albans the police and special community groups were used to try to educate society that the answer is not simply confiscation, that education is also important. I urge the police, with the additional powers the legislation will give them, to get the message across particularly to young people about the foolhardiness of carrying tools that have been modified into weapons.

As a teacher I was always on guard, as teachers are now, particularly in technical schools where boys can manufacture anything. Honourable members may remember the ninja series on television, with the Japanese using their special weapons. Teachers used to examine the purposes for which boys were using the technical school workshops to ensure it was not to manufacture such offensive weapons. Today it is easy to buy a portable drill or a grinder, costing less than $100; that machinery is readily available to turn a harmless implement into a dangerous weapon. I am sure that statement would be endorsed by the police.

Migrant resource centres could be used as a starting point to show recent arrivals to this country that we do not carry weapons, that our society is civilised. Many migrants come from countries where murder with primitive weapons — perhaps homemade weapons — was common; many in those countries used such weapons to defend themselves.

Parliament has a responsibility to educate people. I welcome the fact that police will be given extra power but all members of the community must feel safe in moving and living within their areas. Today a culture is developing where gangs of young people wander around — but they may only be friends and will not cause trouble. Our culture makes us think that a gang will cause problems; that if confronted on a footpath you must move aside. That happens in the United States of America, and that culture — were it to occur here — should be stamped out.

I commend the local newspaper for commencing the campaign which was then adopted by local members of Parliament. Chris Evans talked about 20 related offences. A couple of years ago my son was confronted by a person with a knife in a hotel disco. That experience makes one realise what can happen. When people are killed or injured in a school bus accident, everyone is upset; but when something happens in broad daylight, in the middle of a shopping centre, no-one takes much notice. Society must be educated about the use of dangerous weapons.

The bill goes part of the way toward doing that by giving certain powers to the police. I urge the government to take up the matter of educating new settlers in Australia. I came to Australia as a refugee from a war-torn country. In my country it was normal to carry weapons. When immigrants come to Australia they often continue with the culture of carrying weapons until they are educated. Although they may not carry guns, they may carry other weapons such as knives.

Self-defence classes teach discipline only in theory. Often those who have learnt the martial arts do not abide by that discipline. When they are drunk or have taken drugs and lost control they use the methods they have learnt, often with weapons. Such courses should be monitored because they can breed violence and toughness.

Governments should steer youth towards sporting activities, not self-defence courses. I hope the Crime Prevention Committee will further examine the details of the legislation to prevent further violence in society. I support the bill.

Mr TRAYNOR (Ballarat East) — I support the Control of Weapons (Amendment) Bill. There are 10 000 stories in a naked city, but I shall speak about one or two incidents in which I have been involved. The first relates to an incident when I was a police supervisor one Saturday night in my home town of Ballarat. A 22-year-old constable who had been in the police force some 12 months was called out to a Ballarat nightclub brawl in which knives were used. One 17-year-old boy had been slashed across the face and when his girlfriend went to his aid she was stabbed in the jaw. The girl was taken to hospital because a nerve was severed under her cheekbone. As a result she lost her sense of smell. The police officer had information about those involved in the stabbing but did not have the power to search for weapons.

I went to the hospital and spoke to the mother of the young girl. She asked, 'Did you get him?'. I said that I did not. She said, 'My daughter's friends said there was a fellow dressed in a blue jacket and he is the one who stabbed her'. I said, 'Sorry, but my police officer is going by the rules and has no power to search'.

I was faced with an emotional problem; the daughter was seriously injured and the mother was asking me what I was going to do about it. She was looking for advice from me as an officer with 26 years experience. What did I do? I went back to the nightclub and made some inquiries. I had no evidence to suggest that the man in the blue jacket was the person who stabbed the young girl. I grabbed hold of him and dragged him out of the nightclub. By doing that I probably assaulted him. I had no reason to search him. I then took him around into the back lane — I did not give him a thumping — took off his jacket, searched him and

found the knife. I had to weigh up whether I was acting legally or illegally. I acted illegally. Firstly, I deprived him of his liberty; and secondly, I assaulted him by taking away the knife. But at the end of the day I had the offender. The mother was happy he was caught. He went to court and justice was done.

The bill addresses the problem police have in searching people. A police officer who has a reasonable belief that a person is carrying a knife should have the power to search. If a knife is found on that person, it is taken to the police station and recorded in the property book and the property book is signed and countersigned. The bill provides for those safeguards.

Another incident in which I was involved related to bikies, such as the Hells Angels, the Chosen Few and the Vikings. One night I went to an hotel that was smashed to smithereens. When I arrived there were men and women yelling and screaming. People were lying everywhere. They had been hit with baseball bats and a couple were stabbed. One man, who had been stabbed with a kitchen knife, was lying on the floor with his insides hanging out.

These are the problems that confront the police all the time. What action does one take? The honourable member for Melbourne, being a legal eagle, would know that policemen in my time have had to go outside the law to achieve their objectives. At times I have done things when I have not had the power, but at the end of the day justice has to be seen to be done. It is a difficult situation unless one is on the spot. There has been enough media attention paid to these matters. The community is concerned about weapons and the government is reacting to their needs. Young policemen today are faced with the problem of not knowing what to do. I am the first to admit that in the past I have had to breach the law to search people for weapons. I support the bill.

Mr TURNER (Bendigo West) — I support the Control of Weapons (Amendment) Bill. I listened intently to what honourable members have said and agree with much of what the honourable member for Melbourne said. The main purpose of the bill is contained in the last paragraph of the second-reading speech, which makes clear the aim of the bill:

> The government believes the bill will assist in making Victorian streets and other public places, for example discos, safer places in which to travel or congregate. At the same time, all current legitimate uses of knives will continue to remain lawful.

I participated in a number of discussions that were held during the development of the legislation and agree with the honourable member for Melbourne that it will not solve all the ills. I am sure no honourable member thinks it will.

Statistics on offences involving weapons reported between March and December 1993 show that 529 serious assaults involved the use of either bars and clubs, or bottles and glasses. There were also 711 knife offences. The honourable member for Yan Yean said he would like to see research undertaken on the law prohibiting people under 18 from purchasing weapons. That subject needs serious consideration. I do not think an age limit of 18 will solve the problems. In real life a biro can be a dangerous weapon; it depends on what you do with it.

The legislation attempts to address the problem of people assaulting others in discos and on the streets. It does not address the problem of offensive weapons in the home because the power to search does not extend to homes. The problem of armed hold-ups involving weapons is a separate issue. The bill gives police more power to search persons they believe, on reasonable grounds, to be carrying weapons. That is an important point.

The honourable member for Ballarat East mentioned some of the problems he faced in the past. I have had similar experiences. It is important to send the police force and the public the clear message that the government and Parliament will not tolerate people carrying knives in public places for anything other than lawful purposes. The coalition went to the last election — I interjected when the honourable member for Melbourne mentioned this point — with a strong law and order policy and the bill fulfils part of the message it was trying to deliver.

I am sure honourable members will not argue about the reasonable powers being given to police. The honourable member for Ballarat East was correct when he said that in the past the police were sent onto the streets without the proper tools and powers to perform their duties. The honourable member for Melbourne hinted that in the past police have had sufficient powers and that if they did not they undertook their duties by other means.

Mr Cole — Did you have a knife to cut the twine on newspapers?

Mr TURNER — Yes, I did. Why not give the police sufficient powers to do something about the gangs on the streets and the people who go into discos with knives in their belts or down their socks? Surely the community would agree that police should have reasonable powers to carry out their duties. I commend the minister on the bill and honourable members for their broad acceptance of the legislation, which I reiterate is a continuation of the government's clear message to the people that it is building a safer Victoria.

Mr JENKINS (Ballarat West) — I support the bill. The question is: why change? History shows that many people, including farmers, rabbiters, hikers, scouts, goldminers, timber-cutters and tradespeople need to carry knives that could be described as weapons. That used to cause few problems, but society has changed in the past decade and there is no doubt that some ethnic people in whose countries of origin it is the norm to carry knives for self-defence rather than as weapons follow the same custom in this country. Their attitude is similar to that of farmers and tradespeople who have traditionally carried knives.

Other speakers mentioned *Crocodile Dundee* and raised the question of what is a knife. When Mick Dundee, the innocent crocodile hunter who went to New York, was suddenly confronted by a gang member carrying a flick knife as a weapon, he produced the knife he used to tackle crocodiles, which was a tool of his trade. One can see both sides of the argument: although knives are important instruments for many people, we must distinguish between need and abuse.

The bill attempts to address the problem by enabling police to search criminals and offenders and take appropriate action, but there has to be understanding and tolerance of those who use particular items as tools of their trade. I trust that when they have the power to search, the police will not see a need to search tradesmen such as butchers or be overzealous in their enforcement of the law. I am sure commonsense will prevail. Many items classed as offensive weapons are needed for everyday use.

How will people be affected by the bill? Security is one of the most important elements. If we can change the community's attitude to the use of knives by gangs — I hope it will change as a result of the legislation — we will feel more secure and happier about those who wish to exercise their democratic rights and carry knives. People will be able to catch a train or bus or walk down the street without fearing that somebody will come up behind them with a dangerous weapon for some malicious purpose.

The problem is not as apparent in Ballarat as it appears to be in other areas, such as in some metropolitan suburbs. With respect, that is probably because Ballarat does not have gangs concentrated in particular areas. Also there are no gangs, such as those in the city, in Ballarat. It could also be a result of the actions taken by the honourable member for Ballarat East who, when he was a senior police sergeant in Ballarat, took a strong view of people carrying weapons. Whatever it is, it has worked. I am sure that Ballarat is a far safer place in which to walk than some suburbs of Melbourne. I compliment the former senior sergeant and his efforts in that regard.

The amendment foreshadowed by the honourable member for Yan Yean has some merit, but it will not solve the problem of young people carrying knives. People under 18 years of age still have access to cigarettes and alcohol even though they are restricted from legally purchasing them, and that will be the case with weapons.

I am sure male members of Parliament remember that one of the greatest gifts they had when they were young lads was the penknife from grandma or mum at Christmas. I remember even having one or two sheath knives with blades about 6 or 7 inches long which I used for whittling, scouting or cutting a bunch of grapes from a vine. Those uses for knives should be allowed to continue and people should be allowed to carry knives for such purposes.

This is an important bill. It will assist to make our community a much safer place because, as was said earlier, it will allow better control of the wrong use of weapons. I trust that the bill will improve society and produce a much more pleasant community in which to live. I support the bill.

Mr LUPTON (Knox) — I support the bill which has been through a long examination process by the government's bills committee. Honourable members will agree that the measure will not solve the problem, but it will act as a deterrent and enable police to check people who they suspect are carrying knives. The carrying of knives is un-Australian. It is a culture which has been brought to this country by people who have chosen to come here to live.

Only last weekend I was at a market in Dandenong and discovered a stall at which people were queuing up to buy knives. Some ethnic people were queuing up to buy meat cleavers. I do not care what anybody says, a person who buys knives at stalls such as that one do not intend to use them to whittle wood, in scout groups or to cut grapes; they have ulterior motives.

This knife culture is becoming more apparent in younger groups. I accept that some people use knives to peel their fruit and cut cotton threads off their clothing, but using knives for unuseful purposes is un-Australian. As people from different ethnic cultures arm themselves with various types of implements, Australians start carrying knives. It has become a matter of self-defence. The bill will enable the police to search for weapons when they have reasonable cause. That is a fundamental aspect of the bill.

During debate on the victim impact statement legislation I referred to a case concerning a young man who had been held up at a service station by a girl who had walked into that service station and who had held a knife to his neck while robbing the till. I was in that service station last Monday night, a fortnight after the robbery, and asked that same young man how things were going. He told me about how he had been held up two weeks before and that as a result he was leaving his job. He is giving up his job because some female was able to walk up to him, hold a knife to his neck and threaten his life while stealing money from the till. That same person could be walking around the streets today with a knife and police have no right to check to see if she carries a weapon.

The bill gives the police the powers they require without infringing on anybody's civil liberties. Civil liberty arguments were put up during the examination of the bill by the bills committee, which examined it over 12 months while also working with the Attorney-General's committee. In a nutshell the legislation gives to police the powers they need to stop, apprehend and search a person they believe is carrying a knife for illegal purposes — that is, for purposes other that paring fruit, cutting tomatoes and so on.

The bill introduces a fundamental law that should have existed years ago. It is not taking away people's rights; it is giving people the right to feel protected so that they can walk down the street in the knowledge that the police will intervene, apprehend and search people who carry knives for illegal purposes. It will not solve all problems but will go a long way in assisting the police to create a safe atmosphere in the community. The government is all about making Victoria a safe place in which to live.

As I said earlier, it is un-Australian to carry knives. In the old days we used fists. Any fighting that was done was done behind the back shed. The new culture of carrying knives or meat cleavers is unacceptable. The Minister for Police and Emergency Services should be congratulated for taking this great step forward for the protection of people.

Mr ROWE (Cranbourne) — As a past member of the Victoria Police Force it is with great pleasure that I support the bill. I do so because of the problems which are emerging in my electorate of gangs of youths invading schools. The most recent occurrence was at the Cranbourne Secondary College where a group of youths entered the school. One youth produced a knife and threatened to cut up the deputy principal. That was a disgusting action and it is about time the police were given sufficient powers to deal with unruly youths in the metropolitan and city areas where the carrying of knives is an extremely serious problem.

The bill is another step in implementing the coalition's stated policy of introducing justice and safety in Victoria, initiatives announced prior to the last election.

The provision of the bill that requires a police officer to give his or her name, rank, and place of duty if requested by the person to whom the search relates is slightly unnecessary. It is an over-reaction by the civil libertarians, and to demonstrate this point I direct their attention to police standing orders, which have been in existence for many decades, in particular section 1.5(8)(5):

> A member, when asked his name, number or station by any person, on any reasonable occasion, shall immediately give them.

Civil libertarians are more concerned about protecting the rights of offenders than the ability of police to administer protection and provide the justice that this society deserves.

I commend the bill to the house as another example of the initiatives the government is prepared to take to protect the citizens of Victoria from those people who do not wish to live peacefully in this society.

Mr McNAMARA (Minister for Police and Emergency Services) — I thank the honourable members for Yan Yean, Glen Waverley, Melbourne, Shepparton, Keilor, Ballarat East, Bendigo West, Bendigo East, Knox and Cranbourne for their contributions and support of the Bill, and particularly that of the members for Ballarat East, Ballarat West, and Cranbourne who have particular expertise in this area, being former front-line officers of the police force.

I also thank the honourable member for Keilor, who, along with other members, has called many times over an extended period for something to be done in this area. I am glad that both sides have been able to reach agreement.

When an extension of police powers is mooted concerns are always expressed about the liberties of members of the community being threatened; but at the end of the day a universal view exists that the growing incidence of violence, particularly of youths arming themselves with knives, is a trend we need to avoid.

Obviously the bill will not completely solve the problem of individuals carrying weapons and other issues will have to be examined further down the track because knives are not the only weapons that are used in assaults or robberies. However, knives have been removed from the definition of 'dangerous articles' and included in the definition of 'regulated weapons', which is the middle category. The next category is 'prescribed weapons', which has been described by other members.

The advantage of changing the category is that it removes self-defence as a reason for carrying a knife. It is clear from the comments made by honourable members that we all agree there is no legitimate excuse for a person to carry a knife for self-defence. People who have to carry a knife for a particular reason, whether it be sporting, recreational, or occupational, will not be penalised for doing so.

The honourable member for Melbourne talked about such weapons being handy at ALP caucus meetings. I am not sure if that is a definition the police would accept, but that is a matter of interpretation.

Mr Cole interjected.

Mr McNAMARA — Caucus meetings are too violent for the police!

It is worth noting that a person found carrying a scaling knife on St Kilda pier is obviously fishing, and that is a legitimate reason for carrying that knife; but it is clearly not legitimate to carry the same knife into a local disco at eight o'clock that night. Those are the sorts of issues the bill addresses.

The bill also restates the right of people to request police officers to identify themselves.

I will comment briefly on the foreshadowed amendment the opposition is no longer proceeding with. It would have prohibited the purchase of knives by persons under the age of 18 years. While we agree with the sentiment, there are obviously some administrative problems with it. For instance, how would we deal with a boy scout who wants to purchase a knife? How would we deal with a child under the age of 18 years who wants to buy a set of steak knives for mother's day this Sunday? We need to resolve those issues, and I have already asked the Justice Department to look at ways of providing more controls on under-age persons.

I shall also consider the suggestion of the honourable member to refer the issue to the Crime Prevention Committee after I receive that initial response from the Justice Department.

The honourable member for Melbourne raised the issue of the growing trend towards what we call the US experience. Many commentators say it is really a matter of how many years or how many decades we are behind the experiences of the United States of America.

I have a more optimistic view of Australian society. We are quite different from the United States in both our historical backgrounds and present cultural aspects. After visiting the United States, three differences between the two countries really struck me. Firstly, it is clear the United States has an ethnic underclass; basically, if you are black or hispanic, you are at the bottom of the pile, and in every opportunity that will be presented to the general society, you will be the last to receive it.

Secondly, Australia has a welfare net that attempts to pick up everyone. If an individual decides to spend what they are given by social welfare on drugs or other things, or they don't take up the opportunity of using public housing, in many cases that is a personal decision for which the individual is responsible; but certainly it is quite different in the US where there is not that attempt by the welfare societies to assist people across the board.

Thirdly, the culture in America is one of an armed society. The common ownership of hand guns is something that would disturb any Australian, far more than the carrying of knives. When I was in the south-western state of Arizona recently I was told that legislation was going through the state Parliament that would ensure that persons could carry a concealed hand gun, and the next sentence was, 'well of course you can also carry a hand gun if it is not concealed'. When I questioned that comment further I was told, 'you can carry a hand gun on the dashboard of your car, and if it is strapped to your hip you can carry it down the main street of Phoenix' — a city of almost 2 million people. That is not a cultural or a social practice that we in this country would accept in any circumstances.

The bill reinforces the Australian tradition that we do not want to see people, as of right, carrying weapons; that the carriage of a weapon should not be justified on the basis of self-defence; and that the less armed we are as a society, the safer we are.

Responding to the problem with long periods of incarceration is not the solution to the problem either. We are fortunate in Victoria in that we have only 50 per 100 000 people imprisoned in this state, which is half the rate of New South Wales and one-tenth the rate of California, which has 500 per 100 000 people, and I would not say I felt any safer in Los Angeles than I do in Melbourne; in fact, there are few parts of Los Angeles through which I would want to walk at night, whereas most people walk freely in the streets in our metropolitan city or any country town. An example of that freedom is the fact that our Premier feels quite relaxed about walking into work from Burwood, 13 or 14 kilometres away, several times a week without a crowd of bodyguards. He can jog in, easily identified by motorists coming into work and people going to school, and be totally unconcerned about any threat to his person.

That is something that we hold preciously in Victoria, and this Bill will further assist in reinforcing that culture.

Motion agreed to.

Read second time.

Passed remaining stages.

LAND CONSERVATION (AMENDMENT) BILL

Second reading

Debate resumed from 22 April; motion of Mr MACLELLAN (Minister for Planning).

Mr DOLLIS (Richmond) — My reply to the minister's second-reading speech will be equally long and colourful. Opposition members do not have any problems with the amending bill. The Land Conservation Act 1970 provides for the establishment of the Land Conservation Council and includes a provision which specifies that the chairman of the council be appointed on a full-time basis. The bill seeks to amend that provision to allow some flexibility for the chairman to be appointed on either a full-time or a part-time basis. The opposition supports the amendment made by the bill.

Motion agreed to.

Read second time.

Passed remaining stages.

FINANCIAL AGREEMENT BILL

Second reading

Debate resumed from 21 April; motion of Mr GUDE (Minister for Industry and Employment).

Debate adjourned on motion of Mr DOLLIS (Richmond).

Debate adjourned until later this day.

SUBDIVISION (FURTHER AMENDMENT) BILL

Second reading

Debate resumed from 22 April; motion of Mr MACLELLAN (Minister for Planning).

Mr DOLLIS (Richmond) — The bill introduces further amendments to those made in 1993 to the Subdivision Act. The opposition has in the time made available to it looked at the proposed amendments and supports the bill. One should place on the record the minister's cooperation which enabled the opposition to move with considerable speed to deal with the legislation because all

briefings were provided at the right time with the appropriate information.

Not a great deal of debate is required on the bill, but the point I wish to make is that I have received no representations on any matters relating to it. Clauses 3 and 6 are the two most significant components of the bill. Clause 3 addresses the issue of the 5 per cent of land that is to be used for public open space. The provision is to be supported because it allows greater flexibility in an arrangement of land and/or money up to a total of 5 per cent of the overall value of the land.

The amendment in the bill therefore clarifies the situation and means that developers and councils will know where they stand. One of the complaints that both previous ministers and the current minister have received in the past is that communities or councils have been either over or undercompensated in relation to this matter, and developers have also faced great difficulties in trying to work out what should be a pretty straightforward situation. In short, the amendment in clause 3 will give greater confidence to all concerned, and it should receive full support.

Clause 6 extends the arguments acceptable in a subdivision with respect to any easements or rights of way to insert the assessment of amenity as a criterion for consideration. It is not unreasonable that an owner be compensated for acquisition or removal of an easement or right of way. Amenity is a much broader and more significant consideration than an assessment on engineering grounds alone. I point out that although this is a positive amendment that allows greater interpretation by the Administrative Appeals Tribunal (AAT), the word 'amenity' is undefined and therefore its effect will depend largely on the interpretation placed on it by the AAT.

For the minister's information I am sounding a note of caution that the provision may need to be monitored to see how it is applied in practice, because it is possible that some time in the future a conflict of interest may arise between the planning scheme that allows certain minimum sized lots and the provision that may make the removal or acquisition of an easement more difficult because of the need to assess amenity.

Therefore in older, more established suburbs of Melbourne there is the potential that urban consolidation measures could be affected. I ask the minister to take note of that matter.

Clause 8 relates to extending the authority of the Magistrates Court to determine matters of dispute relating to subdivision of vacant land where a body corporate is involved. The clause is supported by the opposition because it allows greater flexibility where there is majority support but not unanimous support, as is required with respect to the purchase or sale of land or the altering of the boundaries of the land involved.

There are plenty of examples where the majority of members of a body corporate have wanted to make particular changes relating to their property but were prevented from doing so. This clause will clarify the situation. It is a sensible amendment and the opposition supports it.

The other matters contained in the bill are of a minor nature and we support them.

Motion agreed to.

Read second time.

Passed remaining stages.

FINANCIAL AGREEMENT BILL

Second reading

Debate adjourned from earlier this day; motion of Mr GUDE (Minister for Industry and Employment).

Mr THOMSON (Pascoe Vale) — The bill puts in place a financial agreement between the commonwealth, states and territories. The opposition does not oppose the arrangements, which have been entered into on a national basis and which will apply an appropriate financial framework for borrowings by the states. Given that the opposition does not oppose the legislation I shall not speak on the bill at length, but I will outline some of the changes contained in the bill.

The agreement between the commonwealth, states and territories provides for the abolition of the restriction on borrowings by the states in their own names, which in the past was a significant restriction; removes the commonwealth's explicit power to borrow on behalf of the states; removes the requirement for future commonwealth and state borrowings to be approved under the provisions of the agreement; removes references to the National Debt Sinking Fund; and includes the Australian Capital Territory and the Northern Territory as

members of the Australian Loan Council and parties to the financial agreement.

Most honourable members will be aware that the loan council financial agreement has a long history. It was entered into by the commonwealth and each of the states in 1927 to regulate the borrowings by the commonwealth and state governments. It came into force in 1929. The agreement established the Australian Loan Council and required the commonwealth and each state to submit an annual borrowing program for loan council approval. It has been an important feature of the financial relationships between the commonwealth and the state governments, and over the years it has been the subject of some controversy.

It is fair to say that the states believe they have not had as much independence and discretion as they would have liked under their own borrowing programs so various financial arrangements have been entered into by the states to get around the requirement for loan council approval. Arguments have ensued as to whether the various arrangements were appropriate financial arrangements. These matters have continued to bubble to the surface because the states believed they have not had the financial freedom to which they were entitled or which they needed to run their affairs in a satisfactory way.

The original agreement was aimed at coordinating the approaches by the commonwealth and state governments on domestic and international markets. In 1929 the commonwealth took over the gross public debt that was then outstanding for each state and assumed the obligation to pay the principal and interest, but it also retained the right to recover that from the state concerned. After that time the commonwealth borrowed on the domestic and international markets, subject to the financial agreement, for its own purposes and for the purposes of the states.

The original agreement provided that sinking funds be established relating to the states' debts, which were placed under the control of the National Debt Commission. Commonwealth legislation has been introduced to repeal the original legislation.

The commonwealth Financial Agreement Bill will provide for the establishment of a trust account for the administration of the purchase, redemption and repayment of commonwealth debt allocated to the states and the Northern Territory. The new trust account will replace the former arrangements which applied under the National Debt Sinking Fund and the Northern Territory Debt Sinking Fund. In doing so, the bill formalises the arrangements that have been agreed to between the commonwealth, states and territories. These arrangements have applied since July 1990.

The bill is not a significant piece of legislation in that it gives effect to an agreement that has been in place for some years, which is not particularly controversial. From the mid-1980s, the commonwealth ceased to borrow on behalf of the states and a central borrowing authority became increasingly involved in raising finance for the states, both domestically and offshore, so the responsibility for financing and management of the existing financial agreement debt has gradually transferred back to the states. Since 1990 the states have been required to refinance maturing advances under the financial agreement.

Under section 105A(4) of the Commonwealth Constitution the parties to the financial agreement have the ability to vary or rescind the agreement. The agreement has been varied on seven occasions, most recently in 1976. This variation will provide for the rescission of certain sections and in so doing will recognise that the loan council's scrutiny of public sector borrowings has taken place over many years under voluntary arrangements rather than the provisions of the financial agreement, which give effect to that.

Complementary legislation will be required in the commonwealth Parliament and the parliaments of various states and territories. The legislation will become effective at that time.

It is fair to say that the issue of commonwealth-state financial relations, of which this bill and this area of loan council involvement forms a part, has been reasonably contentious and controversial over the years. It is inevitable that there will be continuing disputes between the commonwealth and various states and territories regarding circumstances under which financial matters are carried out, the various powers allocated to the states and the various financial restrictions under which they operate relating to what they receive in commonwealth grants. All those areas are subject to controversy and we expect that controversy will occur from time to time. It is appropriate for the commonwealth, states and territories to endeavour to resolve these matters to the best of their ability.

The opposition supports the reaching of agreements at the national level to resolve these issues. Therefore, it does not oppose the bill.

Dr COGHILL (Werribee) — In supporting the comments of the honourable member for Pascoe Vale I shall pick up some of the issues he has raised. First, I refer to the government's failure to provide a consolidated version of the financial agreement. That has made it difficult for members, who would have to do a cut and paste job on the documents that have been before the house at various times since 1927 to work out the exact interaction between the new agreement and the preceding agreements, which the bill amends to varying degrees, in some cases repealing provisions.

In fairness, I have to say that when I telephoned the Treasurer's office this morning his staff said it would be no trouble to make a consolidated version available to me. I expected I would require it after lunch rather than before — in which case they probably would have been able to assist me.

The consolidated agreement should have been made available to the house when the minister gave the second-reading speech. That would have given members of the house and people in the financial community and elsewhere who have an interest in the agreement the opportunity to read a complete document and to study the financial agreement between the commonwealth and the states and territories. That would have given them the chance to examine its implications and to understand how it will interact with other commonwealth-state financial relationships and how the Australian Loan Council will operate. Those details are extraordinarily important to public financing.

Ratings agencies are one of the government's favourite preoccupations. The agencies will be very interested in the provisions of the agreement in its final, consolidated form. They are interested in the amendments; but like all the other interested parties, they will need to compare them with both the original agreement and the subsequent changes to that agreement. Unless the document is read as a whole, it may not make a lot of sense.

Schedule 1 gives the reader some idea of how the system will operate, but there are repeated cross-references to the original agreement. That makes it difficult for members to properly consider and debate the legislation. It also makes it difficult for the ratings agencies — Standard and Poor's or Moody's Investor Services — or anyone else to come to a full understanding of the new financial arrangements between the commonwealth and the states and territories, especially the implications of those arrangements for Victoria and every other state and territory that has committed itself to complying with the agreement.

The legislation raises the complex issue of commonwealth-state financial relations. In particular it raises the imbalance in the revenue allocated to the states. That imbalance was bad enough 10 years ago; but is even worse now because it is weighted towards commonwealth expenditure obligations. Over the past decade or so, commonwealth payments to the states have been consistently and persistently reduced. That has been accompanied by attempts to off-load further commonwealth responsibilities to the states. That is a major factor behind the financial and budgetary crises most state governments have been going through during the past few years. The Parliament should not run away from the issue; it cannot afford to.

One can trace the change in attitude that has led to that financial imbalance. In recent years the commonwealth government and bureaucracy have become more disdainful and contemptuous of the states. Only a few days ago I was told about a heavyweight senator who described what the states did as pretty irrelevant and suggested that the only thing that mattered was what the commonwealth government did. Honourable members know that that assertion is not true. We know that by and large the responsibility for providing services to the Victorian people rests with the state and local governments.

The schools system is very much the responsibility of the state. Its administrative and finance policies operate entirely under the auspices of the state government. The commonwealth is seeking to impose a uniform minimum standard for workers compensation, but it is not proposing a national workers compensation scheme. The quality of the administration of and policy framework for the workers compensation system will remain a state responsibility, despite the commonwealth's announced intention to move into that field. The administration of justice — the police, the courts and the prison system — is the responsibility of the states, as set out under state government constitutional arrangements. Other than Medicare, the provision of health services — hospitals, community health services and paramedical

services, including ambulance services and the like — is primarily a responsibility of the state.

Those services, which have direct impacts on the lives of all Victorians, are ultimately the responsibility of the state government. The public transport system is a state responsibility, despite the provision of some commonwealth funding. Responsibilities such as those make a nonsense of the disdain expressed by the commonwealth government and some of its heavyweight members for members of the state Parliament and state government administration.

In debating the Financial Agreement Bill, Parliament ought to be addressing the financial relationship between the commonwealth and the states and territories and the imbalances between responsibilities and revenue. The commonwealth has repeatedly asserted that fat can be trimmed from the administration of the states, at the same time as bloating its own administration. The commonwealth has made budgetary savings largely at the expense of state revenue payments and reimbursements, which in turn has forced the states to squeeze human services.

States and territories can respond to that reduction in revenue by either cutting their own expenditure or increasing the collection of revenue from their own sources. The states have opted for a mixture of those two approaches. Since 1992 Victoria has experienced a combination of cuts to services and marked increases in state-sourced revenue.

This is not the place to debate the Victorian state budget. However, the opportunity has been there for the states and the territories to show more courage, coordination and initiative in their response to the situation forced upon them by commonwealth government heavyweights who tend to concentrate power more within Canberra, within the government and within the office of the Prime Minister.

The opportunity has arisen, and there are precedents, for state and territory governments to combine in a courageous, united and coordinated effort to address the problem. Such an opportunity arose when the former Prime Minister, Bob Hawke, left office and the commonwealth-state financial agreements were under consideration. A meeting was held in Adelaide of members of the state and territory governments at which ideas proposed by that former Prime Minister were pushed forward. Regrettably those ideas were not pursued, negotiated and successfully implemented to benefit the future of the Australian federation.

Since that time we have gone backwards. The states have found themselves in an even more parlous situation with the commonwealth and have been treated with even more contempt and disdain than previously. However, the opportunity is still there for the states and territories, through their heads of government or Treasurers, to acknowledge their common interest on this issue and take united action. That action may involve those bodies determining to raise revenue commensurate with the reduction in revenue they suffered in recent years from the commonwealth government.

As the major providers of infrastructure — often through loans — the states may acknowledge that a significant increase in expenditure, capital investment and infrastructure would be in the long-term best interests of the economic and social future of their communities.

When speaking on the Appropriation (Interim 1994-95) Bill yesterday I drew attention to the appalling situation faced by the City of Werribee. As a consequence of state policy which has bipartisan support, it has been asked to accommodate a large proportion of the increased population and new housing to be constructed in the Melbourne metropolitan area.

I pointed out that between 1992 to 2001 the City of Werribee is facing road improvements at an estimated cost of approximately $120 million or $130 million, yet the revenue available to the council is nowhere near adequate to meet that amount, taking into account the sources of revenue available from the state and commonwealth governments, its own revenue raising and possible contributions from subdividers and other developers.

Anyone looking at the situation in Werribee will see that that community and others like it on the outer fringe of the Melbourne metropolitan area and other major cities of Victoria will be unable to fund the infrastructure which is absolutely essential to the maintenance of acceptable living standards in new residential areas. Funds are simply not available. Funds could be provided only by the council imposing a crippling rate burden on this generation of ratepayers.

If the infrastructure is provided by commonwealth and state capital funds, that investment will be recouped through taxation revenue over the years,

as the Werribee community and others like it mature. It is not a matter of investing money into roads or other aspects of infrastructure and never seeing the benefit of it. Major benefits and revenue will flow from the installation of necessary infrastructure and the establishment of associated residential, commercial and industrial areas.

I suggest that the states and territories combine to deal with the issue rather than letting it drift on year after year, as has been the tendency to date. I hope that the Minister for Finance, who is at the table, will contribute to the debate on the proposed legislation.

The opportunity is there for the Victorian government to be constructive, show some leadership and put aside any political differences which may exist between it and the governments of other states and territories. As members of the Federation, they have a common interest to see that the people for whom they are responsible have acceptable living standards with the infrastructure essential for the maintenance of those living standards. They must also have the funds available to install the infrastructure.

In that regard the states and territories may agree to severally increase their revenue by their own internal revenue measures. They may club together to put a case to the commonwealth government which, in political terms, may be irresistible.

Something needs to be done. Many honourable members would be aware of some recently published research material which suggests that one of the keys to social and economic growth in economies such as Australia's is the installation of infrastructure. Once that infrastructure is installed, whether it be roads, public transport, sewerage systems or communication services, private sector investment and other aspects of economic growth will be stimulated and employment will increase.

That sort of empirical evidence should not be ignored. It should be used by the states and territories as part of an argument to put to the commonwealth for it to provide them with a more balanced financial situation. Rather than the states and territories continuing to be constrained as they are by whatever generosity the commonwealth is prepared to show at any particular time, they would have the capacity to act in the best interests of the communities for which they are responsible.

Currently a huge imbalance exists between the revenue and expenditure of the states and territories. They are still heavily reliant on commonwealth reimbursements. That imbalance needs to be redressed and one way of achieving that is for the states and the territories to club together, recognise their common interest as members of the Australian Federation and do something about it.

That leads me to another underlying problem. The disdain and contempt some commonwealth heavyweights show for the states reflect the non-existence of a proper principle in Australia to determine the relative powers and responsibilities of each of the three spheres of government, to use the term local governments prefer.

Australia does not have a principle such as the principle of subsidiarity that applies in the European Union and which the union reinforced in negotiations on the Maastricht Treaty. That principle states that decisions should be taken and administration performed at the most appropriate local level rather than decision making and power being concentrated in Brussells, or in our case, Canberra. There should be a conscious and deliberate decision, recognised in the Australian constitution, that decisions, actions and administration will be carried out at the most appropriate local level.

I have previously been an advocate for the view that in many cases in Victoria local government is the appropriate level. I would apply the principle as much within the states and territories as between them and the commonwealth.

So far as relations between the commonwealth and the states and territories are concerned, the states and territories should be advocating as a principle of subsidiarity that revenue-raising, expenditure and administration should be devolved to the states and remain with the commonwealth only when there is some overriding national interest in that happening.

The founders of our federation in some ways recognised that: the constitution as originally written provided that foreign affairs, international trade and interstate communications were matters for which the commonwealth Parliament and government would be responsible and that most remaining matters would be state responsibilities.

The commonwealth has been able to erode that through use of the power of the purse, particularly the decision on income tax made during the Second World War. There is an important and pressing need for the states and territories to push on a united

basis for their responsibilities to be recognised by the commonwealth, preferably in the constitution.

During the period of review of the constitution between now and the end of the century, which is also the end of the millennium, the states and territories should negotiate a principle similar to the European Union's principle of subsidiarity under which it would be a requirement, which could be interpreted and applied by the High Court if necessary, that power and administration should be devolved to the most local level: where appropriate to the state and for things including garbage collection and dog registration to local government.

Honourable members with experience in local government would realise that there is great potential for that level of government to take over many functions that are currently responsibilities of state and territory governments or even responsibilities of the commonwealth government. A good municipal administration is closer to and can be more readily accessed by its people than can state and territory governments or the commonwealth government, particularly in remote areas.

Members of the Victorian Parliament and the government, as the executive of the state, should be actively and aggressively pushing for cooperation between the states and territories to redress the imbalances of power, revenue and expenditure between the three levels of government, particularly the imbalance between the commonwealth government and the governments of the states and territories.

If the state chooses to accept that leadership role both the Victorian and Australian communities will benefit in the long term. Although the government may not reap the benefit of such action at the next election, which is always a consideration in politics, it has a responsibility to look beyond the first Saturday in October 1996 — or is it to be October 1995 — and consider how the federation will operate and how the next generation of Victorians will live in the next century — in the new millennium.

There is a responsibility to establish a financial and power relationship between the various levels of government in Australia which will optimise the quality of life of Australians and Victorians in the future. That does not exist at the moment. The current policy, which is not a constitutional provision, squeezes the spending of the states on infrastructure and affects the opportunities for Victorians to enjoy a quality of life in the future that everyone seeks.

One regularly hears commentators and business leaders lamenting the fact that throughout this century Australia's standard of living relative to the standard of living in other countries has fallen and that it has continued to fall in recent years. It should be recognised that although Australia's standard of living has increased in absolute terms, the standard of living in other countries has increased more rapidly. Singapore is an excellent example. The positive and constructive role of government in Singapore and the investment of the Singapore people, through the government, in infrastructure have been the significant factors in its economic performance and development. There are differences between Singapore and Australia which are obvious to everyone.

Mr I. W. Smith — Trade unions.

Dr COGHILL — The honourable Minister for Finance may take some pleasure from his assertion by interjection that there are no trade unions in Singapore, but certainly Australians would find a number of practices followed in Singapore totally unacceptable in our community. Freedom of speech and freedom of assembly have long been traditions in Australia and constitute the ultimate head of power within which trade unions operate.

Australia needs to learn from international experience that investment in infrastructure is a major factor in the well-being of a community. Investment in infrastructure requires that considerable capital be raised, whether from revenue or from borrowing, and a major constraint on the raising of revenue in Australia is the relationship that exists between the states and territories collectively and the commonwealth.

I hope that the government and other honourable members will heed what I have put before the house and accept that it is in their best interests and, even more importantly, in the best interests of the Victorian community that there be a redistribution of the taxing and expenditure responsibilities and powers of the commonwealth, state and territory, and local levels of government in Australia.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.04 p.m.

ABSENCE OF MINISTER

The SPEAKER — Order! I advise the house that the Minister for Energy and Minerals will be absent from question time today due to business in Canberra. The Treasurer will handle any matters for the energy and minerals portfolio.

QUESTIONS WITHOUT NOTICE

Ambulance services

Mr THWAITES (Albert Park) — I refer the Minister for Health to the departmental briefing note she received in relation to the death of Michelle Galvin on 23 April which states that this case occurred 'at a time of peak localised demand which caused a delay in responding. Such circumstances are rare and unpredictable' and I ask: does this mean that the ambulance service is being managed to cope only with average demand levels and not peak loadings?

Mrs TEHAN (Minister for Health) — The average number of emergency calls during any day in March was 356. On the day of this incident there were 421 calls. The ambulance service has indicated, as have the Premier and I, that a delay of 19 minutes before the first vehicle arrives and 22 minutes before the subsequent vehicle arrives is unacceptable and too long. I repeat: this is an unfortunate situation, but is an extreme exception.

During the past 12 months we have markedly extended the emergency response capability across the metropolitan system. We have between 10 and 20 more vehicles at any one time doing dedicated emergency work. We have increased the number of ambulance stations by 12, from 33 to 45, and of those new ambulance stations — —

Mr THWAITES (Albert Park) — On a point of order, the minister is debating the question in breach of standing order no. 127 and her reply is not relevant. The question is simple: is the ambulance service being managed for the average days she has talked about, and can it cope on the busy days?

The SPEAKER — Order! I do not uphold the point of order. The minister's reply is relevant to the question asked.

Mrs TEHAN (Minister for Health) — The service is based on meeting the requirements of emergency services as they present at any one time. The statistics are very clear. We have a 95 per cent response time of 16 minutes across the ambulance service.

Mr Baker interjected.

The SPEAKER — Order! I warn the honourable member for Sunshine.

Mrs TEHAN — The service has increased and improved since the government was elected. There are more emergency vehicles available; there is a better distribution of stations and of highly qualified personnel. There will always be occasions — —

Mr Baker — How many more!

The SPEAKER — Order! I have cautioned the honourable member for Sunshine twice. I ask the house to come to order and to hear the minister in silence.

Mrs TEHAN — The people of Melbourne can be confident that the accepted response levels that the government is currently obtaining are within international accepted best practices.

Taxi services

Mr McLELLAN (Frankston East) — Will the Premier advise the house of action taken by the government to provide Victoria with a world-class taxi service?

Mr Baker — Another cheap stunt!

Mr KENNETT (Premier) — Not as good as the one you pulled on Tuesday. That was a ripper. At least ours work.

I congratulate the honourable members for Gippsland West, Caulfield, Prahran, Werribee, Clayton and Lowan for achieving a substantial milestone today. It will give them a little more independence. This is an important day for all of them!

Taxis are an important part of Victoria's public transport infrastructure. Last year an all-party parliamentary committee reviewed the operation of Victoria's taxi service. As a result of its good report the government decided immediately to establish the Victorian Taxi Directorate. The Minister for Roads and Ports in the other place, the Honourable Bill Baxter, and the Parliamentary Secretary to the

Minister for Public Transport, the Honourable Geoff Craige, who represents Central Highlands Province in another place, took personal control of reviewing the way in which taxis were run. The review was necessary given the incidents that had occurred in the taxi industry. It was also needed because of the perception that taxis were not always run as they should have been.

The Victorian Taxi Directorate is now going through the licences of taxidrivers with the aim of removing those drivers who have convictions for criminal offences. It is a pity that the honourable member for Springvale opposes this cleaning out of taxidrivers, of people who have drug convictions and so on. Unlike those opposite, we on this side of the House are committed to putting a good service in place. The process will include the introduction of an English language test, as well as a test of an applicant's knowledge of Melbourne's streets, the best routes to take and so on. Every potential driver will have to pass that test before he or she is able to undergo the driving test. In future, before being allowed to drive cabs they will need two pieces of paper saying they have passed both tests.

On top of that a zero blood alcohol level will become the norm for taxidrivers. Taxis will be required to meet new standards of cleanliness, and new uniforms will be introduced from 1 July. From 1 o'clock this afternoon no new taxis can be ordered that are not — —

Mr Baker — When will you do something real? When will you get on with the job?

Mr Perton — You're a great taxi user anyway!

Mr KENNETT — The honourable member for Doncaster has made a very good point: your use of and need for taxis is a lot heavier than ours.

Mr Baker interjected.

Mr KENNETT — Listen mate, it ain't been a good week for you. If I were you, I would just hide my head. We were backing you — but only to come second.

From today the new livery will come into effect for new cabs ordered; but given that people have made substantial investments in cabs, the new livery for existing cabs will be phased in over the next six years.

Mr Sheehan interjected.

Mr KENNETT — I can only say welcome back. Just watch the television on Sunday night. Don't say I told you, just have a look at the news.

The SPEAKER — Order! This exchange across the table must cease.

Mr KENNETT — Until now cabs have had a life of eight years, but the government has reduced that to six. Given the substantial investment made by the owners, the government thought it only fair that the new livery be phased in over time.

It is a two-way obligation. Firstly, the government is improving the taxi service. I trust the public will respect, accept and appreciate the real changes the taxi industry has agreed to be part of, in its long-term interest. It will be good not only for the Victorian community but also for international visitors to Victoria. There will now be not only a safer, cleaner taxi service but also more knowledgable taxidrivers.

Those who come to and move about the city will be able to identify cabs easily. This is another good initiative that shows the government is continuing to govern while the opposition continues to squabble.

Ambulance services

Mr THWAITES (Albert Park) — I direct to the attention of the Minister for Health the finding of the ambulance service medical officer who inquired into the death of Michelle Galvin:

> I understand these reflect the non-availability of both paramedic and standard ambulance crews owing to other critical work simultaneously in progress.

Do those words mean that there are not enough ambulances and officers available in Melbourne for emergency cases on busy days, such as the day Michelle Galvin died or the day a week later when there were 417 emergency cases?

Mr McNAMARA (Minister for Police and Emergency Services) — On a point of order, Mr Speaker, given the way the question was phrased I think the honourable member is seeking an opinion.

The SPEAKER — Order! The first part of the question was based on fact. I do not uphold the point of order.

Mrs TEHAN (Minister for Health) — My interpretation of the letter from the medical officer who gave his opinion on that particular matter is that it clearly indicates there are adequate response capabilities within the service to meet normal expected demands as monitored at any one time. The instance that caused the Galvin fatality involved a situation where, at that particular time and in the most unusual circumstances, a fleet of ambulance vehicles was engaged in other emergency areas. That will happen from time to time. This instance was one of the few occasions when a response was not able to be made where it was needed, within the usually accepted response time.

Electricity industry reforms

Mr ASHLEY (Bayswater) — Will the Treasurer inform the house of the government's latest reforms of the Victorian electricity industry?

Mr STOCKDALE (Treasurer) — As I said in the autumn economic statement the government is moving to expedite the reform process for the electricity industry. This week further announcements will be made on the next stage of the structural reform that will create the opportunity for the development of a competitive market. Cabinet has approved in principle the disaggregation of the generation capacity of the Victorian electricity industry. Generation Victoria will progressively move towards operating in a manner analogous to that of a holding company. It will have individual generating units that will increase trading on independent bases, and it will bid separately in the market on an autonomous basis.

The final decision on the number of independent generation businesses to be established in a fully corporatised format is expected by the end of the 1994 calendar year after further analysis is carried out to determine the optimal structure. That is six months earlier than the original plan envisaged and reflects the continuing success of the government's reform agenda and its desire to see those reforms further expedited.

In addition five distribution businesses will be created from the combined SEC businesses and the municipal electrical undertakings (MEUs). Agreement in principle has been reached with the MEUs for the establishment of a representative body for their integration into the process.

Agreement has been reached with them on these important reforms ensuring the continuing development of the market. In addition, a separate company will be established with responsibilities for controlling systems security and for the operation of the planned market pool.

Legislation will also be introduced to establish the Office of the Regulator-General to administer a light-handed regulatory scheme. Current tariffs will be continued after the initial stage of reform commencing in the second half of the 1994 calendar year.

Today the Business Council of Australia has endorsed the government's reforms, as previously had the federal Labor government. Today the Business Council issued a press release which, among our things, says that disaggregating the generator of the industry is a key prerequisite to the development of a competitively structured and efficient electricity industry, potentially delivering lower prices and improving reliability and quality of service.

The major business organisation in Australia has joined with the Victorian and national governments in recognising that Victoria is leading the reform of Australia's electricity industry. Sadly, yet again, the Victorian socialist left-dominated Labor opposition remains totally isolated as the only opponent of reforms that are so necessary not only to generate benefits for Australia but also to recapture the advantage scorned in the past decade when the Labor government saw Victoria fall from the lowest state to third in the Australian energy stakes.

Ambulance services

Mr THWAITES (Albert Park) — I refer the Minister for Health to her previous replies and to the Premier's comments on radio station 3AW this morning. Does the minister describe people raising concerns about Melbourne's ambulance service as coffin chasers?

Mrs TEHAN (Minister for Health) — Since October 1992 the government has made the most profound changes within health and community services that this state has seen in the past 50 years. It has introduced dramatic changes to acute services.

Honourable members interjecting.

The SPEAKER — Order! I remind members of the opposition that it is their question and question time is being used up by fruitless interjections.

Mrs TEHAN — Victoria now has a psychiatric services framework that will allow the government to deliver a range of psychiatric services which have not been seen before. The public health authority, which had been absolutely neglected during the past 10 years, can now hold its head high.

Now we are addressing one of the most difficult problems — that is, to provide an adequate high-quality appropriate service in ambulances in the metropolitan area and across the state. That requires considerable changes to be made and, most importantly, a cultural change.

Until October 1992 the ambulance services had been run predominantly by ambulance people. The government has indicated that it requires business people and business acumen and some efficiency in a service that had absorbed large amounts of money over the past five years. We are doing that, and providing that service.

Mr THWAITES (Albert Park) — On a point of order, Mr Speaker, you have ruled time and time again on the question of relevance. Indeed, on 4 November 1992, as an example, you ordered the Minister for Industry and Employment to stick to the terms of the question. The question was simple — that is, whether the minister describes people with concerns about the ambulance services as coffin chasers, as the Premier described them on radio this morning.

The SPEAKER — Order! We go through this exercise from time to time. It is not up to the Chair to insist on how a question should be answered. The only two criteria that I am worried about are, firstly, whether the minister is debating the question — which I rule she is not; and secondly, if the minister is relevant — which I rule she is.

Mrs TEHAN (Minister for Health) — I am suggesting that ambulances have had the same focus in seeking to get better services, enhanced quality service and better value for money, as has every other program in the department. There are four key criteria to be applied to ambulances, and we will be judged by them — that is, average response time; the acceptable response time and the percentage of times that ambulances respond within that acceptable response time; the number of ambulance stations — and I remind the honourable member of my previous answer when I said we have provided 12 new ambulance stations; and the basis upon which we can continue to provide an ever-increasing service.

Those changes require considerable changes in work practice, in staffing levels and in the whole culture that had previously dominated the ambulance service. Previously it provided the service and then said, 'Give us more money'. For the past six years the ambulance service has needed more money.

There is no doubt that there is resistance — based on an industrial resistance from a very strong union of ambulance employees which brings cases to the public attention to create an anxiety level. During its 10 years in office the previous Labor government responded by throwing money at the problem. Money did not solve the problem! We are now looking to bring about change and we will resist that industrial opposition.

Mr THWAITES (Albert Park) — On a point of order, Mr Speaker, although I understand your previous ruling, the minister has been talking for another 2 or 3 minutes and is still debating the question. She will not answer the question whether she agrees with the Premier's statement that people with concerns about the service are coffin chasers.

The SPEAKER — Order! I am in the same position. I do not uphold the point of order. Has the minister completed her answer?

Mrs TEHAN — Yes.

Junior wage rates

Mr PHILLIPS (Eltham) — Will the Minister for Industry and Employment inform the house of the government's reaction to the federal government's decision to allow junior wage rates to continue?

Mr GUDE (Minister for Industry and Employment) — It is interesting that hidden and tucked away at the bottom of yesterday's economic and employment statement was the first of what will be many Brereton backdowns on the inefficient legislation that has been introduced by the federal government.

For several months this government has been calling for the change that ultimately took place yesterday, or was indicated would take place — in fact, ever since the legislation was proposed and ultimately passed through federal Parliament.

Unlike the opposition which has been rattling around, counting numbers, stabbing people in the back and prodding, the government has been advocating this change. The Brereton proposal will

have the effect of allowing Victorians and Australians who are of a junior age to have an opportunity of working at an appropriate rate. They would never have been able to do it under the previous legislation.

This is an important change. I suggest the federal minister should now turn his mind to the other changes that are necessary — to his flawed legislation — if we are in any way to be an internationally competitive country.

Opposition members would do well to start exerting some influence on their federal colleagues to effect this change instead of branch stacking, and instead of trying to get people like Steve Bracks into Spring Street.

Mr SEITZ (Keilor) — On a point of order, Mr Speaker, under standing order no. 127, I suggest the minister is debating the question.

The SPEAKER — Order! Although I may not uphold the point of order under standing order no. 127, I believe the minister's comments are irrelevant.

Mr GUDE (Minister for Industry and Employment) — It is relevant to what this lot have not been doing; relevant to the branch stacking. Does the honourable member for Williamstown believe Steve Bracks is really Stephanie Bracks — Ms Bracks!

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, I refer to standing order no. 127. The minister was asked about the federal government's industrial relations changes. If the minister were to talk about whether he was going to proceed with his advertising campaign against the changes he would be in order, but he is debating the question and I ask you to bring him back to the question.

The SPEAKER — Order! I do not uphold the point of order that standing order no. 127 is being breached, but the minister is straying from being relevant to the question. I ask him to conclude his answer.

Mr GUDE (Minister for Industry and Employment) — One hopes that when the new honourable member for Williamstown is ultimately elected he or she will have the spine to do what this lot currently do not have: to exercise some influence on the opposition's federal colleagues in a way we have not seen from this lot for the past two years.

Ambulance services

Mr THWAITES (Albert Park) — I refer the Minister for Health to comments made by Graeme Sloman, one of the founders of the mobile intensive care ambulance teams, who has described the minister's decision to split the MICA crews as, 'bloody ridiculous' and that it goes against commonsense. Will the minister now agree to urgently review the decision and resolve the crisis in Melbourne's ambulance service?

Mrs TEHAN (Minister for Health) — When the honourable member asked his first question I said it would be far better if he could get his advice, facts and understanding of the issues from someone other than the unions. He will get a very biased and predictable approach from the unions, as he has obviously continued to do.

Dr Graeme Sloman started the MICA unit 20 years ago but has had no active involvement with MICA ambulances or any form of ambulances for the past 15 years.

Honourable members interjecting.

The SPEAKER — Order! I will not allow question time to continue with a barrage of interjections.

Mrs TEHAN — The establishment of MICA units was a good idea 20 years ago. The Labor government increased the number of units to 8, which was a good idea. In 18 months of the Kennett government another 3 MICA units have been added, nearly a 50 per cent increase. The increase was decided on sound medical advice.

Honourable members interjecting.

The SPEAKER — Order! Perhaps the honourable member for Albert Park does not understand plain English: I am asking for silence. He has asked his question. A supplementary question can be accommodated if he likes to rise in his place after the answer.

Mrs TEHAN — A decision has been made to split the MICA units by taking the first recommendation of the coroner's inquiry that was set up as a result of problems in the ambulance unit in 1991. The coroner examined 10 deaths and found none was the fault of

the ambulance service. She recommended that the MICA unit be split from two-man crews in specialist elite cars and the crews be then spread across the service. The government has taken that advice, and I believe the system will work well.

Mr DOLLIS (Richmond) — On a point of order, Mr Speaker. On a question of relevance — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member is entitled to raise a point of order

Mr DOLLIS — Absolutely. I know something about parents waiting for ambulances, especially MICA ambulances. I ask the minister to address the issue and talk to those people who must wait during the night for an ambulance.

The SPEAKER — Order! I do not uphold the point of order. Has the minister concluded her answer?

Mrs TEHAN (Minister for Health) — Yes, Mr Speaker.

The SPEAKER — Order! Time for questions has expired.

Mr THWAITES (Albert Park) — Mr Speaker, I have a supplementary question.

The SPEAKER — Order! Time for questions has expired.

FINANCIAL AGREEMENT BILL

Second reading

Debate resumed.

Mr CLARK (Box Hill) — I add my support to some of the remarks made by the honourable member for Werribee. Before the suspension of the sitting, the honourable member commented on the importance of ensuring that the role of the commonwealth government is limited and that there be a proper balance between the roles of state and commonwealth governments.

It would be fair to say that the commonwealth government is proving to be one of the last of the bureaucratic dinosaurs in this country. It has talked loud and long about reform both of its own budget and of state and national economies. However it has been one of the last to respond to the need for change. Its continued monolithic structure and insistence on trying to tell other people how to go about improving their own affairs without having regard to how it performs itself is proving to be one of the great impediments to economic reform in this country.

The honourable member for Werribee directed attention to the High Court decision on taxation powers during the wartime era as one of the factors that has upset the balance between the commonwealth and states, with which I agree. However it can be said that case is at least justifiable as a matter of legal interpretation given the wartime situation that existed when the case was decided. That cannot be said for some of the more recent decisions of the High Court that have had a similar effect in upsetting the constitutional balance between the commonwealth and the states. I refer in particular to the various High Court decisions on the interpretation of the external affairs power and the grave damage it does to the constitutional balance if the commonwealth is empowered to make laws with domestic application based merely on some foreign treaty to which it has become a party.

I hope the honourable member for Werribee will join with Senator Rod Kemp and others who are drawing attention to the dangers that such decisions have for the future of this country and the need to ensure that the commonwealth exercise of its external affairs powers is fettered.

In respect of the appropriate balance between commonwealth and state government powers, ultimately governments of all levels will survive and enjoy the support of the public only if they perform, particularly as competition and proxy competition become more important not only within the country but also internationally.

Those of us who believe in the importance of the states have to take care to argue not about what are generally described as states' rights but about whether state governments are more efficient providers of services to the public and closer to the people who elect them, and whether there is a benefit to the public in the continued existence of the states. People will support state politicians only if we are able to deliver the goods.

The honourable member for Werribee also referred to Singapore. Singapore can be described as having one of the most successful socialist governments in the world. I understand that it was so successful it

was expelled from Socialist International some years ago. It seems to have gone from strength to strength since then.

The honourable member for Werribee began his contribution by commenting on the availability of a consolidated financial agreement. I was surprised that he raised this point because on my reading of the schedule to the bill, which relates to the 1994 agreement, the agreement totally replaces all preceding commonwealth-state financial agreements, with the limited exception of some clauses that will be in force until the new financial agreement is fully operational.

Although the honourable member's remarks in that regard might be misconceived, I fully agree with his main point about ensuring that the commonwealth does not continue with its overbearing manner of recent years. The opposition's support for the legislation is most welcome.

Mr STOCKDALE (Treasurer) — I thank honourable members for their contributions to the debate. I appreciate the bipartisan support for the bill and the principles that underpin it.

It is clear that the bill has led to a wide debate that examined the important issues of commonwealth-state financial and other relationships. Consistent with the agreement of all the states and the commonwealth the bill ratifies the new financial agreement, which makes a number of changes to the relationship between the commonwealth and the states as part of a general trend for the commonwealth to look to the states to assume increasing responsibility for the conduct of their own affairs.

As the Australian federation, while still very tightly knit, has headed in the direction of each government having greater accountability in the conduct of its own affairs, rating agencies and capital markets have discriminated between states and between the commonwealth and each state. Although the Victorian government supports the trend to greater accountability, it must be understood that a number of the challenges remain, particularly the approach of credit rating agencies.

By comparison with what happens in other countries there is a fairly narrow spread of credit ratings among Australian states, but the relative rating concept has been pushed beyond the point of adequately recognising the interdependence of the Australian states and the commonwealth. There is a good degree of consensus among governments, including the commonwealth, that the standing of Australian governments is linked to the performance of those governments and that any deterioration in the performance of any one state or the commonwealth itself will have an impact on the position of Australian borrowers generally. That connotes justification for a fairly narrow spread of credit ratings.

There has been a tendency to push the relative rating concept beyond justification. The experience of the present Victorian government illustrates that point. Although it inherited an unstable budgetary position and despite the fact that there is a Labor government in Canberra, the government has enjoyed strong support from other Australian governments, in particular the commonwealth, in redressing the budgetary position in which Victoria found itself. That has been seen by other governments as being in their interests as well as in the interests of Victoria.

There has been a welcome advance in commonwealth-state relations, which manifests itself in the bill and the agreement to which it relates. In addition, the three-year agreement that the commonwealth will maintain the overall level of funding to the states in real per capita terms is an advance on the previous arrangement. Although it does not redress the imbalance that grew up over the past decade, during which in total, on a net basis the states lost revenue share to the extent of about $3.7 billion, it certainly gives greater predictability and shares the natural burden of reconstruction more fairly than did previous arrangements.

Also in need of greater attention are moves to reduce duplications in the delivery of services and to downsize the surrounding bureaucracy, and they are on the agenda. To some extent there is a dispute between central agencies in both state and federal jurisdictions and the line agencies. The line agencies see themselves as having a community interest that runs against the trend being pursued by the Council of Australian Governments.

In the interests of taxpayers we support the reduction of duplication at federal, state and local government levels. It is nonsensical to have a huge transport bureaucracy in Canberra when the responsibility for transport service delivery rests with the state. It is even more absurd to have a huge bureaucracy in education and health when the commonwealth does not educate one child or treat one patient. Obviously there is room for

rationalisation, not only to provide better accountability but also to achieve substantial cost reductions across the nation.

There is a lot of talk about micro-economic reform but precious little action in implementing it at the national level or on a multi-state basis. The drive tends to come from the commonwealth to a limited extent but mostly from the state government, which in most respects is leading the way in the implementation of micro-economic reform. We believe it is important that the challenge be taken up across Australia. As Australian industries have to benchmark their performance against their overseas competitors, so the lesson is being driven home to us as a nation that no area of cost structure can be immune from the drive to improve efficiency, get greater accountability and be competitive. Although Victoria is content to take the lead, whether the nation benefits fully will depend on the lead being followed or even caught up with by the whole nation.

This is an important bill. The financial agreement is important and the signs of the development of a new, positive and cooperative federalism are strong. Some areas in which diversity and competition will be important in demonstrating advances in policy should not be pushed into uniformity, but overall the bill is important in underpinning the financial agreement and as part of a more cooperative form of commonwealth-state relations. I commend the bill to the house.

Motion agreed to.

Read second time.

Passed remaining stages.

TOBACCO LEAF INDUSTRY (DEREGULATION) BILL

Second reading

Debate resumed from 21 April; motion of Mr W. D. McGRATH (Minister for Agriculture).

Ms MARPLE (Altona) — It has been suggested that in this debate all speakers should confess whether they are reformed smokers, interim smokers or non-smokers.

Mr Kilgour — What are you?

Ms MARPLE — As many people say about various types of substance use, I tried it in my student days. I am pleased that I am not a smoker not only because I want to maintain my good health but also because I have been saved the expense of cigarettes over the years.

The tobacco industry has benefited from legislation in the past. According to the second-reading speech the bill will deregulate the industry by, firstly, repealing the Marketing of Primary Products Act 1958 and the Tobacco Leaf Industry Stabilisation Act 1966 and, secondly, transferring the property rights and liabilities of the Victorian Tobacco Leaf Marketing Board to a grower-owned enterprise, the Tobacco Cooperative of Victoria Ltd.

The Industry Commission draft report on tobacco growers and tobacco industries released on 7 April 1994, which calls for comment on the industry, contains a good deal of information about the tobacco industry. Information is also available from the Department of Agriculture, which has been closely involved with the tobacco industry over the years. The Quit program also produces information about the dangers of smoking tobacco. I was also able to gain information from growers, the Tobacco Leaf Marketing Board and interested parties in the community.

Although I am a non-smoker and have never grown tobacco, I am familiar with the areas of Victoria in which tobacco is grown. I was privileged to stand as an ALP candidate for the federal seat of Indi which takes in Myrtleford in north-eastern Victoria and spoke to many growers at considerable length. That part of Victoria is beautiful, and its high-quality soil produced an industry that many of our early Italian migrants took up.

Tobacco is grown in more than 120 countries. The world production of tobacco is about 7.5 million tonnes, of which Australia growers produce 0.2 per cent. The largest producer of tobacco in the world is China, which produces 40 per cent of the world's tobacco. That is followed by the United States of America, which produces about 10 per cent. Approximately 10 per cent of tobacco leaf is traded internationally and the rest is used in tobacco products in the country in which it is grown.

Demand for tobacco is derived from the manufacture of tobacco products, and 8 per cent of tobacco leaf is used for cigarettes. Australia has four tobacco-growing areas and about 600 growers. The largest area is in North Queensland, where

approximately 60 per cent of Australia's tobacco is grown. In north-eastern Victoria around Myrtleford a further 36 per cent of Australian tobacco is grown. The remainder is scattered between south Queensland and New South Wales.

According to a federal report, all the Australian crop is sold on the domestic market, although the Tobacco Leaf Marketing Board report says it has a small export order for 260 tonnes of Australian tobacco sold at international prices to Taiwan. That information is changing all the time and it is important to keep up with it.

As in all developed countries, the per capita demand for tobacco products in Australia is declining. Various programs have been put in place by all Australian governments and that has increased the knowledge in the community of the harm tobacco products can cause. The policies of all Australian governments have influenced the consumption of domestic tobacco products by increasing taxes and therefore the prices. As a non-smoker I am often amazed at the cost of cigarettes when I notice someone in front of me at a shop buying a packet. The actions of various governments have reduced consumption levels that may have otherwise prevailed.

Tobacco is addictive and is one of the most difficult drugs to give up. I am not sure why it is the most addictive drug, but I know of friends who have had great difficulty giving it up.

Mr W. D. McGRATH (Minister for Agriculture) — On a point of order, Mr Acting Speaker, we are discussing a tobacco bill, and at 3 o'clock in the shearing industry time is traditionally allowed for a smoko. I was wondering what consideration you, Mr Acting Speaker, have given to the smoko today?

The ACTING SPEAKER (Mr E. R. Smith) — Order! While the Chair finds the remark amusing, there is no point of order.

Ms MARPLE (Altona) — Thank you very much, Mr Acting Speaker, I am so pleased that the minister sticks to the award and ensures there are smoko times. In fact, language is very important and if I had my way I would change the expression 'smoko'. But I am pleased he is staying with the award and not drawing up a contract that does not allow shearers to have a break at that time.

The 200 growers in Victoria, who are situated in the valleys of the north-east of the state, crop a total area of around 5000 hectares. Most are specialist growers with average holdings of 25 to 30 hectares. Given the changing needs of the industry, the size of the holdings is of concern. One could traditionally with tobacco make a reasonable return on 25 to 30 hectares, but it is not profitable to have such small plots of land in other agricultural pursuits, so that is one of the difficulties the growers have which may explain why there is some unwillingness to change.

This is where we find the figures sometimes vary. Victoria produces 37 per cent of the Australian tobacco crop. The whole of the Australian crop is purchased by the three remaining tobacco manufacturers, W.D. and H.O. Wills, Rothmans of Pall Mall (Aust.) Ltd and Philip Morris Ltd.

The industry is highly regulated and has operated under complementary state-commonwealth legislation, the Tobacco Marketing Act 1965, and a series of tobacco industry stabilising plans. The commonwealth and the states have agreed to an extension of the current agreements only until September 1995, hence the introduction of the bill at this time.

Each tobacco grower has a basic quota related to the historical allocation. Under the current arrangements the quantity of tobacco a grower may deliver — that is, the quota entitlement — is determined by tobacco sales in the previous period and the manufacturers' stocks. This, along with the dramatic decline in income from $29 million in 1992-93 to $18 million in 1993-94, shows even in that short time a large decline in tobacco needed, and one would expect that decline to be even more pronounced in future.

It was decided that without some government intervention the communities of the Ovens, King and Kiewa valleys and Myrtleford, which are heavily dependent on the tobacco growing industry, would suffer serious economic and social dislocation; they would be particularly hard hit.

It is pleasing to know that that social problem is being addressed. It has always been tradition in our country that farmers are considered during downturns in the economy or natural disasters.

Mr W. D. McGrath — It came from government policies from either side.

Ms MARPLE — Yes, and I think that is appropriate. As the minister has just indicated, no honourable member would want this industry to languish under low per farm levels of tobacco production, nor would we want to see those communities in enormous strife. Therefore, the Victorian government is seeking to restructure the industry. We agree that that is what should happen.

The government has considered the submissions put by tobacco growers, and has engaged in consultation, I am pleased to see, with all people involved. The Treasurer, the minister and the government are to be congratulated on that fact. They jointly announced the provision of a restructuring package of $3 million, which will assist growers with an uncertain future in front of them to leave the industry.

Part of that package provides for the deregulation of the Victorian industry by repealing the existing tobacco legislation. As I said before, the bill will transfer the assets of the Tobacco Leaf Marketing Board to a new grower cooperative, which will market the leaf for the remaining, more viable growers in the deregulated market.

The quota retirement scheme should be examined. It is aimed at assisting growers who feel their enterprise is no longer viable, and will therefore leave the remaining growers with a larger share of the Victorian quota in the last year of the tobacco industry stabilisation plans. That is the agreement. The Rural Finance Corporation is managing the quota retirement very successfully in consultation with the Department of Agriculture and grower organisations. They produce some excellent information in a simple format for the farmers; I presume they produce the information in other languages also. I hope so because some of the tobacco growers who have now put many years into the industry have some difficulty understanding English and have asked for support. I am pleased to note that a government funded rural ethnic access worker has been in Myrtleford helping people during this time of adjustment. I am sure it has been of great assistance to the tobacco growing families to have a liaison person working between them and the department.

Many people would like to see the rural ethnic access worker funded further through this stressful time of adjustment, and I am sure the minister will make sure that happens because in times of change there is a need for people who can cross barriers of time and language to assist others.

The amount of money that growers who take up the package will receive will vary depending on the quota holding. On an average, growers have about 25 000 kilos of the basic quota, and the average payment to retiring growers is around the $50 000 mark. As all honourable members would know, that is not a great deal of money, but it will be of great assistance. People are already preparing for this change, and in September 1995 deregulation will occur. I hope it will leave us with a viable industry and that the people who are left on the tobacco farms will be able to continue in the industry in a profitable way.

A great deal of support is provided under the Rural Adjustment Scheme (RAS). This includes household support, which is important, and advice on handling finances. The scheme provides information on different ways that people can keep their homes, which may have been their family homes for a considerable period of time, while being able to sell the land. I have been told that local councillors have been most helpful in this area. It makes a difference when people under stress receive support from their local councils and their local member of Parliament, who has faithfully represented them over the years — —

Mr Hamilton interjected.

Ms MARPLE — And I am sure they have always been able to rely on him. Commonwealth assistance has also been provided in the tobacco industry, and I hope that will continue. The Victorian government and the tobacco growing industry made representations to the commonwealth government asking it to complement the Victorian government's restructuring initiative.

In January the federal Minister for Primary Industries and Energy established a working group to examine a number of issues relating to the decline in the tobacco industry and alternatives to tobacco growing. It is interesting to read the terms of reference that the working group looked at: they included opportunities for alternative crops in the tobacco-growing regions of Australia, the effectiveness of the rural adjustment scheme and other measures that may assist adjustment in the industry.

The working group reported to Senator Collins early in April and he deferred any government response on the report until after the commonwealth budget comes down in May. However it is important that people who have an interest in the tobacco

industry — and there are a variety of them — take up the opportunity to comment on the report and let the commonwealth government know what is needed.

There is always concern when a major change occurs, and we can appreciate the magnitude of that concern when we look at the national quota figures. In 1980 the national quota was 15.1 million kilograms; in 1993 it was 8.1 million kilograms, and it is estimated to be about the same for 1994-95.

Mr Hamilton interjected.

Ms MARPLE — It is a considerable amount, and I suppose smokers can take heart from that. I am not saying that people who smoke are not concerned about their own health and that of others, but those of us who are deeply concerned about health would take heart from fewer cigarettes being sold.

In times of change people worry, and a group called the Tobacco Industry Revival Movement has been formed.

Mr Cole — Are they the ones with the revival bus down in the City Square?

Mr W. D. McGrath — It's like Custer's last stand!

Ms MARPLE — I do not think the group wants to make sure we all take up smoking again. It is looking at the industry as a whole and seeking alternatives for tobacco leaf. An industry based on drug use is very profitable, and asking people to move into less profitable industries causes a fair amount of stress, as I am sure all honourable members will understand. Tobacco farmers have a skill in growing tobacco, and they have been doing it for a long time. This is a talent they have, just as everybody else has certain talents despite what might be said about tobacco being a drug that causes a lot of ill health.

Mr Jasper — It is not illegal.

Ms MARPLE — It is legal, and I will touch on that further. All human beings, it would seem, have some addiction or another: some of us have a stronger need for some substances than for others, and we express it in different ways. The Industry Commission report entitled *The Tobacco Growing and Manufacturing Industries* had some interesting things to say about that. It discussed addiction in great detail and talked about rational people. It would be interesting to note what it says about rational people around here! The report states at page 188:

> A rational person recognises that consumption of a harmful good ... has adverse effects on future ability and earnings ...

The report goes on to state:

> From their perspective, much depends on the meaning of addiction ...

Mr Hamilton — Sounds like an Industry Commission report!

Ms MARPLE — It is a ripper, isn't it! The report goes on a great deal about people becoming addicted to cigarettes, cocaine, alcohol, work, eating, music, television, and standards of living. It says that other people might be addicted to religion and many other activities.

Mr W. D. McGrath interjected.

Ms MARPLE — This is a basic human need we are alluding to, Minister.

The report examined the problems people encounter in attempting to give up an addiction, and referred to people with personalities that predispose them to addiction problems.

An honourable member opposite said that tobacco is a legal drug, that it is part of our history and our lives. Making drugs illegal does not help in assisting others to overcome their addictions. All it does is make some people wealthy. It is important to examine ways of helping those with distressing addictions.

Mr W. D. McGrath interjected.

Ms MARPLE — I believe we should consider legalising other drugs. I note that the minister is signalling another government member to take up that point. It should be debated because what is happening now does not assist those who are addicted. All that happens is that we ensure the continuation of an illegal industry that takes up the time of the police and welfare agents and makes some people very wealthy indeed.

It has been shown that tobacco smoking has caused many deaths. Education and public awareness campaigns have meant that we are far better off in

this area, but we should look at other drugs as well. I am sure other members will take up the issue.

The Tobacco Industry Revival Movement has many concerns. I am sure ministers and other honourable members have received letters from that organisation explaining its concerns about what is happening in the tobacco industry. It is concerned about the government's buyout offer, which may divide the industry into the accepted and the rejected grower groups. Some growers are successful but others are just surviving. The rural ethnic access worker will assist in helping growers work out their concerns.

As a result of the enormous changes some people may be discriminated against. I am sure the minister, the government and the local member will do what they can to ensure that this does not happen but the concerns must be taken on board. A conflict of interest may occur but I am sure that can be worked through with the help of departmental officers. They know these people well. The rural ethnic access worker will be able to speak to those whose English does not enable them to work out the issues.

It has also been suggested to me, and I am sure to others, that confidential material about the amount grown by tobacco growers and their earnings has been given to local banks and others who are interested in buying out growers. Concern has been expressed about the possible disclosure of confidential material. I do not say that has happened but I ask the minister to examine that matter.

Some growers feel that the smaller growers are being sacrificed to subsidise the debt structure of larger growers. Perhaps the more affluent and educated farmers are able to use the system better than the others. These are genuine concerns and they must be worked through. We cannot have a community divided because it believes that some sections have not been looked after as well as others. I am sure that will be attended to. We do not want a feeling in the community that there are the haves and have-nots.

At any time of change the rumour machine works well. I am not sure how to deal with a rumour machine — —

Mr Cole — You vote against it.

Ms MARPLE — I will keep that in mind. Those who have worked in agricultural areas know that at times of great stress rural communities are good at working things through. I am sure they will be assisted by departmental officers and the rural ethnic access worker. That is important and we hope the funding will continue.

TRIM pointed out that some growers are too frightened to speak up because they believe they will suffer discrimination. We must take those matters seriously. My understanding of the restructuring is that consultation with the community has taken place and will continue. When change is occurring those who are undergoing change need to feel that to some degree they are in control, and to do that they must be fully informed and heard. It is one thing to consult but it is not enough. People must be prepared to accept the rules under which they must work. Not everyone will be happy; that is impossible. We know that and I believe those involved are also aware of it. I am pleased to have the chance to put those points.

Farmers are changing their practices. An interesting article by Claude Forell in the *Age* of 25 January 1994 talked about farmers having to look for other livelihoods. Some of our farmers come from Mediterranean countries, which are famous for their food and wine. We are beholden to our migrant population for sharing their knowledge and customs with us, which we have adopted. The area under discussion is famous for its wines. Wine, like tobacco, is a legal drug, one that most people enjoy, if only on rare occasions.

Mr Jasper interjected.

Ms MARPLE — It is a legal substance that changes the way people behave. One only has to be here late at night to see its effects.

Mr Jasper — It is not a drug.

Ms MARPLE — It is a drug. A person can become dependent on it. Society now has a different view of alcohol. Earlier this century it was banned. People now understand that they can enjoy alcohol if it is consumed in moderation. Those of us who are old enough will remember the dreadful days of the 6 o'clock swill. Sensible trading hours for liquor outlets have overcome that.

The ACTING SPEAKER (Mr Cooper) — Order! I take it that is a passing reference.

Ms MARPLE — It concerns education, regulations and legislation. At one stage alcohol was

considered to be a great evil that should be stamped out; but society has discovered it can live with it. Although I do not have the figures for alcohol-related deaths, many people die from alcohol abuse. That is a problem society has found ways of dealing with, just as it is finding ways of dealing with tobacco consumption. The bill reflects those changes.

The various addictions affecting our society have been referred to. Tobacco farmers in the north-east are considering what products they can grow other than tobacco. Much of their land will be turned over to food and wine production. Many farmers are changing over to producing wine — the north-east produces beautiful wine — and some farmers are also growing peppermint.

An honourable member interjected.

Ms MARPLE — They might or might not make as much money from alternative crops as they have from producing a legal drug.

An honourable member interjected.

Ms MARPLE — It is a pity that the honourable member has not listened to the whole debate. Farmers are growing for different markets, moving from tobacco production to growing chestnuts, walnuts, apples, cherries, blueberries, raspberries and other summer berries. Some are engaged in intensive cropping for the domestic and export fresh vegetable markets, as well as for canneries. The export market for fresh vegetables and fruit could be greatly expanded, as could chemical-free farming.

Victoria already has the cleanest agriculture in the world. Farmers in those valleys should seriously consider their options. A fair amount of chemicals are used in the growing of tobacco. The production of organically grown fruit and vegetables could be expanded. If honourable members are frightened of the term 'organic', other terms can be used to describe the crops. Along with many other people I would be pleased to see a reduction in the use of chemicals. Growing crops to produce essential oils is another interesting option. Emus can be farmed for their skin and meat, and ostrich farming is also an interesting option.

I recommend to all honourable members who are interested in alternative farming the Seymour field days, which have magnificent displays of those methods. Some people are worried about the term 'alternative farming methods'. Although farmers are used to broadacre agriculture — or in this case, intensive tobacco farming — farming methods are becoming more diverse. In the not too distant future alternative farming methods will no longer be considered alternative. Our grape-growing, citrus and grain industries may not continue to use traditional farming methods. Perhaps alternative methods could even be used in the sheep and cattle industries.

Value adding is necessary, and niche markets have to be found. Farmers, or those who suddenly find themselves unemployed cannot be expected to get hold of a couple of acres and find a niche market to produce for. A good deal of marketing skill is required, perhaps directing production to the gourmet market. I am pleased that governments of all persuasions are aware of that need and have set up programs to enable people to develop those important marketing skills. Otherwise farmers may put their hearts and souls into producing products only to find there are no markets. Farmers need to know how to carry out market research. I am sure that some members of the house would know how to go about that, but others would need a great deal of training.

I have seen farmers showing off their niche-market products at field days, including the Seymour field days. I am always amazed not only by the variety and quality of the products but also by the skills shown in packaging and marketing them in ways that buyers cannot resist. I always return home with many jams and sauces. The enterprises begin in farm kitchens to supplement incomes and gradually develop into major components of the incomes of those farms. That has also been seen in the wool industry.

The article by Claude Forell published in the *Age* of 25 January 1994 refers to niche markets for gourmet products produced in the valleys. The article states that country centres are renowned for their fine wines, specialty cheeses, mustards and smoked trout and that enterprising women make jams, chutneys and pickles from the local produce.

The article refers to new restaurants soon to be opened at the Brown Brothers Milawa winery. I am not sure whether honourable members are aware of how many people are employed there, but the last time I visited it more than 100 people were working at the winery.

Mr Hamilton interjected.

Ms MARPLE — We had an interesting debate about whether wines are an addictive drug. I will talk about that with the honourable member later.

The ACTING SPEAKER (Mr Cooper) — Order! That would be a good idea. Now let us talk about tobacco.

Ms MARPLE — This is relevant to tobacco; this is the alternative that farmers must search out, and they must be assisted in that search.

This is not a new phenomenon, even though Claude Forell might not have been there previously. When I lived in the north-east for some years I enjoyed visiting local restaurants for Sunday lunches. However, I do not have time for that now.

People in tobacco farming communities have skills that can be developed as they find they have to move on. It is interesting what the next generation has achieved in undertaking further education. As honourable members know, migrants have always been keen to ensure that their children and grandchildren have the best education available to enable them to undertake work in a variety of areas. Migrants in north-eastern Victoria have always handed down their skills to each generation. Migrants are marrying the education that has been offered by the state with the knowledge they have brought from other countries, particularly the Mediterranean countries. Although the area is already extremely good at attracting visitors, it has the potential to develop even further to enable visitors from other countries and interstate to also enjoy its products.

As has been the case with the wine industry, these products have the potential for export and can enhance our export industry. Who would have thought 20 years ago how well Victorian wineries would be doing now? I must confess that when I visited the wineries 20 or 30 years ago they were not the places they are now with vast numbers of visitors. The locals would know where to go to get their barrels of port, and now they must compete with hundreds of visitors.

This area has enormous potential and I am sure it will grow. The proposed legislation to restructure the tobacco industry has been produced in consultation with the local tobacco farmers and with the support of both sides of the house. It will make a vast difference to north-eastern Victoria and the families involved.

As is set out in the article I referred to, the Department of Agriculture has done an excellent job of informing tobacco growers that if the tobacco industry is to survive — there are many thoughts as to whether it will or not — the cultivation area must be halved, and the most efficient farmers will need to farm and manage that smaller area. The economic and social impact on the region must be managed in such a way that growth and stability will be provided not only to Victorians in general but also to the local people who did such an excellent job because society asked them to.

I know those people suffer from the feeling that they are producing a drug. After all, there has been a great deal of discussion in the community about tobacco. It must have been difficult for some farmers to move away from growing a substance which so many people smoked without any worries to knowing that the industry in which they are involved is causing enormous health problems within the community. All of that must be taken into account when restructuring an industry.

One of the statements mentioned in the article is true: these skilled farmers are extremely adaptable and can grow other produce. As the article says, 'If you can grow tobacco, you can grow anything'. Although that is true, the farmers need some assistance and I am pleased that that is being offered.

I will mention why the growing of tobacco is such a skill. Tobacco is a temperamental plant; it is not something that anyone can grow in the backyard like most people can grow plants in little pots. Tobacco needs painstaking care. Anybody who has been in the area knows how important the weather is for tobacco growing, as it is for other crops such as vines, fruit trees and vegetables. Tobacco farmers must develop the skills to deal with the weather conditions that prevail.

A research station at Myrtleford was established to support tobacco farmers. Much research has been done over the years to ensure that those farmers produced the product society demanded. That research station is now changing its emphasis; it is examining what can be done not only to improve tobacco quality and productivity but also to develop alternative crops for tobacco farmers to grow.

An alternative crop is the harvesting of asparagus. Asparagus cannot be harvested for two years but, as anyone who has grown it in backyard gardens would know, it keeps popping up. Asparagus is more popular and in greater demand these days. It

has few calories and people can eat it without feeling guilty.

The article mentions formidable obstacles and the opposition does not suggest it will be easy. The farms are around 40 hectares in size and must be cropped intensively to provide farmers with an adequate income.

The tobacco industry has always been protected and there has always been a good return for tobacco growers. Research is needed into what land is suitable for the various alternative products I have mentioned. It is not enough just to say, 'Oh, it is good soil and the weather is fine around here, let's whack in a few vines and make a profit in a few years'. We need to know what can be done and how much capital each farmer will need.

Although the government is offering $3 million for the readjustment that amount will not go far and will work out at around $50 000 for each farmer.

Many crops I have mentioned have long establishment lead times. In the case of walnuts and chestnuts it is 10 years. Although such long lead times may not apply in the case of many of the vegetables, it is still a matter of concern. A good deal of support is required for farmers switching from tobacco growing to other areas of agriculture production.

Honourable members will realise that the area under discussion is good cattle growing country and many of the farmers have probably run a few cattle in a paddock or on leased land. However, many hectares are required for the farming of cattle. Lot feeding is an alternative, but I am not sure whether it would be suitable in the relevant areas. I am not a great supporter of lot feeding but it may be adopted with gusto by government members. Lot feeding needs to be handled carefully; the trend is towards more intensive feeding of animals.

Another interesting alternative for which the skills are available is the making of salami. I have no knowledge of how to make salami, except that it contains pork and chillies and you need to know how to smoke it. I suppose the old tobacco kilns could come into play there. A problem may be compliance with health regulations which apply to the production and sale of that type of product, regulations which are designed to ensure the health of the community is looked after. Perhaps the development of niche markets in the relevant areas should be considered, together with how regulations may be adjusted while maintaining health standards. Nearby Wangaratta would provide a ready market for many of the goods produced by farmers taking up the alternative land uses I have mentioned.

I hope that the skills mentioned in the article and the skills we know are available will be utilised by those who oversee the transition of farmers from growing tobacco to alternative occupations so that the area will provide an exciting future for the next generation that wishes to settle there and so that consumers will benefit from the availability of new and different products.

Although it is important to consider what support will be given to farmers affected by the restructuring, it is also important to take into account that up to 3000 workers are currently employed directly or indirectly in the Victorian tobacco industry. There is an Australian tradition of ensuring farmers are assisted when they move out of the industry or when they are facing crises such as droughts and floods. The flow-on effect from primary industries provides employment in other areas and it is important to make sure that farmers can move into smaller alternative farming areas that will generate jobs for those 3000 tobacco industry workers.

This bill is not closing down the tobacco industry; it is making it more viable. Perhaps half of the 3000 workers may end up working in other industries connected with the tobacco industry.

Many workers will still be employed in the industry. As technology improves, fewer people are needed to do the same work. All people must have a role to play in our society and they must feel they can contribute in some way.

The government has allocated $3 million for the restructuring of the tobacco industry and to ensure that farmers can move into other skills areas. We must also ensure that people indirectly involved in farming are able to gain employment in rural areas. Of course, the 3000 workers in north-eastern Victoria are not alone. The majority of workers in the tobacco industry are in Queensland and northern New South Wales. Many workers are employed in the value-added industries.

Mr Hamilton — What about the workers in the health industry?

Ms MARPLE — Yes, they have been assisted by the tobacco industry. The health industry is also very important. The bill will take us into a new era. The opposition hopes the farmers in the north-east of Victoria will be looked after so that the state can benefit, as the people leaving the industry are benefiting.

Although there is some uncertainty about the farmers concerned, I am pleased we have learned more about tobacco. The former Labor government did considerable work on alerting people to the dangers of smoking. It looked at the issue as a cost to society because every day people who smoke are dying.

Although I acknowledge the skills of people in the industry, including those growing the tobacco leaf, I am pleased that the number of people involved is being reduced and that more studies are being carried out into smoking. I am pleased that many people have given up their smoking habit, and I hope that trend continues.

I am worried that many young women are taking up smoking. We need to study why that is so. Many of them are the mothers of the future, and I am concerned their smoking habit will impact on future generations.

It is important to examine what has been done about public awareness and public funding. I acknowledge what the former Labor government did about advertising and smoking. It is difficult to believe that we advertise the use of drugs of addiction that kill so many people. Society does not talk about dying, and most young people you talk to about the problems of smoking say, 'Well, you are going to die sooner or later'. Smokers can die from heart attacks or various cancers that can lead to a slow death. I am pleased that the former Labor government funded the Quit campaign and developed health programs which had much to do with countering the smoking habit. I do not back away from governments imposing taxes on these drugs. Governments have an obligation to make sure that the costs of induced health problems such as conditions caused by tobacco smoking are handed on or are charged to the people indulging in that activity.

The Industry Commission report considered not just the costs of producing tobacco leaf but also the health costs. This is a bill of substance. It enables honourable members to examine issues of great concern to society. The opposition hopes the bill will do all that it seeks to do for people in the industry. I hope the government will continue that commitment, although that has not been evident in its approach to advertising. The government turns away from that commitment when it suits. I am thinking of the car race that everyone on the other side thinks of the house is so wonderful. The government appears willing to quit, to turn its back on the health problems caused by tobacco growing. Members of the opposition support the bill and hope it does what it sets out to do. We hope the deregulation process is speedy in those areas where it is required. I am pleased the bill sets out the deregulation process in a way that helps everybody to know just what is happening. The bill will give support to the people who know that changes have to take place and will enable the industry to cope with those changes.

The Tobacco Cooperative of Victoria is a grower-owned enterprise. Those of us on this side who support cooperatives — there are many on the other side who do, too — wish it well.

Mr Hamilton — They are socialists.

Ms MARPLE — Yes, I know.

Mr Maclellan — There are a few secret ones.

Ms MARPLE — The Minister for Planning says there are a few secret socialists on the other side! The opposition wishes the cooperative every success and hopes it will achieve everything it wants to. The opposition hopes the industry will be viable despite its having to deal with the many problems associated with deregulation. Our society is fairly experienced in dealing with deregulation. Some of us are not so sure about the virtues of deregulation, but we now have a better idea of how it must be managed.

The bill sets out how it should happen. I know the department is working towards ensuring that the deregulation of the industry is as painless as possible for the farmers involved. The opposition wishes the bill well.

Mr MICALLEF (Springvale) — I endorse the shadow minister's support for the bill. I learnt a great deal from her substantial contribution, which demonstrated her understanding of the industry. The bill attempts to make the industry more viable. I believe the industry is dying, so any attempt to make it viable and healthy in its dying days is a contradiction in terms.

Both the financial and social aspects of the industry must be examined. The financial aspect is that some 3000 people earn a living from the tobacco industry. The social aspect concerns the consequences of using the product. Those two factors make the industry substantial. The move towards the deregulation of the industry shows that people have done their homework. If that is what the growers want, and so long as there are safeguards to ensure that monopolies cannot grab a major piece of the tobacco action, I do not have a problem.

The establishment of the tobacco cooperative — we on this side of the house support cooperatives — will put a bit of socialism back into the conservative side of politics. That will not hurt, and it should be extended to other areas if it works well! If that happened, it would have to be called by another name to make it look as though it was the Premier's initiative — and if it achieved the desired result, members of the opposition would just quietly nod their heads.

If the cooperative is successful and rewards those in the industry for the hours they put in and the efforts they make, it will be good. As is the case in every other area, Victoria is going through a crisis in that sense, given the demands for efficiency and so on. So long as the cooperative is not replaced by monopolies or cartels, the opposition will support it.

The social consequences of the industry must be considered. Public awareness has given rise to concerns about the effects of tobacco smoking, and eventually there will be more pressure to downsize the industry. The industry must take that important issue into account. I trust the bill can accommodate the eventual winding down of the industry to the stage where it will cease to exist.

The use of tobacco comes under the umbrella of substance abuse and addiction. Its side effects are very well known. The honourable member for Frankston is aware of that. The three honourable members who are or have been members of the Victorian Health Promotion Foundation are all fully aware of the aims and objectives of that organisation. The money collected from a levy on tobacco sales is used for campaigns against smoking and to promote community health. It is ironic that the money comes from the tobacco industry, but in this case the contributions are put to good effect.

The social consequences go much further than that. The Australian Medical Association has been at the forefront in warning the community about the hazards of cigarette smoking. The AMA wrote to me, as a consequence of which I wrote to the Premier. I received a reply which pointed out, as some honourable members have already said, that tobacco is a legal substance. Just because something is legal does not mean it is appropriate, proper or should be promoted. There is a big difference! As a community we must strike a balance. The tobacco industry is responsible for 10 million deaths worldwide each year, and that is a significant figure.

In other times something that caused 10 million deaths a year would have been called a plague; now it is called something that is socially undesirable. The difference between a plague and something that is socially undesirable is that the latter is legal. That is just a play on words. The fact is that tobacco use is responsible for those deaths. It is estimated that a similar number of deaths from tobacco-related diseases will occur between now and 2010. According to the AMA, every day in Australia 252 children smoke their first cigarettes to replace the 54 adults who die daily from their smoking addiction. Parliament must be concerned about that. Honourable members would be acting irresponsibly if they were to ignore this problem and its effects on the community and the restriction of resources within the health sector. Many of the 54 who die every day require substantial resources from hospitals before they pass away. Many need extensive and sophisticated treatment to treat diseases like cancer. It is a serious issue.

The AMA letter further states that tobacco kills one-third of its consumers, on average, 21 years earlier than their non-smoking counterparts. Every now and then you meet a smoker who is aged about 90 and who says, 'I've never had a day's illness in my life', but some people could eat lead every day and get away with it. They are the sorts of arguments that have been used in the past, when smoking was seen to be glamorous.

Many honourable members go home late at night, put up their feet and watch a black-and-white movie on television — generally to relieve the tensions of this place! Instead of sitting up with a cigarette and a scotch, we watch an old movie with Humphrey Bogart and Lauren Bacall puffing away — then we remember that Humphrey Bogart died from cancer in his 50s.

The culture in the early days made smoking trendy; in those days yuppies smoked, whereas now they carry mobile phones. It is a matter of whatever turns you on! The culture has changed. Mobile phones

may be annoying, especially at times during the past week with reorganisation matters under consideration, but they certainly do not have the same effect on health as does cigarette smoking.

I am also concerned about the promotion of tobacco and alcohol. In the early days of television, in particular, the promotion of cigarettes used to be part of the culture of advertising, particularly in picture theatres and on advertising posters. Some years ago, wherever you went you would be confronted by tobacco sponsorship and advertising. I will not give the sponsors a free plug, but the world cricket series was sponsored by a tobacco company — it used to be and probably still is known as 'cancer stick world series cricket'! It was promoted very effectively to attract young people, even before they were legally able to buy tobacco.

At school I used to be into the scene of smoking behind the sheltershed, having a puff and that sort of nonsense; it seemed to be trendy in those days. When I was caught I used to be belted across the ears for doing that. I was lucky because I escaped becoming an habitual smoker, although for many years I had a smoke with a drink. I used to have one cigarette a day without the need for having more. I was considered to be a social smoker.

My contact with asbestos in industry, and the fact I worked in an industry where asbestos was everywhere, stopped me smoking. In those days we were aware of the multiplier effects of smoking and asbestos; the odds of surviving to a good age were 100 to 1. I did not like the odds so I decided not to smoke. As a shop steward I was involved in organising the screening of workers who came into contact with asbestos; quite a number were discovered to be suffering the early stages of cancer — most were smokers. I know it is anecdotal, but those who smoked or came into contact with chemicals and carcinogens in various industries ran a higher risk of contacting cancer.

That is why the AMA considers a smoker's life, on average, will be 21 years shorter than a non-smoker's. The quality of life for a smoker is nowhere near the same as for a non-smoker. I wonder how people used to smoke and then play league football — they may have got away with it until they were into their 30s then, but not now.

The next honourable member to contribute to this debate is a smoker. He looks rather sickly; he should have an X-ray and a chest check-up.

Mr Steggall — Does he really want to know?

Mr MICALLEF — Yes, he should know. Diseases of the chest, caused by smoking, are dangerous. Sometimes when one speaks on the telephone to a person one can tell that he or she is a smoker because of the wheezing on the other end of the telephone.

Now many workplaces and restaurants ban smoking. Smokers are becoming social outcasts and are forced to go outside if they wish to smoke. That is another reason for the popularity of mobile phones; if dining with a smoker, he or she may have to go next door or into a separate area to smoke — hence, the use of a mobile phone!

Smoking has become a new field for lawyers; now they can exploit the situation and use litigation to earn income. I do not know whether the health of the community has improved dramatically by smoking being banned in many public areas, but the practice of allowing smoking in premises leaves open the possibility that a non-smoker may contract a cancer-related disease and take legal action.

The opportunity to smoke is becoming more limited. Everywhere we see smoke-free zones; we may end up with a smoke-free planet, in which case we will need to send smokers away from the planet!

Dr Napthine interjected.

Mr MICALLEF — As the honourable member for Portland said, some have weaknesses; I am not saying I have none. Some people are addicted to a whole range of things; some honourable members are addicted to this place and never want to leave!

Tobacco advertising has an effect on young people and has been banned by the federal government, although it provides certain exemptions. Those exemptions should not be given lightly, especially for the grand prix. If the Parliamentary Secretary to the Minister for Health has any pull in his party room he should do what he can to ensure that exemptions are not given. He should stand up to the Premier in an attempt to stop tobacco advertising in the state.

The heart, cancer and stroke campaigns that endeavour to lift the health of the community will be undermined by tobacco advertising. If exemptions are given millions of dollars will be spent on advertising to promote a product that costs the

community billions of dollars financially and leads to human misery.

Honourable members interjecting.

Mr MICALLEF — I have knocked around in circles where pot smoking took place, and those honourable members interjecting are just like them. I would have them assessed because they are obviously a bit high and into something — I suggest an illegal substance — although some may be growing plants in pots at the back of their farms to make some money on the side: it is a lucrative business.

Tobacco intrudes into family life with the breakdown of health which then becomes a social and community problem. Everybody should be concerned about the impact of smoking on the family, especially those of us who grew up in the family home where father rolled his own cigarette from tobacco taken out of the old Havelock tin. My father also smoked at the table. Because of that in our younger days we were passive smokers in the home. Parents are role models and children often take after their parents.

Each day 250 children take up smoking for the first time. That is a disastrous statistic and something should be done about it. Eventually one will have to make a choice about making tobacco an illegal substance; whether prohibition is the way to go is another matter.

The shadow Attorney-General referred to the effects of smoking on young people, especially young women. I have pointed out many times in this place that when my electorate office was next door to the Springvale High School many 13, 14, 15 and 16-year-old students would eat junk food and have a cigarette early in the morning. That is of real concern. Not only is smoking a problem but also the associated lifestyle that goes with it — the Big Mac and the cigarette. It is very sad that young people are sucked into it.

I support the deregulation of the industry and the tightening of controls on the distribution of tobacco, although the age at which one can smoke has been raised. More time should be spent educating young people on the risks of smoking. People from the community health centres with which I am associated visit schools on a regular basis and talk about nutrition, smoking and other health-related issues. More of that should be encouraged. It is far more effective than being told to do something.

I am also concerned about the social consequences and the 3000 workers associated with the tobacco industry. The government should put its money where its mouth is and help the tobacco growers and the workers transfer to other areas of agricultural production, as has the federal government with the automobile industry. We live in a world where the proportion of available agricultural land is shrinking. Fertile tobacco ground can be put to good use.

I call on opposition members to put pressure on the Premier to make the grand prix tobacco free. I place on record my admiration of and support for the Australian Medical Association, an organisation that is notable for not being supportive of many measures; Drs Brendan Nelson and Peter Beaumont have done a great job in various campaigns highlighting the problems associated with tobacco. They have put their reputations and professional status on the line. They have been effective in those campaigns. We should take note of such headlines as, 'The AMA launches a campaign for a tobacco-free grand prix'.

I ask all government members who are somewhat high on whatever they are on to have a cold shower, and in the party room not let the big boss, the Premier — the big thug — order them around. Stand up to him. It is about time the wimps on the other side of the house were united. If they want me to help them organise the numbers I can cross the chamber and give them some coaching lessons. I will even act as a returning officer! I believe their opposition would have an impact on the Premier's decision and curtail his arrogance and cosy relations with the tobacco industry. I hope the concerns expressed by the community and the AMA will have an effect and the Premier will prevent the tobacco industry from supporting the grand prix.

I support the deregulation of the industry, which is what the bill is all about. Tobacco growers should be able to move into the growing of crops that are of more benefit to society. I am sure that in years to come tobacco growers will be growing flowers and asparagus to the benefit of the whole community. Perhaps the Minister for Health will then have fewer problems with her statistics and fewer crises. Tobacco only helps to make those crises more frequent. I look forward to the government coming out in strong condemnation of tobacco and I support the concept of a more socially beneficial industry.

Mr McNAMARA (Minister for Police and Emergency Services) — Given that the majority of

tobacco growers are located in my electorate, particularly the King and Ovens valleys, I have a special interest in the bill. In the past few years the industry has faced momentous difficulties and now faces the major crisis of deregulation as a result of commonwealth legislation. In future Australian-produced cigarettes will not contain a guaranteed percentage of Australian leaf tobacco and the importation of processed tobacco and tobacco leaf will be restricted, which will place great cost pressures on the industry as it competes on the world market with low-wage economies such as South America and South East Asia.

I congratulate the Minister for Agriculture and the Treasurer on the progress they have made in an effort to provide financial assistance to cushion the blow of the restructure. The proposal to establish a fund to pay growers for their quotas so that they can invest in other areas of agriculture was first mooted by the Tobacco Growers Association, which is based at Myrtleford, and I congratulate the people involved on the work they did.

Alternative crops are an important issue. The department's research station at Myrtleford has undertaken research into crops like mint and asparagus, and some tobacco growers have begun growing wine grapes. In the past 10 to 15 years the King and Ovens valleys have produced wine that is now famous not only in Australia but also around the world. Brown Brothers and several other wine growers have made their mark — —

Mr Hamilton — Excellent wine!

Mr McNAMARA — I am glad the honourable member for Morwell partakes of the fruit of the vine and I encourage him to continue. Although the tobacco industry has about 200 producers and contributes $3 billion of tax revenue to the state and federal governments, governments have established structures to destroy marketing opportunities for the product. The industry finds it hard to accept that organisations such as the Victorian Health Foundation, the sole purpose of which is to discourage people from consuming the product, is funded by a tax on tobacco. I should like the foundation to contribute to the fund to assist tobacco growers, particularly those who want to grow alternative crops. It is within the guidelines of the legislation for the foundation to make that investment and I hope it will give it serious consideration.

The proposal the government put forward would enable tobacco growers who are forced to leave the industry because of the pressure from imports to move into alternative forms of agriculture. There are about 200 tobacco growers in north-eastern Victoria, but the Tobacco Growers Association estimates that there is a future for about 120, so 80 will have to consider other options.

Tobacco growing is an intensive, specialist form of agriculture with high returns. Not many other legal products give the same return! It is also highly productive — although the industry suffered from the ravages of the floods last spring — with growers receiving gross returns of up to $7000 an acre for their product. They are professional farmers whose livelihood is in jeopardy as a result of commonwealth legislation.

Although various medicos have talked about some of the health problems created by tobacco, those problems pale into insignificance compared with the problems created by marijuana use. The Leader of the Opposition, who is a strong advocate of the legalisation of marijuana, in one breath says he wants the federal government to prohibit tobacco sponsorship for the grand prix yet in the next breath urges the legalisation of marijuana! Perhaps we could have a marijuana-sponsored grand prix!

Ms Marple interjected.

Mr McNAMARA — In response to that disorderly interjection I point out that marijuana creates major health problems. Under no circumstances should we legalise it. Perhaps the opposition could be more helpful by dissuading people from using marijuana instead of advocating its legalisation. A recent report conducted by a major Australian university shows that a person who mixes marijuana with alcohol is 10 times more likely to have an accident than a person who has consumed the same amount of alcohol but not used marijuana.

To make the point even clearer, a person who has a blood alcohol level of .05 has a 5 per cent chance of having an accident, but if that person has also used marijuana he or she has a 50 per cent chance of having an accident. Imagine the effect on the road toll, the number of maimed and the cost to the hospital system and the ambulance service the opposition keeps criticising! Imagine the problems the state would have if we followed the opposition's lead by legalising marijuana and encouraging drivers to smoke it before driving!

The opposition should take a far more responsible approach to this serious issue. I commend the Minister for Agriculture and the Treasurer for introducing this legislation. It should not have been the responsibility of the state government to introduce this legislation, but it was initiated by the state because the government believed it needed to take a pre-emptive step in this matter. It urged the Queensland and the commonwealth governments to introduce similar legislation to help the tobacco growers, but their reply was a very firm, 'Not interested'.

This bill is another example of a government that is concerned about rural and regional Victoria, a government that is prepared to take the initiative and to look after Victorian farmers while other state governments sit back and do nothing. Victoria is leading the way in the abolition of stamp duty on the transfer of farms which will result in an average benefit to every farming family of $25 000. This government is the only government in Australia that has introduced such initiatives. Although the Queensland government abolished probate duties, the Victorian government is leading the way in many areas, and that can result only in benefits for all people living in rural and regional areas.

I commend the Minister for Agriculture for his great initiative in this area and for the support he is providing to rural Victorians.

Mr HAMILTON (Morwell) — The way this debate has been going it is a wonder that the honourable member for Mornington has not yet risen to wax lyrical!

The DEPUTY SPEAKER (Mr J. F. McGrath) — Order! Please do not tempt the honourable member for Mornington. The house has already been on a merry-go-round debate.

Mr HAMILTON — It seems to be a day for true confessions. For those of us who are endeavouring to give up smoking it simply means that we leave more time between cigarettes and hope that time gap increases. I certainly cannot join in any debate on the legalisation of marijuana because I have lived for almost 58 years and have never tried or experimented with it at any time, nor do I have any intention of doing so in the future.

For some honourable members this is a feel-good bill. Although the opposition has decided it will not oppose it, I have problems in supporting it — and there is a slight difference between those positions. The bill is about deregulation and, as honourable members know, I have very firm opinions about deregulation.

Mr Weideman — What about tariffs?

Mr HAMILTON — I have no problem in saying that it is absolutely stupid to proceed down the deregulation path because it simply means that governments opt out of their responsibilities to regulate on behalf of the people and let someone else do it. This is a big statement, but I would rather the present Victorian government regulate the tobacco industry than Philip Morris. Although the government is not the best government in the world, I would rather it control the industry than a company with large world-wide interests in the industry and a terrible reputation all over the world, especially through the promotion and propagation of its products in third-world countries. All it is interested in is the almighty dollar and in promoting substances which are proven to be dangerous to one's health. It is against all principles of good democratic government to opt out of the responsibility of deregulating such an industry, and that is where my greatest problem with this bill lies.

The bill does contain some saving graces, however, and I am always pleased about that. The bills seeks to downsize — there is that famous word again — and establish world's best practice in the industry, which means fewer people will earn a living from that industry.

The bill is also a promotion of the great protestant work ethic which says that it is apparently good for your soul to have to work — but I do not think that is a self-evident fact. The Industry Commission's recommendation is, as I said yesterday, the worst outcome of all right-wing think tanks. Has anybody ever heard the Industry Commission recommend anything other than deregulation? It seems to want a free market, but a market is not free; it is controlled by dollars, and money does not respect people or society as groups of people.

Mr Weideman — It is the Labor Party doing that, not us.

Mr HAMILTON — That does not make it right. I have no problem criticising whoever happens to be wrong. One does not have to be partisan in this argument.

The DEPUTY SPEAKER — Order! The honourable member for Frankston will get the next call, if that is what he desires.

Mr HAMILTON — One of the great beauties of the Labor Party is its Catholicism in the real meaning of the word. It spans a broad spectrum of beliefs. If we were all the same, the Labor Party would be a hell of a dull party and we would not have had all the fun that we had on Tuesday!

Mr Weideman — I invite you to cross the floor on this issue.

Mr HAMILTON — The problem is that the Labor Party is supporting the government on this bill. I would be willing to stand alone and vote against the motion. I have explained my ideology and where I stand on this issue.

The bill is self-explanatory. The legislation regulating the Victorian industry will be repealed. The assets of the Tobacco Leaf Marketing Board will be transferred to the new grower cooperative which will be known as the Tobacco Cooperative of Victoria and those growers who remain in the industry — about two-thirds of them — will be shareholders in that cooperative. The growers who take the government's offer of $2 a kilogram for their product quota will not be eligible to become shareholders. The legislation requires those growers who take the offer to give a commitment that they will not be involved in growing tobacco for the next five years.

The saving grace in the legislation is that a good socialist organisation is being established where the people involved in it control it. That is excellent. The opposition supports that principle. I am pleased that this government is promoting the excellent socialist principle of grower cooperation. It is commendable that the officers of the Tobacco Leaf Marketing Board will be taken on by the cooperative. I congratulate the government for that.

There is no truth to the rumour that the reason agricultural bills are debated for longer than other bills in this place is that the Minister for Agriculture says, 'I want you all to put on a good show because agriculture is important'. That rumour is not true. The reason they run for so long is that we are all interested in agriculture and realise its importance to the state.

Victoria is fortunate to have a strong and diverse agricultural industry, but unfortunately it is under threat because of deregulation and GATT agreements. Indeed, there was no choice for Victoria, as the Minister for Agriculture said. The commonwealth indicated that the industry would be deregulated no later than 30 September 1995 and it has remained firm because the GATT agreements made deregulation obligatory to the industry.

The industry, after this date, will be competing on world terms. The tobacco industry stabilisation plan required that 50 per cent of the tobacco leaf used in production of Australian-made cigarettes had to be grown locally. That requirement will disappear under this exercise, and perhaps one of the reasons why we need to reduce tobacco production in this country is not that fewer cigarettes are being smoked but rather that there is less tobacco in each cigarette, and that point ought to be noted. We smokers have been done over because there is less tobacco in each cigarette!

The agreement allows for approximately 80 tobacco growers in Victoria to leave the industry. As previous speakers have said, it is a specialist industry that exists in one of the most beautiful and fertile areas of Victoria. When the honourable member for Murray Valley comes back into the house I am sure he will want the opportunity of speaking on the bill because we all know how he loves to participate in debates concerning his region, and this bill certainly affects an industry in his area.

The honourable member's area, which includes the Ovens and King valleys, where most of the tobacco is grown in this state, is a wonderful part of Victoria. It is extremely fertile, and in fact I saw some figures suggesting that the topsoil on those river flats is approximately 20 metres deep. That is an incredible figure, especially when compared with the Wimmera and Mallee regions.

The industry has developed into a protected one, and it has been so ever since we decided that it would be a good thing for Australia to produce its own tobacco rather than having to import it from overseas, mainly from the United States of America where the tobacco industry is dominant.

Some people have suggested that there is something altruistic about the government returning some $3 million to the tobacco industry but the tobacco industry has paid a tremendous amount in tax over the years, and I have no problem with some of the taxpayers' money being used to ensure that those growers who want to leave the industry can do so with our assistance. Those people who have grown

up on farms know just how big a decision it is for a farmer who, by and large, has had the family farm for many generations, to pack up and leave. To say that he will stop growing that crop and move on to other areas is a big decision, and it is important for a government trying to opt out of regulation to assist. It is a good thing; it is one of the saving graces of the bill, and it is perfectly appropriate.

The question that should be asked is whether the $3 million is a token or a real amount, and no doubt it is important that $3 million be effective in encouraging those 80 or so tobacco farmers to opt out of growing that particular product. I suppose we will not know whether it is effective until we have tried it.

It behoves me to respond on behalf of the federal government — and that has not always been my role — regarding commonwealth assistance to the growers during the period of deregulation of the industry. It is untrue that the federal government will not be giving assistance to the growers; rather, in January of this year the commonwealth Minister for Primary Industries and Energy established a working group to examine a number of issues relating to the decline in the tobacco industry and alternatives for tobacco growers.

The terms of reference included opportunities for alternative crops in the tobacco growing regions of Australia, and we have heard discussion on them and on the effectiveness of the rural adjustment scheme and other measures that may assist adjustment in the industry.

The working group reported to Senator Collins in early April. Responses to the report will not be given until after the commonwealth budget is introduced some time next week so it is unfair to say that the federal government has said, 'No, we will have no part of this'. We will not know until the announcement comes in the budget, and I hope the commonwealth government, which is certainly the major culprit in the deregulation with its throw-the-wolves-to-the-door attitude — which has happened via the economic rationalist approach to the world — does have some response and some sympathy for the growers, who are faced with major problems.

The Queensland response was somewhat disappointing. Approximately 58 per cent of Australia's tobacco crop is produced in Queensland with about 37 per cent grown in Victoria and a little in New South Wales. It would have been a good thing to take a common approach to all the tobacco growers.

There are intrinsically good reasons why the tobacco industry is in decline, but unless alternative uses are found for tobacco — which inflicts all the health and social costs associated with the use of the substance — the decline will continue, and nobody will argue about that.

My great-grandfather was a wheelwright, and he used to spend his time fitting steel rims on wooden spoke wheels. There are not too many of those spoke wheels around these days except in folk museums! Industries decline as times change, and the tobacco industry, as a result of the excellent work done by the Victorian Health Promotion Foundation, is experiencing a steep decline.

There has certainly been a reduction in the number of older smokers. Unfortunately there is a long way to go before we can stop kids from having their first cigarette. I regret the day I had my first cigarette, because of all the things that have challenged me in my life giving up the next cigarette is the hardest. It is an extremely difficult job. Most smokers have gone through it and most smokers would love to give up — —

An honourable member interjected.

Mr HAMILTON — Yes, you regret the day you ever started! Because we live in changing times there will always be change; however in this case the government has taken a sympathetic approach to provide Victorian tobacco leaf growers with some capital so they can at least trial new crops on their farms. Because of the good reputation of many tobacco leaf farmers I am sure many of them will grasp the opportunity to use the government grant positively to start new crops that will have a healthy benefit. I do not blame the tobacco growers because many years ago they were encouraged to set up the industry. However I hope their new crops will not have the detrimental health effects that tobacco products cause.

The saving grace of the bill is the important part rather than the real reason for its introduction, which is deregulation. I have awful trouble supporting the bill.

Mr WEIDEMAN (Frankston) — I congratulate the honourable member for Morwell on his opposition to the bill. As he clearly stated, he believes that Canberra's deregulatory approach to

tariff is the wrong way to go. With expectation I wait for him to be the only person sitting among the noes when the bill is voted on, and I shall certainly applaud him if he does that. If the honourable member's party allows its members to give their points of view and stands by the honourable member when he votes against the bill, I will be the first to congratulate him. I shall watch with great interest.

The bill has nothing to do with health, although health issues have been raised dramatically throughout the debate: it has to do with a cash crop and, as the honourable member for Morwell said, deregulation — the federal Labor government's decision to remove tariffs. Clearly the bill has taken into account the amount of tobacco grown in the state. The distribution of the national quota among the three tobacco producing states is a small component: in New South Wales it is 4.4 per cent; in Victoria, 37.1 per cent, and in Queensland 58.8 per cent.

In 1977-78 there were 355 quota holders in Victoria and the average quota was 15 300 kilograms. By 1992-93 the number of quota holders had been reduced to 212 and the average quota increased to 25 709 kilograms. Obviously a number of families took the opportunity to buy out other growers, so more than 200 families were involved.

As a pharmacist, I point out that there are 10 000 pharmacies in this country, and 1800 to 2000 of them are in Victoria. The federal government decided in recent years to reduce that number and provided assistance for pharmacists who wanted to get out of shops. It is a situation similar to that of tobacco growers: they were provided — —

Mr Hamilton — It's a pretty lucrative business!

Mr WEIDEMAN — It is a similar cash trade; it is a cash crop situation: producing the product, providing the service, getting paid, paying tax and running a business. The pharmacists had been bought out at around $60 000 each for their businesses, so the similarity is quite noticeable.

I make the point that nothing has been put against the farmers of the state providing a cash crop, which tobacco has been. It has been the manufacturers and marketeers who have been the pervaders in providing tobacco products and, as the honourable member for Morwell pointed out, they have cheated the public of Victoria.

When people smoke the finer quality brand of cigarettes they are paying a penalty in providing the kids with 50 cigarettes at a lower price, so a real con has been going on in the industry in Victoria. It is a disgrace, and governments of all persuasions should take note of the situation and do something about it.

The government is not blaming the growers. They are running legitimate businesses and providing a cash crop — —

Mr Hamilton interjected.

Mr WEIDEMAN — By 1995 the federal government will bail out of supporting the tobacco industry. The legislative framework for tobacco marketing is based on three pieces of legislation: the Victorian Marketing of Primary Products Act 1958, which effectively arranged for the sale of all tobacco leaf; the Victorian Tobacco Leaf Stabilisation Act 1966; and the federal Tobacco Marketing Act 1965.

The Australian Tobacco Marketing Advisory Corporation (ATMAC) allocates a quota each year to Queensland, New South Wales, and Victoria. As has been stated, the concessional tariff on imported tobacco leaf cuts the quota. If manufacturers use at least 50 per cent of Australian leaf — and in fact they use 57 per cent — they can import the remainder of their leaf at a concessional tariff. The cost of the imported leaf with concessional tariff charges is 43 per cent, and it must be less than the cost of importing 100 per cent of tobacco at general tariff prices.

My understanding is that imported leaf is of a higher quality. As the honourable member for Morwell said, there is a tobacco institute at Myrtleford, and it has quite rightly established that the finer grades of tobacco have a higher quality and will retain their price and be used by the manufacturers of the product in Australia.

It is the lower quality tobacco leaf that is creating a problem on the world market. For example, instead of tobacco manufacturers paying 53 cents per kilogram they can be provided with tobacco leaf from South Africa at 22 cents per kilogram.

As the honourable member for Morwell stated, the industry has experienced a decline in tobacco consumption and the compensation has been reviewed. In 1992 the federal government reduced the general tariff on tobacco from 25 per cent to 15 per cent. By 1995 the tobacco stabilisation plan will have gone altogether, so growers will be

unassisted through the tariff scheme. By 1996 cigarette manufacturers will purchase tobacco on a purely commercial basis, and obviously the higher the quality, the better for producers to provide for the market.

This year tax on cigarettes has provided between $300 million and $400 million for Victoria. This has been markedly increased because our tax on tobacco products is 75 per cent and in other states such as South Australia, Tasmania and Western Australia it is 100 per cent.

The issue that tobacco growers of the state have to face is deregulation. There has been a quota reduction and tobacco farmers will have to adjust. The government has decided to provide $3 million to retire up to 1.5 million kilograms of grower quota. That appears to be an appropriate way to deal with the issue. I congratulate the minister on his efforts to encourage growers to move out of the tobacco industry. Those in the Myrtleford area are being encouraged to grow spearmint, mint, broccoli, asparagus and grapes. Many of the growers' blocks are small. Some years ago they could have decided to go north but they did not do so. It is hoped that that funding will retire approximately 80 growers from the marketplace.

The legalisation of marijuana or cannabis has been mentioned in the debate. When one examines the number of drug-related deaths in 1993-94, one notes that 20 000 Australians or 80 per cent of the deaths were related to the use of tobacco. I have listened to the arguments about legalisation of illicit drugs, but I suggest honourable members should consider the health issue as well. A study carried out in Germany during the American occupation after the second world war, when there was a high use of both cannabis and tobacco, showed that the effects of cannabis were three times more harmful than the effects of tobacco. Where it took 30 years to develop lung cancer, epidermis cancer and throat cancer as a result of using tobacco, it took only 10 years for the harmful effects to manifest after smoking cannabis.

If crops of cannabis were grown legally the percentage of tetrahydrocannabinol in the leaf would be increased because the plant would be cultivated under ideal conditions. The chemical would have a higher value and we would have super cannabis. In the 1950s when I was an apprentice pharmacist we sold cannabis cigarettes to asthma sufferers. It was only after it was found that they were being smoked for effects other than treating asthma that they were banned.

Tetrahydrocannabinol is fat soluble and after smoking the so-called joints for a period one does not need more than one or two cigarettes to be affected. As a result one could be permanently stoned. I should hate to be a pharmacist dispensing prescriptions or a train driver in that condition. It is not possible to determine — —

Mr Hamilton — We can't tell now!

Mr Cole — Are you stoned?

Mr WEIDEMAN — I have never been stoned. It is important when discussing the legalisation of drugs that health connotations are also taken into account.

It has been argued that the direct income from tax on tobacco is about $1.5 billion and the total tax income throughout Australia is $3 billion, but the real health cost to the community as a result of tobacco smoking is $2.5 billion. In a survey carried out in New South Wales it was found that the health cost as a result of the use of alcohol and drugs totals $13 billion, of which $6 billion is related to tobacco smoking. When one compares revenue earned with the health cost one finds a shortage of $3 billion in real terms. The bill provides the opportunity for growers who are producing cash crops to make a change.

I do not believe tobacco-related diseases are the government's responsibility; they are the responsibility of the manufacturers and those marketing the product. It is they to whom the deaths from tobacco products should be sheeted home. Deaths as a result of the use of tobacco products have decreased from 31 per cent in 1987-88 to just under 24 per cent in 1993-94. The honourable member for Tullamarine has just given up smoking, and I congratulate him. The honourable member is one of the 400 000 who have given up smoking in this state. Melbourne has become the non-smoking capital of the world.

British Airways announced on 1 January 1994 that it had banned smoking on flights from Britain to Australia and return. I congratulate British Airways for that action. Passengers are delighted to fly on a smoke-free flight. Qantas Airways Ltd has also banned cigarette smoking. The airlines will make enormous savings because of their reduced cleaning costs. Honourable members who travel interstate are told by the airlines that passengers are not allowed to smoke because of a government regulation, but the company should state that it also saves them cleaning costs and it benefits the health of staff. It is

not only a government regulation but also a public health initiative. Establishments with a smoke-free policy, such as the National Gallery of Victoria, theatres and restaurants find that they make large savings as a result of cleaning costs alone. I congratulate the minister on taking that initiative.

Cigarette advertising at sporting events such as the grand prix has been mentioned by honourable members. I have always maintained that the grand prix should be free of tobacco advertising. The grand prix and other national sporting events, such as tennis, football and cricket must obtain an exemption from the federal government if they are to advertise tobacco. Benson and Hedges have a contract with the Australian Cricket Board to advertise its product until 1995. After that time cigarette advertising will not be allowed. All states and the commonwealth have virtually banned tobacco sponsorship, and by 1995-96 it will have almost disappeared from all sport, including football and cricket.

In my opinion by the time the grand prix comes to Victoria it is unlikely that there will be any direct tobacco sponsorship of such events in this country. What has happened throughout the world should be recognised. In Italy, Spain and England, for example, it is acceptable for cars to race in what are called 'colours'. The Marlboro and Rothmans teams do not have the name of the product on the side of their vehicles; instead they display their colours. Red and white colours identify that a car is sponsored by Marlboro.

I do not know whether teams coming to Australia will be racing in colours or displaying full monograms. If the federal government decides that they will not be able to display names, perhaps the displaying of colours will be acceptable. By the turn of the century no sporting event in Australia will have tobacco sponsorship.

The Tobacco Act was introduced in October 1987 with the support of all parties. It should be remembered that the upper house was then controlled by the coalition opposition. For anyone to say that the bill was completely a Labor government initiative is incorrect. I congratulate all those involved in introducing that bill. I was a member of the committee that negotiated some of its clauses. The act has stood the test of time.

If in 1987 someone had said that by 1994 99 per cent of all Australian sports would be free of tobacco sponsorships, they would have been laughed at. Few Victorian sports are now sponsored by tobacco companies. Although cricket and some motor racing is still supported by tobacco companies, in the future sport will be free of tobacco sponsorship. I hope that will be the case with the grand prix. The last Olympic Games were tobacco free. The grand prix could be the first such event to be completely free of tobacco sponsorship. Breweries and other such companies could sponsor that event. When one considers that that magnificent spectacle will be viewed by some 40 million people throughout the world, one imagines such companies will be lining up to sponsor the grand prix.

I support the bill. Although health issues have been raised generally by all speakers, I make it clear to the house that the bill does not concern health; it concerns farmers growing the cash crop of tobacco who are having difficulty changing their approach in light of market deregulation and the removal of tariffs. I congratulate the minister and the government on introducing a scheme that will take the pressure off that group of farmers in the north-east. I wish them well with the crops with which they experiment in the future. I hope the $3 million will allow them to produce the crops they wish to produce and provide them with access to other industries. I wish the bill a speedy passage.

Mr LONEY (Geelong North) — The title Tobacco Leaf Industry (Deregulation) Bill conjures up in my mind — the mind of a pure non-smoker; I have never been a smoker — a somewhat Pythonesque image. It reminds me of a routine by the American comedian, Bob Newhart, who was popular around the late 1960s. Bob Newhart played on the theme of Sir Walter Raleigh returning from the New World, which went something like this. Upon Raleigh's return home people asked, 'What did you find over there, Wal?'. He said, 'I discovered tobacco'. The people said, 'That's good. What's tobacco?'. He started to explain that tobacco is a leaf that grows on a plant. They said, 'That's good, Wal. What do you do with it — eat it or what?'. Wal said, 'No, you shred it into little pieces, roll it in a piece of paper, put it in your mouth, and set fire to it'. When it is reduced to that level, you realise that one of the world's greatest marketing triumphs was turning the smoking of tobacco into a multimillion dollar industry.

The bill relates to the deregulation of Victoria's tobacco leaf industry. As was pointed out by the honourable member for Morwell, at the outset it should be made clear that although the opposition supports the bill and the deregulation measures it

contains, this should not be seen in any way, shape or form as its supporting broad deregulation measures. There is no broad-based support for deregulation as a whole.

I was interested to hear the honourable member for Frankston voice his opposition to Industry Commission decisions, for, like the honourable member for Morwell, I have no great love of the Industry Commission. The only people who have ever opposed Industry Commission recommendations have been those on this side of politics. The other side, the coalition side, has wholeheartedly accepted the thrust of its reports. Zero tariffs do not come from this side of the house.

The tobacco industry is under threat not just from international competition but also from the huge change in social attitude towards the product it markets and sells. Honourable members, including the honourable member for Frankston, have spoken on that subject at length. The health implications of the use of tobacco should also be considered. Its use is associated with lung and throat cancers and emphysema.

In recent years a marked change in attitude towards the use of this product has emerged. The change has not come about because people — free from pressure — have simply decided not to smoke any more. State and federal government policies have worked towards changing attitudes. A range of measures, including advertising bans and increased levels of taxation, has encouraged that change. There has been a forced change in the way the product is depicted in society. Smoking is no longer depicted as a glamorous activity; in many instances it is deemed antisocial.

The change in public attitude towards tobacco greatly affected the industry. The Quit campaign has been remarkably successful; its aims and objectives are thoroughly laudable and I have absolutely no problem supporting them. Those sorts of campaigns have created further problems for the tobacco industry, as have increased taxes.

It is interesting to hear how people view the role of taxes in the tobacco industry. Although taxes are seen as totally undesirable no matter what their purpose, taxes on tobacco have generally been accepted by the community as having a social benefit because they result in reduced spending on health services. As the honourable member for Frankston outlined, the Quit campaign has used those taxes to engage in sponsorship replacement, particularly for sporting events, and the move towards a total withdrawal of the tobacco industry from sporting sponsorship over a period of time. They are appropriate uses for taxes collected from the tobacco industry.

Honourable members should note the pre-emptive nature of the proposed legislation. In some respects it is trying to pre-empt a report from the Industry Commission. The deregulation proposed by the commission will not come as a surprise to anyone who has followed the recommendations of that commission over many years. It invariably makes the same recommendation, regardless of the industry under examination.

The sorts of recommendations it made for the automotive industry plan were broadly in line with those it made for every other industry, which were that everything would be all right if they were deregulated, if tariffs were cut and if they became internationally competitive. It is not necessarily the case that everything will be all right if those recommendations are adopted.

The tip is that if the federal government adopts the Industry Commission recommendation the demand for local product will inevitably fall. A common consequence of Industry Commission recommendations is a disastrous if not catastrophic effect on local industry.

It is interesting that such recommendations are made at a time in Victoria's history when the Buy Australia campaign and programs for import replacements seem to be at their height. When compiling a report, the Industry Commission should have a responsibility not only to implement its recommendations but also to address the implications of those recommendations for Australian industry. It clearly does not do that.

A matter it should address is what standards should apply for products on the Australian market. When one examines imports that are replacing local product, the question of standards becomes extremely important. Quite often an imported product is simply not the same standard as that which is produced in this country. The only advantage of an imported product is that it is cheaper.

In his second-reading speech the minister said he recognised that the combined pressures would make many growers non-viable, which would have a severe economic impact on the north-east region of

this state. That is also one of the consequences of Industry Commission reports. The Industry Commission has never been able to come to grips with global policies having regional consequences. It tends to view an industry as being homogeneous throughout Australia rather than accepting that an industry can be centred in a particular region and therefore have an enormous influence on that region's economy. That is illustrated in the automotive industry in the case of the Ford Motor Company at Geelong and the recommendations made by the commission which initiated the Button car plan.

As the minister pointed out, the regional consequences of the Industry Commission report for north-east Victoria could be drastic. In spite of my misgivings about the product of the industry, I support the government's move towards a package of measures designed to assist in the industry's restructure.

It is good to see this government and this minister adopt policies in line with what the opposition continually advocates in regard to the recommendations made by the Industry Commission. I congratulate the minister on his preparedness to adopt policies that are more in line with the views of this side of the house than those of his own.

Mr Hamilton interjected.

Mr LONEY — The honourable member could be right. The minister may well be an agrarian socialist.

The government estimates that 30 per cent of growers will leave the industry as a result of the changes, which is a significant portion of the industry. As the minister said in his second-reading speech it is important that an early and well-managed adjustment and deregulation process is put in place to ensure that the Victorian industry is prepared for national deregulation. That is an extremely important aspect of what the minister is attempting to achieve through the bill.

The opposition supports the proposition of the minister to provide assistance for 30 per cent of tobacco growers to move into other agricultural pursuits. It does so on two grounds: firstly, to help the people who have been trapped by the demise of their own industry; and secondly, to encourage those people to stay within the agricultural industry and broaden its base in Victoria. It is important that they do not move out of agricultural industry entirely. It is important that they be encouraged to stay and broaden the base of agriculture in the state. The opposition supports that admirable move by the minister.

The Minister for Tourism mentioned that most of Victoria's tobacco growers are in his electorate. I suggest perhaps at one stage he could put on both his tourism cap and local member's cap and have a look at the way tobacco is sold in the southern states of the United States of America. It is sometimes almost in the realms of theatre and it would be quite a tourist attraction if tobacco were marketed in the same manner in Australia.

The bill also provides for the assets of the Tobacco Leaf Marketing Board to be directed to tobacco quota owners for the formation of a cooperative. The opposition supports that measure and supports in particular the concept of returning assets to the people who contributed to them. However, government members appear to be somewhat selective in applying the concept. The recommendation by the majority of the Economic Development Committee contained in the report of the committee's inquiry into the building industry in Victoria regarding the distribution of former BLF funds, that assets taken from contributions of individual members of that union should now be in effect confiscated and disbursed to employers in the industry, is objectionable.

The SPEAKER — Order! The honourable member is straying from the bill.

Mr LONEY — The minister may be able to encourage his colleagues to think about it again. The opposition is pleased that the minister is taking measures which will assist growers in the tobacco industry to move to alternative jobs and allow them to continue in agricultural pursuits.

Mr JASPER (Murray Valley) — The tobacco industry is important to north-eastern Victoria. Most of the tobacco growers in Victoria are centred in the electorate of Benalla, represented by the Leader of the National Party, with some located in the Whorouly district of my electorate of Murray Valley and some in the electorate of the honourable member for Benalla.

The passage of the legislation and the changes proposed to the industry will have a dramatic effect on tobacco growers in north-eastern Victoria. Tobacco growers recognise the need for change in the industry not only because of changes in

Australia but also because of changes throughout the world in levels of protection provided to the industry and the implementation of legislation by the federal government.

The smoking of tobacco and tobacco products is not illegal in Victoria. It is important to understand that. A number of people seem to believe that there should be no tobacco smoking whatsoever either in Australia or anywhere else in the world.

I recognise that smoking can create some health problems — —

An honourable member interjected.

Mr JASPER — Not everyone is affected. So far as I am concerned it is quite clear: although I have never smoked, it is not an illegal industry. I accept that it can cause health problems, but it is an activity in which people can be involved.

It is important to understand that the economy in north-eastern Victoria has been bolstered to a large extent by the growing of tobacco. It is estimated that in recent years the industry has been worth as much as $28 million to the area. However, in the past year or two that figure has been reduced to less than $20 million. The industry is important to north-eastern Victoria. Across Australia approximately 800 growers are involved in the industry, of whom approximately 200 are in Victoria. It is estimated that 2000 hectares in north-eastern Victoria are utilised by tobacco growers with an average holding of between 25 and 30 hectares.

It should be recognised that 37 per cent of Australia's tobacco production comes from Victoria, 58 per cent from Queensland and a further 4 per cent from New South Wales. The whole of the tobacco crop is taken up by the three manufacturers in Australia, W. D. and H. O. Wills, Rothmans of Pall Mall (Aust.) Ltd and Philip Morris Ltd. The industry has been regulated since about 1965 and has been a successful primary industry, with approximately 57 per cent of the local product being used in the manufacture of tobacco products within Australia.

I listened with interest when the honourable member for Altona acknowledged that people involved in the industry as primary producers have been efficient in their operations and have in the main produced a high-quality product. There is no doubt about that. In the period since 1965 we have seen an increase in taxes on tobacco products. Tobacco is probably more heavily taxed than any other product. Governments of all political persuasions at the state and federal levels have increased taxes for health reasons, to try to reduce the incidence of tobacco smoking, and most importantly to raise revenue.

In one of his budgets the former Labor Treasurer, Rob Jolly, increased the tax on tobacco products by 20 per cent. In speaking on the measure the former Treasurer said first that the government anticipated that the increase in the tax on tobacco products of 10 per cent would reduce the incidence of smoking in Victoria by 5 per cent and in the next breath that it would raise $40 million for consolidated revenue.

I see that as a cynical exercise. Fuel, alcohol and tobacco products are used by all governments at both the federal and state levels to raise revenue on the basis that they are easy ways of filling the government's coffers. The imposition of those taxes at the state and federal levels has probably reduced the incidence of smoking, but the bottom line has been that it has been a great revenue earner for Victoria.

Turning to the actual percentages of tax on tobacco products, I have a chart produced by Philip Morris which shows that the excise on a pack of 30 Peter Jackson cigarettes is equivalent to 25.3 per cent of the price of the product and that the state taxes of 75 per cent amount to 35.8 per cent of the price of the product. Taxes at both state and federal level total 61.1 per cent of the price, with the remaining 38.9 per cent going to producers, retailers and manufacturers.

The federal government is increasing the level of tax on tobacco products. Over the next two years we will see a 5 per cent increase each six months in the excise on tobacco products, as well as CPI increases, which are now included in federal legislation in any case. I cannot see any justification for taxing products out of existence. That is what is being done with taxes on tobacco. The honourable member for Frankston should look at the taxes imposed on other goods; fuel taxes amount to 61 per cent of the price of a litre of petrol. Governments impose taxes as a fundraising measure. It is important to put those comments on the record. Tobacco growers believe state and federal taxation has affected their industry, and that should be recognised. State taxes on tobacco products have risen from $48 million in 1982-83 to $360 million in 1992-93, which represents 75 per cent of the wholesale price and is a huge increase in state revenue. The commonwealth

government excise has risen from $790 million to $1300 million during the past 10 years. Further increases have been factored into the federal budget and will come into effect in the next two years.

The Industry Commission report on the tobacco industry, which was made available on 7 April 1994, states:

> An Industry Commission draft report on an inquiry into tobacco growing and manufacturing has found that the industries are not well prepared for the deregulated environment they will soon face. It reported that there are too many growers, that the price for domestic leaf is much higher than for comparable imports, and that according to cigarette manufacturers, many growers are producing the wrong type of tobacco leaf ...
>
> Typically, tobacco growers are producing at less than 60 per cent of their capacity, they are uncertain about the future prospects for tobacco growing, about future assistance arrangements, and about the likelihood of a quota buy-out.
>
> The inquiry found that although there has been a continual transfer of land out of tobacco production since the early 1970s, the pace of adjustment has been too slow and there is now a substantial backlog which requires urgent attention ...
>
> The commission was asked to report on appropriate tariffs to apply following termination of the Tobacco Industry Stabilisation Plan (TISP) ...
>
> In recommending an initial tariff of 25 per cent, reducing to 5 per cent by the year 2002, the Commission has struck a balance between easing the adjustment pressure on growers and growing districts, and adding to the input costs of cigarette manufacturers ...
>
> While the regional economies of the two major growing areas (Mareeba/Dimbulah in Queensland, and Myrtleford in Victoria) are dynamic, time will be needed for the establishment of new crops and development of markets.

The Parliament and the government recognise that changes should occur, but the industry must get assistance to ensure a smooth change from the regulated system that operated from 1965.

I congratulate the state government, particularly the ministers involved in seeking support for the industry located in north-eastern Victoria, on assisting producers to leave the industry progressively and take up alternative occupations. Last year the Deputy Premier, the Treasurer and the Minister for Agriculture announced a $3 million package to assist the industry in the restructuring process.

The Rural Finance Corporation is handling the program. In late March each grower received details of the proposal. Growers are to receive $2 per kilogram for surrendering the basic quota. A desirable outcome for the industry will require the removal of about 1.5 million kilograms of current quota or approximately 30 to 40 per cent of growers. It is hoped that will occur over a period.

The government is taking the right attitude in examining how the industry should be restructured. If I had more time I could discuss the submission Philip Morris Ltd made to the Industry Commission about the restructure and the need for balance in the provision of tobacco products. The report proposed a tariff protection of 25 per cent. The tobacco growers in north-eastern Victoria recognise that change should occur. They are experienced industry people who are taking up the challenge put to them by the government. Although they recognise that restructuring and deregulation will take place, they believe action should be taken to protect those who wish to remain in the industry rather than taking up the package.

Like all primary producers, the activities of tobacco growers are affected by weather conditions. In October last year, because most tobacco growers farm on river flats — particularly in the Ovens Valley — floods devastated the industry. When speaking with the growers whose crops had been destroyed by floods I was disappointed to discover that they could not re-establish their crops for the current season. Although it is easy for honourable members to be critical of the industry and what it stands for, we must remember that tobacco is a legal product. Primary producers need to be protected, and appropriate assistance should be provided.

I support the bill. I believe the assistance provided and the changes made will ensure that the industry is deregulated satisfactorily. Although a number of producers may remain in the industry to produce high-quality tobacco products, some may move to other primary industries in an endeavour to maintain their incomes and lifestyles in north-eastern Victoria.

Mr A. F. PLOWMAN (Benambra) — I join the honourable member for Murray Valley in supporting tobacco growers. The main issues in the bill are the deregulation of the tobacco industry and the transfer of the property, assets, rights and liabilities of the Victorian Tobacco Leaf Marketing Board to the Tobacco Cooperative of Victoria Ltd.

In the few minutes I have available I will speak about the effects the transfer will have on the growers and the effect the $3 million assistance package, which is probably the most generous offer ever made by a state government to any primary producing group, will have in helping them out of the difficulties they are in. I give credit to the government for making this offer at a time when the industry is on its knees.

As the honourable member for Murray Valley clearly spelt out, the tobacco industry has suffered more from government interference than any other primary industry. The tobacco industry is a legal industry that contributes approximately $20 million to Victoria's revenue. It plays an important role in the national economy by contributing $1.3 billion in federal excise and $360 million in state taxes. The industry is a substantial revenue earner for Australia and Victoria.

Because of its revenue earning potential, it is important that the interests of those currently growing a legal crop are not overlooked. I do not want to canvass the rights and wrongs of tobacco consumption, but the demise of tobacco growing in this country would not stop Australians smoking tobacco. Forcing Victorian growers out of the industry will lead to the loss of not only $20 million of state income but also some of the best and most fertile agricultural country in Victoria. The land will go begging because you cannot change the way that highly productive country is used overnight.

The $3 million assistance package provided by the state government to retire up to 1.5 million kilograms of grower quota will do two things. Firstly, it will reduce the effects of deregulation on growers. It will assist those growers growing second-rate leaf to get out of the industry so that only the best grade tobacco will be grown. Therefore, within the limits of Australia's needs, the industry will be able to concentrate on growing better grades of tobacco and so remain a valuable part of the Australian tobacco industry. It is important that growers are not further debilitated by government intervention and that the $3 million is used wisely to help those people remaining in the industry.

Secondly, the deregulation of the tobacco industry and the transfer of the property, rights and liabilities of the board to the cooperative parallels what happened in the egg industry. It will mean that the interests of the industry will be well served. If the same degree of satisfaction can be achieved, the tobacco growers and all those involved in the industry in north-eastern Victoria will have been done a great service.

The honourable member for Frankston said the industry's main problem is its growing of second-grade leaf. One of the problems growers face is that second-grade leaf can result from changing climatic conditions. In those circumstances, growers can do nothing to eliminate that growth. The quota buyout will go a long way towards removing inefficient growers from the industry; but it would be impossible to reach the situation where only top quality leaf is supplied.

I believe the $3 per kilo offer to buy out the quota will give a fillip to those growers who desperately need to find alternate crops to sow. It will be a lead-in for those who have been adversely affected by government intervention in the industry. I support the assistance package and I support the bill because will assist growers to overcome problems encountered in the transitional period.

Mr W. D. McGRATH (Minister for Agriculture) — I thank those honourable members who have contributed to the debate — the Deputy Premier and the honourable members for Altona, Springvale, Morwell, Frankston, Geelong North, Murray Valley and Benambra — for the comments they have made in support of the legislation. The amazing thing about the tobacco industry is the considerable change it has experienced over time. During the First World War and the Second World War tobacco was issued to soldiers overseas as a means of helping them come to terms with anxiety and tension.

Mr Hamilton — It still works.

Mr W. D. McGRATH — The honourable member for Morwell says it still works. Perhaps that is right but it is an illustration of how patterns of behaviour change. Tobacco is now seen as a health hazard. Considerable work is being done to increase people's awareness of the dangers of smoking

tobacco, including the effects of nicotine and the overall health ramifications.

The honourable member for Altona said that some tobacco growers felt victimised. Tobacco growers are concerned that confidential information could be given to banks and other financial institutions. The Victorian Tobacco Leaf Marketing Board treats all its information confidentially. However, because tobacco is sold openly and the sizes of the quotas held by growers are gazetted and are therefore public information, most people know about the performances of individual growers. Although some tobacco growers may feel victimised, the legislation does not pose any threat to them.

A great deal of the contribution of the honourable member for Springvale centred on the interesting statistics he quoted on deaths from asbestos and smoking. Whenever statistics are compiled it is interesting to find out who is likely to benefit from the results. If the statistic that 3000 people a year would be killed on Australian roads in the 1990s had been available before the motor car was introduced into this country, would we have allowed it to become a means of transport? Of course we know what happened! I have always believed that statistics are very much like the bikini: what it reveals is interesting, but what it conceals is vital.

Ms Marple interjected.

Mr W. D. McGRATH — Absolutely. The honourable member spoke about family breakdowns caused by health problems and attributed some of those health problems to smoking. The honourable member was correct in his assertion. When an untimely and premature death or serious health problem occurs within a family, significant strain is placed on family life.

The honourable member for Frankston spoke about the viability of the plans for the tobacco farmers. That is what the legislation is about, to assist them rather than letting them go to the wall as would occur when the tobacco industry is totally deregulated by the federal government in June 1996.

The government has decided to be pro-active and give farmers some opportunity to make the transition to some other lifestyle or some other industry.

The government has investigated whether the tobacco quota buyout would be regarded as capital — which is how the Victorian government would regard it — by the Australian Taxation Office (ATO). I hope that office does not determine otherwise and regard the buyout proceeds as income. That would destroy what the Kennett government is attempting. A decision by the ATO that the buyout proceeds were other than capital would be an injustice to the farmers.

I am happy about the support for the bill. Honourable members should bear in mind that $1.5 billion is collected by the federal government in taxes on Victorian tobacco products; it also collects $1.5 billion from other states' products, giving it a tax revenue of $3 billion a year. Therefore $3 million is a small amount to be made available by the federal government to the tobacco growers in the Myrtleford area.

I particularly thank Angie Regoni and Colin McCormack, who have led the growers group in Myrtleford and the Victorian Tobacco Leaf Marketing Board, on their work with Department of Agriculture personnel to prepare the proposal which has led to the introduction of this bill. I also thank the Honourable David Evans in another place for the work he has put into the legislation by, among other things, coordinating discussions which led to agreement between the tobacco growers and the government.

It is time for other state governments to support the concept adopted in this legislation. The Victorian government has provided for a buyout program but there is still much to be done to re-establish growers into other ventures. There is a need for ongoing research, and market strategies for new products will need to be put in place, such as embarking on investment into the mint or wine industries, or whatever other industries may be considered. Now the federal government has an obligation to support the research and marketing strategies.

Mr Hamilton interjected.

Mr W. D. McGRATH — I thank the honourable member for Morwell for giving me that support. I hope he writes to the federal government; it is not much use expressing his support in this chamber for the federal government providing funds for research and marketing strategies for those who adopt new pursuits.

The Queensland tobacco industry is in a bind; the Queensland government does not know which way to jump. I am pleased with the support of the Treasurer and other ministers of the Kennett

government for this legislation because we have been able to provide leadership to other states. The Myrtleford growers have cooperated with the government and the departmental officers have delivered on behalf of the growers what they believe is a workable plan.

I hope the legislation will provide an optimistic and real future for those who take up the option of a tobacco quota buyout and, more importantly, that opportunities will be provided for those who stay with tobacco growing — a viable industry while tobacco remains a legal product. If that is achieved, everyone associated with the legislation can feel a degree of satisfaction at the outcome.

Motion agreed to.

Read second time.

Passed remaining stages.

Sitting suspended 6.26 p.m. until 8.04 p.m.

WATER (FURTHER AMENDMENT) BILL

Second reading

Mr COLEMAN (Minister for Natural Resources) — I move:

That this bill be now read a second time.

The proposed legislation will enable the government's water reform program for the rural water sector to proceed in accordance with the strategy as detailed in the Office of State Owned Enterprises report of October 1993 entitled *Reforming Victoria's Water Industry: A Competitive Future.*

That report identified a range of reforms for the rural water sector which included:

the Rural Water Corporation's five regional management boards to be transformed into separate authorities under the Water Act on 1 July 1994;

responsibility for statewide policy, water resource assessment and regulatory activities will transfer from the Rural Water Corporation to the Minister for Natural Resources; and

the amalgamation of non-metropolitan urban authorities.

The definition of an 'authority' contained in the Water Act 1989 expressly excludes a regional management board. The five regional management boards of the Rural Water Corporation currently exercise their functions under delegation from the corporation. The proposed amendments will enable the regional management boards to be constituted as authorities in their own right.

This will deliver substantial long-term benefits through enhanced local management, reduced central office overheads, improved local cost control, further pressure to improve services and more direct signalling of the cost of doing so.

The new rural authorities are to be given borrowing powers under the Borrowing and Investment Powers Act 1987, the same as other authorities under the Water Act. In practical terms, this means that they will have access to loans from Treasury Corporation Victoria but government guarantees will not be available as of right.

Given the heightened commercial focus for the new regional rural authorities, the residual regulatory, statewide policy and community service functions currently undertaken by the corporation are to be transferred to the Department of Conservation and Natural Resources. Those functions are already funded by the consolidated fund through the government services contract to the Rural Water Corporation and therefore the transfer of functions to the Department of Conservation and Natural Resources will be effectively cost neutral. As neither the minister nor the department are 'authorities' for the purposes of the act, amendment of the Water Act 1989 is required to effect the proposed changes and to accommodate the transfer of staff.

Other amendments to the Water Act are required to enable water trading between different types of water entitlements. This will facilitate transfers of water in northern Victoria where demand is high as illustrated by the recent and successful water auction at Swan Hill.

The bill will assist in enabling the government to meet its goals in the reform of the rural water sector through increasing efficiency and accountability and will provide enduring public benefit for all Victorians.

I commend the bill to the house.

Debate adjourned on motion of Ms MARPLE (Altona).

Debate adjourned until Tuesday, 17 May.

CATCHMENT AND LAND PROTECTION BILL

Mr COLEMAN (Minister for Natural Resources) — I move:

That this bill be now read a second time.

Victoria's land and water resources are vital assets upon which the wellbeing of current and future Victorians depends. One of the most important challenges facing the state is the use of these resources in a way that assists prosperity in all regions while enhancing environmental quality and maintaining the long-term productivity of the resources.

This bill provides a contemporary legislative framework to help achieve that goal. Its development was an election commitment of the coalition. The legislation brings together the processes of integrated catchment management and the control of land degradation and is a recognition that land degradation can be controlled effectively only when it is considered as part of the overall management and use of our natural resources. The bill follows reform of the Department of Conservation and Natural Resources to help achieve those aims.

The bill reinforces the importance of community involvement in the management and protection of land and water resources and will support the efforts of farmers and other land-holders throughout the state who are already working individually or as part of Landcare and other land-holder groups to improve the long-term productivity of their land. It will help to ensure that there is a closer link between the management of land and water resources. It applies to the management of public as well as private land and to urban areas as well as rural areas.

In particular the bill establishes a revised system of advisory and coordinating bodies for catchment management and land protection and provides for those bodies to oversee the preparation of catchment strategies and area plans. Responsibility for the care of land is defined and existing regulatory controls are streamlined. The bill also provides for the control of pest plants and animals.

The legislation will repeal the Soil Conservation and Land Utilization Act 1958 and the Vermin and Noxious Weeds Act 1958. The bill represents an extensive integration and modification of the provisions contained in those two acts. A key element of the legislation is the reform of the existing land protection advisory system to reinforce the importance of community involvement in the management and protection of natural resources and to enable an integrated approach to their management.

The Victorian Catchment and Land Protection Council is to be established by the Minister for Natural Resources to advise the minister and other ministers as requested on matters relating to catchment management and land protection. The council will also seek to ensure the cooperation of relevant agencies and other groups in the community that are involved in the management of natural resources. It will replace the existing Land Protection Council and the State Landcare Committee. Regional catchment and land protection boards are to be established throughout the state in regions to be proclaimed by the Governor in Council on the recommendation of the minister. Those part-time boards are to be appointed by the minister after consultation with the Minister for Agriculture and will encourage a coordinated approach to the management of natural resources within their region in close cooperation with the regional community, particularly land-holder groups, local government organisations and water authorities and promote community awareness and involvement. They will advise the government on strategies and priorities for catchment management and land protection and will replace at least 24 existing advisory groups. Initially 10 regional boards that will cover the whole state are expected to be established. Their membership will be based on the necessary range of skills and experience in local government, conservation, primary industry, water management and land protection.

The bill reflects the importance of assigning clear responsibilities for the control of land degradation. There is a general duty of care for all landowners to take all reasonable steps to avoid causing or contributing to land degradation on land owned by another party. Those duties apply to public as well as private land. Duties relating to the responsibility of landowners for the control of pest plants and animals are also included.

Each regional catchment and land protection board is to oversee the preparation and maintenance of a regional catchment management strategy as a principal coordinating tool and as the basis for its

ongoing advice to government. Initially these will build upon the existing regional landcare plans. Following agreement by the Minister for Natural Resources after consultation with other ministers whose interests will be affected by the strategy, all public authorities in undertaking their own activities must have regard to the strategy.

Within each region special areas can be identified by the catchment and land protection board, be declared by the Governor in Council and be the subject of special study, planning and action. Such areas could include, for example, water supply catchments or areas associated with major salinity or soil erosion problems. The special area plans are to be prepared under the guidance of the catchment and land protection board in collaboration with parties who will be affected by the plan. The special area plans will outline the appropriate management arrangements for the area, including cost-sharing arrangements necessary to put in place the measures required to meet the objectives of the plan. Such measures may include drainage works, revegetation schemes, farm assistance programs, research and monitoring.

Special area plans may contain provisions for land-use conditions to be applied to all or part of the land under consideration in a manner similar to such conditions under the current Soil Conservation and Land Utilization Act, 1958. However, conditions will need to be justified as part of the plan and agreed by the catchment and land protection board, the Minister for Natural Resources and other relevant ministers. The need for such conditions in association with controls over the development of land through the Planning and Environment Act 1987 must be justified in the area plan. The costs of implementing the land use conditions are to be shared between the beneficiaries through arrangements to be developed and agreed upon by the catchment and land protection board as part of the special area plan.

The management of water supply catchments will be enhanced. Existing proclaimed catchments will become special water supply catchment areas. The responsibility for recommending the proclamation of water supply catchments is transferred in the legislation from the Land Conservation Council to the regional catchment and land protection boards as part of the preparation and revision of their regional catchment management strategies so there will be an improved ability to link the management of land and water. The special area plan will replace the existing land use determinations for water supply catchments.

The government is committed to encouraging sound land management practices through a range of measures that will result in voluntary changes by land managers. They include improved awareness through effective education and extension programs, financial incentives, market mechanisms and similar policy instruments. There is, however, a continuing need to require landowners or land managers to carry out remedial action in appropriate circumstances through the issuing of land management notices. The bill provides simplified arrangements for the preparation of notices relating to the management of land. These land management notices will replace the six different types of notices or orders contained in the existing legislation.

The Victorian Catchment and Land Protection Council will recommend guidelines for the issue of land management notices. A notice can be issued by the Secretary of the Department of Conservation and Natural Resources to a landowner when the landowner contravenes the duties prescribed in the legislation. Before a notice can be issued, the secretary must be able to show that attempts have been made to obtain voluntary compliance and, except for issues relating to pest management, must seek agreement of the relevant catchment and land protection board to the issue of a notice.

The bill provides for rights of appeal from land use conditions and land management notices. These rights are significantly enhanced over the provisions of the existing legislation and have been extended to apply to the making of the notice or condition itself and to any of the specific provisions they may contain. Provision is made in the bill for an interim land management notice to be issued by the secretary to obtain temporary control over urgent situations pending long-term resolution.

The government is conscious that Crown land managed by the Department of Conservation and Natural Resources must satisfy the duty of care provided in the legislation. In the case of such land the catchment and land protection board for the region may recommend to the minister that the secretary be instructed to undertake action to ensure such compliance. In addition, each board will report annually on catchment management and land protection for all land in its region.

The Soil Conservation and Land Utilization Act 1958 provides for control over the impact of shallow

extraction of soil, sand, gravel, stone or other similar materials. This bill retains those provisions which require a person carrying out such activity to obtain authority. The authority may contain special provisions to ensure that extraction sites are suitably rehabilitated.

The infestation of pest plants and animals is a major form of land degradation. The bill updates and improves many of the provisions contained in the Vermin and Noxious Weeds Act 1958 for the control of pest plants and pest animals. The Governor in Council can proclaim plants and animals to be pests in all or part of the state. The four categories of proclaimed pest plants relate to the distribution of the plant and the ability to control or eradicate it. Proclaimed pest animals are to be allocated to one of four categories depending upon the magnitude of their threat and the extent to which the pest is already established in the state. Pest animals are to be managed through the prohibition of the import, keeping or sale of certain non-indigenous animals, the licensing of places to keep certain animals and the control of established pest animals by landowners or government agencies. Those categories for pest animals are in line with nationally agreed guidelines.

The categorisation of weeds is to be recommended by the Victorian Catchment and Land Protection Council and the regional catchment and land protection boards for statewide and regional categories respectively. For the categorisation of pest animals the minister will be advised not only by the council and boards but also by an expert advisory committee — the Pest Animal Advisory Committee — to be established under this legislation.

The responsibilities for managing pest plants and animals are clearly defined. Owners of public and private land must take all reasonable steps to eradicate regionally prohibited weeds, prevent the growth and spread of regionally controlled weeds and prevent the spread of established pest animals. The secretary of the department must take all reasonable steps to eradicate state prohibited weeds from all land in the state.

Considerable attention has been paid to the management of roadsides. The bill provides for the continued responsibility of landowners to prevent the spread of regionally controlled weeds and established pest animals on most roadsides that adjoin their land. A new provision in the bill enables the responsibilities of landowners for the adjoining roadsides to be changed where there is agreement between the parties or an agreed special area plan for roadsides within a particular region is developed and approved. The development of an integrated approach to roadside management is thereby encouraged while providing for the management of roadside pests in the absence of such plans.

The bill has been developed through extensive consultation with relevant community groups and government organisations. The government is grateful to the representatives of the 15 statewide non-government organisations that have participated on the consultative committee for this legislation since mid-1993. In July 1993 a discussion paper on the proposals was widely circulated. Discussion was encouraged by a set of regional and statewide workshop meetings and conferences. The government is grateful to all those who have participated in those activities. This process has been under the guidance of Mr Graham Hunter who for 10 years has been involved in the salinity bureau which has evolved under his leadership.

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why this bill proposes to alter or vary section 85 of that act.

Clause 94 provides that it is the intention of that clause to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court from entertaining actions of a kind referred to in clause 19 and to limit that court's jurisdiction in matters under the proposed act where exclusive jurisdiction is given to the Administrative Appeals Tribunal.

Clause 19 gives an immunity from action to a member of the Catchment and Land Protection Council, a regional catchment and land protection board or the Pest Animal Advisory Committee, if the member performs in good faith a function under this bill or the regulations, or acts in the reasonable belief that he or she is performing such a function.

The reason for limiting the Supreme Court's jurisdiction in the way I have mentioned is to prevent the administration of the new act being hindered by actions before the court and to encourage persons to submit themselves for membership of the bodies created by this bill.

The limitation of the Supreme Court's jurisdiction in relation to certain appeals arises from the application of the Planning Appeals Act 1980 and carries through in this legislation the notion that the

appeals are the exclusive jurisdiction of the Administrative Appeals Tribunal.

In summary, this bill represents a new chapter in the long-term management of Victoria's natural resources. It will provide a statewide capacity for the coordinated management of land and water and assist joint action across the state by the community and governments to improve productivity and environmental values of our natural resources. The bill also improves our capacity to take a long-term strategic approach to catchment management, clarify responsibilities, and streamline regulatory provisions as part of the range of measures to encourage the sustainable use of our resources. As a result, there will be an improved capacity to manage the state's natural resources for the benefit of present and future generations.

I commend the bill to the house.

Debate adjourned on motion of Ms MARPLE (Altona).

Mr COLEMAN (Minister for Natural Resources) — I move:

That the debate be adjourned until Thursday, 19 May.

Mr HAMILTON (Morwell) — This is an extremely important, large and complex bill. I note the minister's comment that there has been a lot of consultation on the bill, but given that the opposition must consult with a number of interested parties I ask whether it is possible for additional time to be made available if the opposition requests it.

Mr COLEMAN (Minister for Natural Resources) (*By leave*) — As I have said, there has been wide consultation on the bill. A committee has been established comprising 15 different groups as a means of trying to facilitate its progress. I acknowledge the comments of the honourable member for Morwell and I am sure we can provide him with as much assistance as he needs to understand the content of the bill. However, there are real benefits for this bill proceeding in this session.

Mr Hamilton — Perhaps it could be brought forward in the last week rather than the second last week.

Mr COLEMAN — It will remain adjourned for two weeks and if more time is then needed the government will consider the request.

Motion agreed to and debate adjourned until Thursday, 19 May.

STATE TRUSTEES (STATE OWNED COMPANY) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The State Trustees (State Owned Company) Bill provides for significant improvements to be achieved in the provision of public trustee services to the people of Victoria. It provides for State Trustees to be established as a company which will be wholly owned by the state. The proposed company, State Trustees Ltd (STL), will be subject to the Corporations Law, the State Owned Enterprises Act and the Trustee Companies Act.

The new structure will free State Trustees from many of the public sector restrictions to which it has been subject to date and will enable it to continue the process of reform which it has successfully undertaken in recent years. It will also put State Trustees on a more equal footing with other trustee companies.

The bill preserves the existing rights of clients of State Trustees and makes provision for community service obligations of the type now provided by State Trustees to continue to be provided under contract to the government. Initially this contract will be with State Trustees Ltd with flexibility for contracts to be awarded to other parties in the future.

In respect to the employees of the corporation, it is proposed that State Trustees be declared a designated body for the purposes of section 81A of the Public Sector Management Act and that the procedures set out in that section will apply. Part 1 of this bill sets out the preliminaries. The Australian company number for STL is not yet available pending approval of the name from the commonwealth.

Part 2 of the bill retains certain provisions of the State Trust Corporation of Victoria Act 1987 which ensures that services currently provided by the corporation can continue to be supplied by STL.

Part 3 contains general provisions including the provision of a limited government guarantee for STL and the preservation of the rights of STCV clients existing at the time of commencement of the legislation. Part 5 repeals the STCV Act. Part 6 amends the Guardianship and Administration Board Act 1986 by inserting in that Act certain provisions previously contained in the STCV Act.

Part 7 amends the Administration and Probate Act by inserting in that Act certain provisions previously contained in the STCV Act. Part 8 provides for consequential amendments to other Acts.

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section by the bill. Clause 40 re-enacts an existing provision of the State Trustees Corporation of Victoria Act which amends the Administration and Probate Act 1958 by inserting a new section 30D in that act with the intention to alter or vary section 85 of the Constitution Act to the extent necessary to prevent the Supreme Court entertaining claims where State Trustees has distributed the assets of a deceased person after a period of three months of serving a notice of refusal to recognise a claim where no proceedings to enforce the claim have been instituted within that period. The reason for limiting the jurisdiction of the Supreme Court is to remove uncertainty and facilitate prompt distribution of estates by ensuring that subsequent claims are not recognised.

I commend the bill to the house.

Debate adjourned on motion of Ms MARPLE (Altona).

Debate adjourned until Thursday, 19 May.

VICTORIAN FUNDS MANAGEMENT CORPORATION BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

In December 1993 the government announced that it would establish a central funds management authority for public sector funds and authorities. When the investment portfolios of the funds and authorities in the public sector are aggregated, the public sector has an investment portfolio of over $13 billion. This bill gives effect to that announcement by establishing the Victorian Funds Management Corporation, which will provide funds management and advisory services to participating authorities on a voluntary and contractual basis.

In making the decision to establish a funds management corporation, the government has taken into account the observations of the Auditor-General in his November 1993 report on the investment performance of government instrumentalities. The Auditor-General concluded that:

> The achievements of the Transport Accident Commission in particular have been excellent with returns over the last five years exceeding many large and medium-sized private sector funds. The commission has achieved these returns while maintaining a very low-risk profile.

The vision embodied in this bill is that the investment system and strategies developed and utilised by the TAC in the past should now be made available to other funds and authorities in the public sector on a voluntary and contractual basis.

The corporation will have the objective of providing professional fund management and advisory services to public sector funds and authorities that qualify as participating authorities. The corporation will provide those services through pooling the funds of its participating authorities in one or more trusts which will be established by the corporation and of which the corporation will also be the trustee.

It is intended that the funds pooled in the trusts will be allocated to specialist funds managed by specialist private sector fund managers. Although the active securities management will be conducted by the private sector specialists, the passive portion of the portfolios may be managed by the corporation if this lowers costs. The performance of the private sector fund managers will be rigorously monitored by the corporation against investment mandates and benchmarks set by the corporation.

The investment products offered by the corporation will necessarily take into account the investment strategies and asset allocations determined by its participating authorities. Although responsibility for setting investment strategies and asset allocations rests with, and is the responsibility of, the individual boards of the participating authorities, participating authorities will be able to avail themselves of the corporation's advice in setting their strategies and asset allocations should they so choose.

Although the corporation will be required to operate within the prudential and reporting framework established by the Treasurer, it will also be expected to act on sound and prudent commercial principles and adhere to standards adopted by equivalent organisations in the private sector.

It is the government's intention to appoint to the Victorian Funds Management Corporation a commercial board comprising people of the highest calibre who have established records in commerce and relevant fields. Subject to the requirements of the prudential framework established by the Treasurer and the requirements of its participating authorities, the board of the corporation will be required to exercise independent judgment in the making of its investment decisions. To ensure that this independence is preserved the bill contains a clause that specifically prevents the Treasurer from influencing individual investment decisions of the board.

The establishment of the corporation will provide significant benefits to its participating authorities through:

increasing the range of markets and managers available to participating authorities and thereby enabling them to diversify their investment portfolios. It is through diversification that participating authorities will be able to lower the level of their portfolio's risk. In the case of smaller funds the establishment of the corporation is particularly important as it will enable them to access products which previously were outside their reach;

economies of scale. The establishment of the corporation will lead to lower fees for the volume of trading undertaken by the corporation and savings on administrative costs; and

access to the services of a corporation able to attract and retain skilled professionals, dedicated to overseeing the management of the investments of the public sector.

The establishment of the corporation, which complements the initiatives already taken to manage the state's debt and financial liabilities, is part of the government's drive to establish a more efficient public sector. The corporation has the potential to contribute significantly to the rebuilding of the Victorian economy and the reinstatement of financial confidence in the public sector. I look forward to the corporation's participating authorities testing the capacity of the corporation to offer a range of products which enable them to diversify their risk and enhance their returns.

I commend the bill to the house.

Debate adjourned on motion of Ms MARPLE (Altona).

Debate adjourned until Thursday, 19 May.

MELBOURNE WATER CORPORATION (AMENDMENT) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The bill does two things by way of amendment to the Melbourne Water Corporation Act 1992:

it broadens the power of Melbourne Water Corporation to delegate; and

it gives the Treasurer power to direct Melbourne Water Corporation in relation to the exercise of its power of delegation.

While simple in themselves, these amendments are part of the government's strategy of reviewing the form and functions of large state authorities.

The government has already announced its intention of separating Melbourne Parks and Waterways from Melbourne Water. The bill will facilitate that.

I announced in my second-reading speech on the autumn economic statement 'the proposed separation of Melbourne Water Corporation into three regional businesses and a headworks business'. The bill will also facilitate that change.

Melbourne Water has already been restructured internally into operating divisions including a headworks division and three regional distribution bodies. The bill is designed to facilitate corporatisation of separate bodies reflecting this structure. Further decisions will be required as to the allocation of other elements of the industry, including sewage treatment works and associated assets.

This proposed disaggregation will result in separate businesses, each with full responsibility for service

delivery, asset management and financial viability. This will focus management resources on competition by comparison and thus stimulate efficiency. With management closer to the customer, further improvement in service performance and cost management can also be expected.

Melbourne Water Corporation will become the headworks business after disaggregation.

The management and performance monitoring of operating licences for water and sewerage within metropolitan Melbourne will be enhanced with disaggregation compared to Melbourne Water Corporation remaining a vertically integrated single entity.

I commend the bill to the house.

Debate adjourned on motion of Ms MARPLE (Altona).

Debate adjourned until Thursday, 19 May.

WESTERNPORT (CRIB POINT TERMINAL) BILL

Second reading

Mr COLEMAN (Minister for Natural Resources) — I move:

That this bill be now read a second time.

Due to the decline of crude oil production from Bass Strait, which from 1995 is estimated to fall markedly, there will be a need increasingly to use overseas crude for processing petroleum products.

The operators of Victoria's two oil refineries, Mobil Oil Australia and Shell Australia, as a joint venture, have formed a company, Crib Point Terminal Pty Ltd, and have purchased the former BP refinery site at Crib Point on Western Port, which is adjacent to the port of Hastings. That location has been chosen by the joint venture partners as it is a site where they consider an oil terminal facility can be constructed to enable the economical offloading and storage of imported crude prior to its conveyance to the refineries for processing.

The bill will assist the development and operation of the proposed new terminal. The legislation applying to the old BP site and an adjacent parcel of land is overhauled by the bill to smooth the path for this critical commercial development, which the government firmly supports.

The principal act, the Westernport (Oil Refinery) Act 1963, is heavily amended by the bill to ensure its proper application to the new terminal project. The bill renames this act as the Westernport (Crib Point Terminal) Act. While much of the principal act and in particular the agreement it gave effect to in relation to the responsibilities of the government and at that time BP are no longer relevant, the act remains important in so far as it provided for the initial construction and subsequent operation of an authorised pipeline from Crib Point to Dandenong along an approved route.

The prime purposes of the bill, in simple terms, are to ensure that the route of that pipeline is clearly identified and to ensure the easements for the pipeline are in effect transferred to the new company for its oil terminal purposes. Most of the non-Crown land subject to the pipeline and relevant title particulars and easement information has been located and identified, thereby enabling Crib Point terminal to effectively step into BP's shoes for the purposes of these pipeline easements. In the case of Crown land and certain parcels of freehold land where rights and burdens in relation to the existing pipeline could not be determined with certainty, the bill provides for the creation of statutory easements and covenants. The overall intention and effect is to ensure a clearly identifiable pipeline route and easements with consistent rights and obligations applying throughout.

The bill also provides for a parcel of land adjacent to the Crib Point jetty to vest in the Port of Melbourne Authority. This land was effectively taken away from its then beneficial holder, BP Australia Ltd, and returned to the Crown in 1991 by operation of the Westernport (Oil Refinery) Land Act 1990 in the hope that the state could lease or licence it for a commercial development then in prospect.

That development did not eventuate and the current arrangements for ownership mean that, before the Port of Melbourne Authority as the manager of the associated port of Hastings can negotiate on any commercial development on land that is declared to be part of the port of Hastings, the authority must seek the agreement of the Department of Conservation and Natural Resources. Accordingly, potential users of the Crib Point jetty facility face dealings with two levels of bureaucracy, which is unacceptable.

CONSTITUTION ACT 1975 — SECTION 85(5) STATEMENT

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why the bill alters or varies that section.

Clause 7 of the bill inserts new section 16 in the principal act which states that it is the intention of that section to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court entertaining actions for compensation in circumstances in which no compensation is payable by virtue of section 15.

New section 15 provides that no compensation is payable by the Crown or the company in respect of the extinguishment, creation or variation by this act of any interest, right, privilege or obligation over land.

The reason for preventing the Supreme Court from having the actions referred to brought before it and for preventing the court from awarding compensation are that these might frustrate or impede the purposes of the bill, which are to give effect to a scheme which will be beneficial to the community as a whole. It is important to recognise that the pipeline easements dealt with by the bill have existed over relevant land for many years and the bill basically confirms their existence.

I commend the bill to the house.

Debate adjourned on motion of Mr HAMILTON (Morwell).

Debate adjourned until Thursday, 19 May.

SWAN HILL PIONEER SETTLEMENT AUTHORITY (REPEAL) BILL

Second reading

Mr COLEMAN (Minister for Natural Resources) — I move:

That this bill be now read a second time.

In order to enable the more efficient running of the Swan Hill Pioneer Settlement it is proposed to transfer the management of the Swan Hill Pioneer Settlement to the Swan Hill City Council. This will entail the repeal of the Swan Hill Pioneer Settlement Act 1974 and the transfer of all the assets and liabilities of the authority to the Swan Hill City Council.

The Swan Hill Pioneer Settlement was established in the 1960s and was the first folk museum in Victoria. It was originally administered by the Swan Hill City Council and the assets and liabilities transferred to the government when the statutory authority was established in 1975.

The Swan Hill Pioneer Settlement Authority and the Swan Hill City Council have each made representations to both this government and the previous government to repeal the legislation which set up the authority. It is considered by both parties that the settlement can be run with reduced administrative overheads by the Swan Hill City Council.

The bill simply transfers the operation to the Swan Hill City Council and is in accordance with the very clear policy of the government to lessen involvement in the ownership and management of operations which can more effectively and efficiently be run by other bodies. The council will be granted a long-term lease of between 21 and 50 years at a peppercorn rental of 10 dollars per year. This will enable the council to concentrate its energy on running the operation as a success without any fear of an increase in rental which would effect the ongoing viability of the settlement.

Finally, the bill repeals the Coal Creek Historical Park Act 1975 and the Gippsland Folk Museum Act 1976, which mirror the Swan Hill legislation in that these acts, in each instance, establish a statutory authority to manage a historical park. Neither the Coal Creek nor the Gippsland Folk Museum acts have been proclaimed however, and satisfactory administrative arrangements are currently in place with the two historical parks being run by committees of management. It would therefore be inappropriate for the government to step in and assume ownership and management of those parks.

I make the following statement under section 85(5) of the Constitution Act 1975 as to the reasons why it is proposed in the bill to alter or vary section 85 of this Act. Section 17 provides for the limitation of the jurisdiction of the Supreme Court to prevent it from entertaining actions for compensation as outlined in section 16. It is essential that the transfer of the activities of the pioneer settlement to the Swan Hill City Council proceed without delay and without being impeded by such claims for compensation. It is in the public interest that the council's

management of the pioneer settlement be ratified by Parliament.

I commend the bill to the house.

Debate adjourned on motion of Mr HAMILTON (Morwell).

Mr COLEMAN (Minister for Natural Resources) — I move:

That the debate be adjourned until Tuesday, 17 May.

Mr HAMILTON (Morwell) — On the question of time, the opposition understands that the bill needs to be dealt with quickly while Swan Hill City Council remains and is not amalgamated.

Motion agreed to and debate adjourned until Tuesday, 17 May.

OFFICE OF THE REGULATOR-GENERAL BILL

Second reading

Mr COLEMAN (Minister for Natural Resources) — On behalf of the Minister for Finance, I move:

That this bill be now read a second time.

This bill is a vital part of the government's micro-economic reform program. We are determined to bring the state's economy to the forefront of efficiency and competitiveness.

The government is now well advanced in the planning of major reforms of Victorian industries which have been dominated for many years by vertically integrated government business enterprises (GBEs). These industries include the electricity, gas and water industries. The old monopolistic structure of these industries is no longer appropriate in today's competitive environment. It is crucial that these services should be provided in the most cost-effective manner possible.

The pace of the government's reforms will quicken during 1994-95. Where appropriate, large GBEs will be disaggregated to encourage competition and efficiency, small and inefficient local bodies will be amalgamated, and GBEs will be corporatised and privatised.

This restructuring needs to be accompanied by an effective regulatory framework which ensures that market participants work and trade in a competitive manner. The regulatory body will promote and safeguard competition arising from the new industry arrangements. In the case of any remaining natural monopolies, it will ensure the simulation of competitive market conduct and prevent the misuse of monopoly power.

The government sees the establishment of the Office of the Regulator-General as necessary to ensure that the competitive benefits of the industry restructuring are passed on to household, commercial and industrial consumers. The office will do this by:

ensuring that industry participants adhere to market rules and licence conditions;

preventing misuse of market power;

facilitating entry to the regulated industries;

enforcing rules which will provide for non-discriminatory access to the natural monopoly components of the restructuring industries; and

regulating prices for specified goods and services.

The Office of the Regulator-General will be concerned with the economic regulation of a range of industries, including electricity, gas and water. The bill provides the flexibility to require the office to regulate other restructuring industries as well if that is considered appropriate at the time.

The fact that the office will be regulating more than one industry will underpin its independence. Together with its powers to make determinations, its independence from ministerial direction and the transparent nature of its processes, this will be vital in ensuring the office's reputation for integrity in the community and with industry participants.

It is not the intention of this legislation in any way to detract from the joint commonwealth-state process for reform of competition policy begun by the Hilmer report. It is envisaged that economic regulation of the reforming industries could be transferred to the relevant commonwealth authorities when the Victorian reforms have been settled down. This will only happen, however, when the government is satisfied that the new national institutions concerned with competition policy and

industry regulation are sufficiently developed to look after the interests of Victorian consumers and industries equally as well as the Victorian economic regulator.

Part 1 of the bill sets out the preliminaries, including the purpose of the act, which is to establish the office and to create an economic regulatory framework for regulated industries which promotes and safeguards competition and competitive market conduct. Part 1 also describes how the Governor in Council will declare which industries are to be regulated, which powers defined in legislation relating to regulated industries are to be exercised by the Office of the Regulator-General, and how the office would resolve any perceived conflict between the objectives in this legislation and the regulated industry's legislation. The act is to be interpreted and administered in accordance with statements of government policy.

Part 2 of the bill is concerned with the establishment of the Office of the Regulator-General, its objectives, functions, powers, its relationship with government, and staffing arrangements. The office will be a body corporate, and the office will comprise one member appointed as the Regulator-General by the Governor in Council. The Regulator-General will be appointed for a five-year term. Removal of the Regulator-General from office would require a similar process as is required to remove the Auditor-General, involving a resolution by each house of Parliament. The Regulator-General will be supported by Associate-Regulators General and by staff and consultants, where necessary.

The objectives of the office include to promote competitive market conduct; to prevent the misuse of market power; to facilitate market entry; to facilitate efficiency; to ensure that users and consumers benefit from competition and efficiency; and to further the objectives specified in legislation for the regulated industries.

The functions of the office include to advise the minister on matters relating to economic regulation and to conduct inquiries and report on matters relating to regulated industries. In addition, the bill provides for the office to undertake functions specified under legislation for regulated industries.

The office must perform its functions and exercise its powers in a manner which it considers best gives effect to any relevant statement of government policy. Such a statement would be published in the *Government Gazette* in the form of an Order made by the Governor in Council. The office has the broad power to do all things necessary to perform its functions or achieve its objectives.

An important aspect of the office will be its independence, and to this end the office is not to be subject to the direction or control of the minister in respect of any determination, report or inquiry.

Part 3 defines the specific powers of the Office of the Regulator-General. It will have the power to determine prices for prescribed goods and services, taking into account a number of factors including the costs of production, returns on assets, interstate and international benchmarks, the financial implications of the determination and the factors specified in relevant legislation.

The office may also exercise powers conferred on it in relevant legislation relating to quality standards of supply, licensing arrangements, and market conduct. Determinations are to be published in the *Government Gazette* and in newspapers and will not take effect until they are published.

Part 4 is concerned with the inquiries and reports of the Office of the Regulator-General. The office may choose to conduct an inquiry, or it may be required to do so by the minister in written terms of reference. The office must publicise inquiries. Written submissions may be made, and at least one public hearing must be held in the case of each inquiry. The office has certain powers to require persons to provide information. Within 30 days of receiving the office's final report, the minister must ensure that a copy is available for public inspection and then for public purchase.

Part 5 of the bill contains a number of general provisions relating to enforcement, appeals, proceedings and other matters. Any appeals against a determination of the office must be on the grounds that there has been bias or a misinterpretation of facts, and appeals are to be heard by a panel of three people selected by the minister from a pool of people who will be appointed by the Governor in Council. Appeals must be heard and decided within two weeks of the appeal being lodged.

I wish to make the following statement under section 85(5) of the Constitution Act 1975 of why the bill alters or varies that section. Clause 41 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 entertaining applications referred to in clauses 32(8) or 40.

Clause 32(8) excludes civil proceedings for damage that may be suffered in respect of providing information or documents to an inquiry. The reason for limiting the jurisdiction of the Supreme Court with respect to clause 32(8) is to give persons who wish to make statements or provide information a degree of confidence that their statements or information can be made without fear of litigation. This is likely to enhance the quality of the submissions and information made available to the office, and thus contribute to the quality of its reports.

Clause 40 of the bill provides that proceedings cannot be brought in respect of a determination, provisional order or final order except on the ground that there was no power to make the determination or order or that the procedural requirements in relation to the making of the determination or order have not been complied with. The bill provides for an appeals panel and process associated with the office, and the commercial nature of the industries to be regulated requires that appeals be heard and decided as quickly as possible. It is considered that the appeals mechanism would satisfy the requirements for appellants to be given a fair hearing and for a considered decision on any appeals to be made.

Similarly it is necessary to ensure that where the Regulator-General makes orders to comply with determinations or with the terms of any licence they should operate without risk of questions challenging the substance of the order being referred to court except on the grounds mentioned, since direct and effective enforcement is essential to the scheme of economic regulation provided for in the bill.

The Office of the Regulator-General will play an important role in reinforcing the government's economic reform objectives. The government is determined to make this state's economy the most efficient and competitive in the nation, and an integral aspect of achieving this objective is to ensure that the benefits of the micro-economic reform of the key service industries are passed on to users at all levels, including households, commercial premises and industrial customers. The Office of the Regulator-General will fulfil this role very effectively.

I commend the bill to the house.

Debate adjourned on motion of Mr HAMILTON (Morwell).

Debate adjourned until Thursday, 19 May.

APPROPRIATION (INTERIM 1994-95) BILL

Second reading

Debate resumed from 4 May; motion of Mr STOCKDALE (Treasurer).

Mr JASPER (Murray Valley) — During the few minutes I had last night to begin my contribution to the debate I highlighted the hypocrisy of the opposition. I spoke after the honourable member for Dandenong. Speaker after speaker from the opposition benches criticised what the government has done since coming to office in October 1992, but they conveniently forgot to mention the 10 years of Labor mismanagement and the subsequent difficulties this government had to face. I will highlight the great problems confronting the government in its efforts to return the state to economic prosperity and to its rightful position as the dominant state in Australia.

In contrast to opposition speakers, the honourable member for Dromana, like government speakers before him, highlighted the need for a state government that supports private enterprise and people who show initiative. Government members spoke of the benefits of limiting government intervention and looking to private enterprise for increased efficiencies to enable the state to be returned to working order. Articles on pages 60 and 61 of yesterday's *Herald Sun* highlight the changes that have occurred in Victoria under this government. One headline reads 'Victoria steams back in the race to catch up'.

Mr Sercombe interjected.

Mr JASPER — Would the deposed Deputy Leader of the Opposition care to read the article? After I have quoted from it and made a few comments, I will let him read it. If he does, he will understand what is happening in Victoria. He will understand the reasons for the widespread recognition that Victoria is back on track. The government has got the state moving — not only metropolitan Melbourne but country Victoria.

One million dollars is being spent on reinstating and maintaining the rail service between Tocumwal and Strathmerton. I shall quote some of the points made in that *Herald Sun* article:

> The economic recovery in Victoria is under way and the state is growing.
>
> But Victoria's growth will not be as great as that in other states, particularly Queensland and Western Australia.

The article continues:

> The reason is Victoria fell into a much deeper recession hole than any other state —

that was caused by the mismanagement of the Labor government between 1982 and 1992 —

> so when the rest of the country started enjoying the fruits of the recovery Victorians had nothing to smile about.
>
> Now, the trend is changing. Consumer confidence in Victoria is ahead of the national average and reflected by a lift in leading indicators.
>
> Victorians are spending more in the shops, car sales have risen from a four-year slump, investment is up and the state is leading the manufacturing export drive.

Another article headed 'The shoppers return' states:

> Victorians are finally starting to loosen their belts and spend some money ...
>
> It has been a disastrous couple of years for the state's retailers. Victorian retail spending has failed to keep pace with the rest of Australia.
>
> But that seems to be behind us.
>
> Victoria, in terms of consumption and retail trade, is now growing at about the same rate as Australia as a whole.

To make sure that all the facts are before the Parliament, I will read from another article headed 'Things are looking up':

> Victorians are more optimistic about the economy than the rest of Australia, according to the Roy Morgan Research Centre —

not the government —

> consumer confidence is the highest it has been in Australia and Victoria since surveys began in March 1973, according to the centre's consumer confidence rating.

They are typical of the observations made by commentators in Victoria and throughout Australia, all of whom recognise the new-found confidence in this state. As a person whose family is involved in business and who frequently speaks to business people, I know that confidence was at a low ebb prior to the change of government in 1992. Business had no confidence in the way the Labor government was running the state. It was generally recognised that the former government had been borrowing money to pay the interest on the debt and to develop capital works.

That situation partially led to the disastrous financial situation in which the state found itself in 1992. Voters recognised that at the election, which saw the Labor Party thrown out with a massive win for the coalition government. Victorians recognised the need for a change because the 10 years of Labor government was disastrous.

Those of us who were members at the time will remember that in 1982 when Labor came into office the Premier at that time said that it was the start of a new era.

An honourable member interjected.

Mr JASPER — That is right; it was a new era. In 1992 you were thrown out as a result of 10 years of a new era! Honourable members will recall the comments made by the former Premier, John Cain, and his Treasurer, Rob Jolly. At one time he claimed he was the greatest Treasurer in the world, and that is what he was described as. He assisted in breaking the state and creating the massive debt problems this government is now facing. At last there is a recognition of a new-found confidence in the state.

The great disaster was the federal coalition losing the federal election and the Labor Party being re-elected to office. Victoria's economic recovery will be retarded because it will not receive the support it should receive from the federal Labor government. A complete change of government throughout Australia is needed; a conservative government is needed both in Victoria and at the federal level. Then we will be cooking with gas! The major difficulty facing the state government is having to contend with a federal Labor government.

I will refer to some of the comments made by the Treasurer in his autumn economic statement delivered in Parliament last week:

> Reforming our habits and practices will remain an ongoing challenge. Other countries similarly recognise the need to become more competitive. They will continue to present new challenges to us to work more productively and use our resources more effectively.

Surely that is what must happen. Confidence must be transferred into the private sector to bolster development. The Treasurer spoke about the increased momentum for economic reform:

> The Victorian government is leading micro-economic reform, labour market reform and reduction of imposts on business —

that is a critical point so far as the government is concerned —

> in the form of costs of infrastructure services, costs of workers compensation insurance and costs of complying with government regulation.

Those are the sorts of reductions the government is examining to assist business generally. It has examined the developments and announcements for the capital works projects. No doubt there must be spending to create development and consequently jobs so that the state can move forward.

The Treasurer announced that over a certain period $1 billion would be spent on capital works projects across Victoria. That was one of the most important points raised.

Mr Sercombe interjected.

Mr JASPER — I will come to that — relax. I am interested to hear the deposed deputy leader's interjections. I want to make sure he hears what is going on in north-eastern Victoria. The critical factor that one should — —

An honourable member interjected.

Mr JASPER — The honourable member for Altona is yapping away. She should listen to some of this. It is interesting that that honourable member makes contributions about the importance of country Victoria. Some of her contributions are quite reasonable. However, although she lived in the country once for only a short time, she conveys the impression that she has a true understanding of what occurs in country Victoria. Does she understand? No way!

Mr Cooper interjected.

Mr JASPER — The honourable member for Mornington summed it up. She does not have a true understanding of what happens in country Victoria. She should try to represent her electorate and leave country people to do what they do best — that is, represent country areas.

The critical factor of the economic statement is that the overall budget deficit in 1993-94 was estimated at $3.9 billion, but that figure is reduced to $1.2 billion. That reduction represents a massive turnaround and indicates that this government is recognising — —

Honourable members interjecting.

The DEPUTY SPEAKER — Order! The Chair has been tolerant until now by allowing a reasonable level of interjection. I emphasise the word 'reasonable', and I ask honourable members to restrain themselves.

Mr JASPER — During the years I have been a member of Parliament I have heard inane comments from opposition members who do not have much understanding of what is happening and what they should be doing. It is interesting that the deposed Deputy Leader of the Opposition mentioned what is happening in country Victoria. I want to ensure that he understands that much more is being done in country Victoria than what he or other members of the opposition acknowledge, and one need only look at what has happened with schools to realise that.

It is interesting to see the honourable member for Williamstown in the chamber. She is a person with considerable educational experience whom I respect. The changes to education have been accepted in country Victoria and in my electorate. They have produced and will produce in the long term a better outcome for schools generally.

The number of schools in country electorates presents difficulties for members representing those electorates. There are 36 primary and secondary schools in my electorate.

Mr Steggall interjected.

Mr JASPER — The honourable member for Swan Hill asks whether that is all. The facts are that many country electorates have many schools. Last year I visited all the schools in my electorate and discussed with principals and staff and school councils representatives the proposed changes and how they thought their schools should operate.

In my electorate only five schools were closed and they each had fewer than 12 students. In the current circumstances they could not be justified and the people representing those schools in discussions recognised that having fewer than 12 students was unviable.

The Bobinawarrah East school with 12 students was closed, and they now attend the Markwood Primary School. Burramine South school with 7 students was closed and they now attend the Tungamah Primary School. The Everton Upper school closed voluntarily and the 7 students that attended that school now attend Everton Primary School. Eldorado primary school had some difficulties and a small number of students have been taken by Carraragarmungee Primary School and Tarrawingee Area Primary School. St James Primary School was the other school that closed voluntarily. The parents voted with their feet. At the end of second term last year they closed the school and moved some of the students to Tungamah Primary School and some to Devenish Primary School.

Overall the government achieved an excellent result and as schools settle into the new system there will be a better result for students in country Victoria. It is important to put on record that coalition country members had extensive discussions with the minister and the senior representatives of the department and were able to put to the minister what they believed were areas of concern and how they believed they could get a better outcome for people they represent in country Victoria.

The government was able to give an assurance that a second full-time teacher would become available to schools once their enrolments reached 27. That was important to many of the smaller schools in my electorate of Murray Valley. Extra staff was provided for secondary school with enrolments of less than 500.

All honourable members know of the importance of the conveyance allowances and the provision of free school bussing to country students. The maximum allowance of $300 per year had not been raised since 1981. In 10 years of Labor government, despite representations by country members seeking a review of the allowance, the allowance was not raised once. The allowance ranged from $50 in some areas to a maximum of $300. Conveyance allowances have been reviewed and will be increased — the first increase since 1981!

The MARC and MACC support vans that were provided to small country schools have been retained following representations to the government. The interest subsidy provided to schools to assist them to take on capital projects has been retained and extended. Clerical assistance for small country schools, which had been reduced, was revised back to the original level, providing support for smaller country schools and a recognition of the special difficulties of schools in remote areas of the state.

The minister also announced $176 million of capital works projects to Victorian schools over the next two years. That is important because during the past 10 years there was a massive run down of the capital works program for schools and there is a need for capital works spending. The government has promised an increase in capital works spending to bring schools up to a reasonable standard.

Eleven country schools have been included in the specialist physical education program, including Rutherglen High School and Cobram Consolidated School in my electorate.

There has also been capital works spending in my electorate. It is interesting that there are honourable members opposite who are interested in hearing how some of the money is to be spent. Rutherglen High School will have $330 000 to spend on much-needed development that will assist in providing a higher standard of education for its students. Cobram Consolidated School will also spend $300 000 and Katamatite Primary School will have $45 000 for renovations.

One of the largest high schools in Victoria, with an enrolment of 1300 students, Wangaratta High School, received $600 000 for its maintenance program and the Wangaratta College of TAFE received $250 000 for the development of student accommodation. As a member of the Wangaratta College of TAFE council, I am pleased that result has been achieved in recognition of the importance of TAFE training in country areas, particularly based at Wangaratta in my electorate.

It is important that the government is taking a positive approach to the provision of educational facilities in country Victoria.

Another important area is the provision of police stations and support services in country Victoria. I am pleased that over the years — it was supported by the former government — new police facilities

have been developed. There are new police stations at Cobram, Yarrawonga and Rutherglen in my electorate and a new $13 million police headquarters and 24-hour station at Wangaratta was opened last year by the Minister for Police and Emergency Services. I am pleased that was put in train prior to the change of government because had that not been so the minister, who is the honourable member for Benalla, may have wished to relocate the headquarters in Benalla rather than leaving it at Wangaratta.

The new $25 000 police station at Numurka was badly needed. Numurka police were operating out of a former water supply authority residence that was converted to a police station in 1946. Although it had undergone some renovations and additions in the period since then it was substandard accommodation and not conducive to the provision of good policing in Numurka and the surrounding areas. The police stations across my electorate are in excellent shape, including the small, one-man stations.

The recent opening of a section of the Hume Freeway by the federal Minister for Transport and the Minister for Roads and Ports was an excellent result. The freeway now bypasses every city and town between Melbourne and Wodonga. The bypass project was estimated to cost $110 million but following the introduction of the competitive tendering process in recent years the final cost was only $84 million.

In the early 1980s a coalition federal government introduced a 3-cent levy on fuel to provide funds for construction on the Hume Freeway. It was proposed construction would commence in the early 1980s and that the project would be completed by the 1988 bicentenary. Following delays over a number of years the completion date was extended and the completion date looked more likely to be 1996.

Government members from north-eastern Victoria made strong representations when funding for the Hume Freeway project was redirected to projects in other parts of country Victoria and Australia. The pressure we were able to bring to bear resulted in additional funds being provided and the project being completed by April 1994, almost two years ahead of schedule. That will be important for north-eastern Victoria and Wangaratta. The 3-cent additional tax imposed by the Victorian government for roadworks will be of great benefit to country Victoria, with a third of those funds being directed to country road projects. Many road projects are under way in my electorate, and country people appreciate the additional funding allocated for rural Victoria.

I am extremely disappointed at the high level of taxes imposed on motorists by the federal government. The excise on fuel is approximately 50 per cent of the cost of a litre, about 35 cents, of which 7 cents is returned to the state and the balance paid into consolidated revenue. The state government allocates nearly all the fuel tax it collects on roadworks.

The federal government has made no secret of the fact that there will be further increases in fuel taxes in the future. The motorist is a milch cow for the consolidated revenue.

If I had more time I would refer to the further development in the tourism and wine industries in my electorate. Today I spoke to a businessman who told me that the government must look after the business people who are still left in Victoria because so many of them have given up. The government is creating the right climate for people to invest, develop their businesses and increase employment, which is what it is all about. The government cannot employ everyone; private enterprise is the way to go.

Mr BATCHELOR (Thomastown) — I am pleased that I am following the honourable member for Murray Valley, because I shall take up his comments on the road transport industry. The honourable member has a reputation for standing up for his electorate, even to the extent of opposing his coalition colleagues. Obviously he has fallen victim to the subterfuge in the figures for the transport budget. A close examination of the statement shows that the government is not telling the truth. It says that capital works spending will increase by $128.9 million next financial year, an increase of 24.7 per cent.

Following the Treasurer's announcement the television news and media reports the next day also fell victim to the subterfuge. The reality of the transport budget, particularly the capital works program, is that accountants within Treasury have manipulated the statement to put the government in a good light.

The government has got away with the subterfuge because of the confusing way figures are presented and changes made in budgets and economic statements. Apples cannot be compared with apples. Tables are prepared differently and economic data

are presented to confuse the media, the public and obviously even members of the government.

I shall examine the figures to present a correct analysis of the capital works program in the transport portfolio. The increased allocation for capital works in 1994-95 of nearly $130 million includes $93 million of capital works expenditure which was to be spent in 1993-94. The government was not able to spend that money on roads so it repackaged the program and transferred the money to the 1994-95 financial year. It is now hailing this supposed increase in capital works funding as a major achievement. It is a disgrace!

Mr A. F. Plowman interjected.

Mr BATCHELOR — The honourable member for Benambra is defending the deferral of this expenditure. I am sure that many roads in the honourable member's electorate could have benefited from road programs. The government was incapable of spending its road program allocation for this financial year so road programs that should have been completed will be deferred until the next financial year. Projects to improve road conditions where people have been killed have been put off until the next financial year! For almost 12 months communities in rural Victoria and metropolitan Melbourne will have to put up with poor road conditions because of the incompetence of the government and the maladministration of the transport portfolio. If the money had been spent when it was intended, the capital works program for 1994-95 would have been $558.3 million compared with the 1993-94 allocation of $616.4 million.

If the capital expenditure had been spent as planned, those extra roads would already be in existence. If the funds had been spent when the commitment was given to spend them, a decline of $57.1 million in capital works expenditure would have occurred between 1993-94 and 1994-95. That, in effect, would have amounted to a drop of 9.3 per cent. Because of the government's administrative incompetence and bungling and because of the need to defer expenditure of this important social infrastructure through to the year 1994-95, the opposition argues that the real impact of the capital work's budget for roads is, in effect, a drop of nearly 10 per cent. It is not the increase of almost 25 per cent that the government attempts to portray.

The government stands condemned for attempting to hide the facts in the new, complicated structural format of the transport budget. When the Treasurer presented the budget he said a number of accounting or presentation format changes would be implemented. That has happened in many departments. The changes did not occur in the last transport budget; they occurred in the autumn economic statement. Clearly the government deferred the decision to implement the accounting and presentation changes until the economic statement, rather than the previous budget. From the beginning, the government knew it was having trouble meeting its commitments and making the expenditure. It needed a device to try to hide what was going on from Parliament and the community.

A further examination of the transport section of the economic statement reveals that, of the total amount deferred — that is, funds that were not spent, even though they had been promised and committed — Treasury was not referring only to roads funding. In addition to the money not spent on roads other moneys due to be spent this year remained unspent and were transferred to the following year. And the government again tries to claim it is increasing expenditure. Therefore, in addition to the $93 million not spent on roads another $8 million was the transport component of the Better Cities program. Capital expenditure of $10 million was deferred by the Public Transport Corporation and $34 million worth of ports capital expenditure was deferred. The real tragedy — particularly the deferral of $8 million worth of capital expenditure on the Better Cities program — is that the program was an initiative of the federal government that was designed to improve the quality of life for urban Australians. It was designed to increase expenditure on public infrastructure while increasing employment opportunities. The negligence of the coalition in administering the program is an ongoing indictment of its ability to care for people in the community.

The government decided to limit the extension of the Bundoora tramline in the northern suburbs, a decision targeted deliberately at the people in the northern suburbs so that the government could reallocate the funds to the city tram loop. The community will be even angrier when it realises that not only was the money taken from northern suburbs residents, but all Victorians have suffered because the government has not spent the correct amount of money this financial year. It is an absolutely disgrace!

I refer to the new capital works projects for 1993-94 and 1994-95. The relevant expenditure on new capital works in the transport portfolio is separated

into two categories: roads and public transport. Roads has the huge allocation of $559.55 million. Although that was the amount announced, in actual fact only $42 million is to be spent in 1994-95. Of the total announced allocation of $560 million, the largest single initiative relates to the Goulburn Valley Highway, which has an allocation of $214 million. That allocation has been made because the Goulburn Valley Highway has been declared a national highway and will be federally funded. It is interesting to repeat those figures: a staggering allocation of more than $0.5 billion was announced. The government attempted to gain large amounts of political credit from that announcement. The biggest single component of that allocation was the federally funded national highways network, which represents part of the highway connection between Melbourne and Brisbane — the Goulburn Valley Highway. It is also interesting to note that, of the $1.14 billion in new works programs, $476 million is actually funded by the commonwealth. Victorians have witnessed yet another public relations exercise in the form of this autumn economic statement, particularly in respect of transport.

When one examines it closely, one finds that the autumn economic statement is all froth and bubble, with little substance. Much of its funding comes from the federal government. Why does the federal government allow the state government to take the credit for so much of the capital it provides to Victoria?

Some $51 million is to be spent on new works by the Public Transport Corporation, of which $23 million is to be spent next year. Approximately $16 million of those total new works relates to the introduction of driver-only trams. The other initiative is the standardisation of the western rail line, which will cost $20 million. The same trick is being attempted: although an announcement is made about huge transport allocations, in reality only a small portion of those allocations will actually be spent next financial year.

It is interesting to note the comparison between new roads capital works for 1993-94 of $386 million and Public Transport Corporation capital works of $144 million, which includes an amount for the new automatic-ticketing system. The new automatic-ticketing system is worth examining in its own right. I understand it is part of the deferred component of capital works expenditure in the PTC that was transferred from 1993-94. The amount involved is $10 million, and I suspect a substantial part of that was deferred until 1994-95 because the implementation of the automatic-ticketing system was months behind schedule.

Earlier we heard that the automatic fare collection system would be phased in from the beginning of this year. The PTC told its administrative staff to prepare for the introduction of this new ticketing system in February or March. Now it is unlikely to be introduced until September. Therefore, the need has arisen to defer capital expenditure because the government has got it wrong.

The government has encountered all sorts of problems in the introduction of the system. The PTC found that when the new electronic, computerised machines were installed on the trams, the movement along the old tracks combined with vibrations and interruptions to the power supply — a design feature of the trams when passing insulation points along the overhead electrical connections — meant the automatic ticketing machines could not function, thereby causing a significant delay in the installation of the equipment.

Matters that were an intrinsic part of the system were not taken into account — that meant a large amount of the capital expenditure destined for this financial year has been deferred to the following year. The government then has the audacity to trumpet loudly that it is increasing capital expenditure. Nothing could be further from the truth.

The current outlays for 1993 and beyond should be examined in the autumn economic statement read to the house last week by the Treasurer. The PTC has experienced months of job shedding. Thousands of people have left the employ of the PTC, having been forced out by deliberate government decisions. That process obviously will continue through into the next financial year.

The economic statement proudly announces that the government intends to get rid of another 3500 people from the public service, the majority of whom, it identifies, will come from the PTC. Honourable members should speak to regular users of public transport. They will be told that the system is on its knees. It is being systematically destroyed by the government. The public will say that problems that arise within the public transport system can be related back to the so-called reform package. They will be staggered to learn that the government will continue this systematic and deliberate removal of people who provide the service. The people at the so-called coalface — that

is, those who provide the service and security to the public transport system — are being removed. The general public at large will be staggered to learn that many of the remaining public transport employees will be squeezed out.

In 1994-95, $400 million has been allocated to the voluntary departure program. Most of the employees who will depart will be from the public transport area. Other initiatives will affect the current account outlays in the public transport sector, particularly policies relating to superannuation and capital charges.

Superannuation is to be included in departmental outlays but the departments will be refunded for any increase in liability. According to Treasury estimates, the following superannuation amounts will be allocated to the Department of Transport in 1994-95: for the ministry and the ports area of the department, $1.47 million; for the PTC, $36.4 million; and for roads, $17.3 million.

The other impact on the current account outlays will be in the area of capital charges. The government has said capital charges will be imposed on new capital works from 1994-95 so that many of the announcements made will have an impost of a capital charge, therefore affecting the capability of the service to be provided. It will apply particularly to the standardisation of the western wheat rail lines. It will make it more expensive for that business unit within the PTC to provide an economic return and will create great difficulties for the corporation to deal with this budget initiative.

In the remaining time before the debate adjourns tonight, I shall refer to another area of transport that has a huge and ongoing impact on Victorians. I direct to the attention of the house the case of a constituent of mine who gained much media attention today about a difficult experience he was forced to encounter when he could not get ambulance services; neither could his family obtain any satisfactory non-emergency medical transport.

I have been contacted by the Capanna family of Lalor, who have an horrific story to tell. Earlier this year Mr Frank Capanna, who is nearly 70 years of age, had an unfortunate health condition which required him to have triple bypass surgery. Following that serious condition he was unfortunate enough to be required to have one of his legs amputated; shortly thereafter the second leg was amputated. This gentleman was already suffering from dementia, and a triple bypass operation followed by a double amputation had a huge impact on him and his family.

I notice honourable members on the government side making a joke about the difficulties this gentleman found himself in. I assure the house there is nothing funny about the circumstances of Mr Capanna's health. There is nothing funny about the shabby way in which he was neglected and left abandoned by this government, yet we see and hear the rabble on the other side trying to defend the deplorable state in which this man was left.

The SPEAKER — Order! The time appointed under sessional orders for me to interrupt the business of the house has now arrived.

Sitting continued on motion of Mr MACLELLAN (Minister for Planning).

Mr COOPER (Mornington) — On a point of order, Mr Speaker, firstly, the honourable member for Thomastown referred to government members as rabble and, secondly, accused them of laughing and making a joke of the matter he is relating to the house. The second claim is deliberately false.

Mr Batchelor interjected.

Mr COOPER — Why don't you listen, you little man. I take it as a deliberate affront. I object to his calling government members rabble, and I ask for that remark to be withdrawn.

The SPEAKER — Order! It is clear from precedents of former Speakers that an expression used against a party is not the same as an expression used against an individual. There is no point of order.

Mr BATCHELOR (Thomastown) — On a recent occasion Mr Capanna had to be taken from the nursing home where he is convalescing to his surgeon to have stitches removed from the stump of his leg. At 10.00 a.m. on the day in question the nursing home contacted the ambulance and requested assistance. The ambulance service was unable to commit itself; there were insufficient services available because of government cutbacks. The nursing home decided to try to get non-emergency medical transport.

The request for service commenced at 10.00 a.m. and the transport arrived finally at 2.45 p.m. Mr Capanna, having missed his appointment, had to be taken finally from the nursing home in Preston to

a medical suite opposite the Austin Hospital for the short procedure. Upon completion of the surgery staff assisted Mr Capanna to obtain medical transport to take him back to the nursing home.

Mr Capanna, a man who is convalescing from triple bypass surgery and a double amputation, was not able to obtain medical transportation. At 7.00 p.m. a daughter in desperation gave up waiting and wondering where her father was. She arrived at the medical suite in a small family sedan to provide personal transport because the medical transport had not arrived.

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

Debate adjourned on motion of Mr MACLELLAN (Minister for Planning).

Debate adjourned until next day.

ADJOURNMENT

Mr GUDE (Minister for Industry and Employment) — I move:

That the house do now adjourn.

Sheriff's Office

Dr COGHILL (Werribee) — I raise for the attention of the Attorney-General the administration of the Sheriff's Office. This week Mr Keith McQualter of 14 Cormorant Crescent, Werribee, received from the Sheriff's Office a warrant for an outstanding speeding fine that resulted from the detection of a vehicle exceeding the speed limit on 26 November 1992. The warrant was addressed to Mr McQualter of 21 Marcus Avenue, West Footscray. When Mr McQualter left that address in October 1992 he notified the Road Traffic Authority and his former landlord of his new address and took the step of arranging with the local post office the redirection of his correspondence. Mr McQualter did not receive any advice about the matter until the warrant arrived at his current address this week.

This is not the first time I have heard of the Sheriff's Office failing to determine the current address of a person who is the subject of a warrant. I should like the Attorney-General to examine the matter and, more particularly, deal with the underlying problem of the administration and management of the office. It has been my experience that individual officers attempt to assist wherever they can and are generally reasonable and cooperative. Clearly the management of the Sheriff's Office does not require that the current address of a person be properly determined before a warrant is issued. I ask that in all such cases the office take the proper steps to determine the current address relevant to the warrant being executed.

Lakes Entrance police station

Mr TREASURE (Gippsland East) — I direct to the attention of the Minister for Police and Emergency Services the police station in Lakes Entrance. It is the second largest town in Gippsland East and is growing rapidly. Over the years it has become a popular tourist destination and is home to the state's — if not the nation's — largest fishing fleet. The police station was constructed in 1966 and in its early days it housed about four officers. As the town has grown the number of officers has increased and now 11 permanent officers are stationed there. At busy times such as holidays 16 police officers are on duty 24 hours a day.

The only alterations to have been made to the police station in that time are some modest internal changes; no external buildings have been added since construction. There is ample room on the block for a new building to be constructed in front of the existing one without disrupting police activity in any way. The site is ideal. It is on the corner of Myer Street, close to the esplanade and the main shopping centre.

The local community expected the Labor government to do nothing about capital works in Lakes Entrance, and that was what happened. The police station has been neglected and the officers operate in what could be referred to as a dogbox because it is too small for the efficient operation of the officers. I ask the Minister for Police and Emergency Services to look into the needs of the Lakes Entrance community and their police station.

People can walk through the muster and interview room while police are interviewing people. The telephone facilities lack privacy and it is difficult to take calls without people at the front desk overhearing. When drugs or like products are seized, there is no adequate place to keep them.

The cells are deteriorating. There are anchor points in all the cells and the exercise yard, which is part of the cells, are corroding badly from the salt air. That gives a picture of the state of the cells.

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

Sydenham bus service

Mr CUNNINGHAM (Melton) — I direct to the attention of the Minister for Public Transport the possibility of extending a bus service from Keilor-Taylors Lakes to Sydenham and the Melton shire boundaries so that a basic service is provided for the residents of Sydenham and Melton East. The distance of the trip would be only 5 kilometres, or a 10-kilometre round trip. Such a service would benefit families with only one car, young mothers, children, students and the elderly, who desperately need access to public transport.

I raised this matter with the Minister for Public Transport in November 1992 and he said he accepted that Melton is a growth area. That has been further acknowledged by the government's announcement of the construction of a new Sydenham primary school to be opened for the 1996 school year. A bus service could be part of the infrastructure of the new school and a recognition of the massive growth in the area.

In his reply in 1992 the Minister for Public Transport also said:

> It is the government's policy to tender out the entire Metropolitan Transit Authority bus fleet to private enterprise, and that procedure will be undertaken next year. That will result in significant savings to the taxpayer on the cost of providing bus services in the metropolitan area. The government proposes to use some of those savings to expand bus services on the basis of merit.

Mr A. F. PLOWMAN (Benambra) — On a point of order, Mr Speaker, if the honourable member is referring to a document, he should table it.

The SPEAKER — Order! I understand the honourable member is referring to notes.

Mr CUNNINGHAM (Melton) — The document I am referring to is available to the house — it details the comments of the minister. The minister also said in his reply in 1992 that it was the government's intention to address the transport problem that clearly exists in the area. He went on to say that the service would be provided when the government was able to do so.

It would be appreciated if the service could be considered even on a trial basis so as to gauge the people's support. They live in hope; but as we know, hope is a good breakfast but a bad supper. Nevertheless, the community hopes the minister can help in some way.

Frankston brothel permit

Mr WEIDEMAN (Frankston) — I raise a matter for the attention of the Attorney-General and possibly the Minister for Planning. On 10 October 1992, some seven days after the election of the government, whose policy is to allow local communities to make decisions regarding planning permits for brothels, the Frankston council received an application from Peter Neve of 7 Heversham Drive, Seaford. It appears that between 10 October 1992 and 9 November 1992 there was a great deal of haste in making a decision on the permit. A motion was proposed by several councillors, but it was defeated by seven votes to five. Three members who voted for the motion were Labor councillors.

The Administrative Appeals Tribunal considered the matter on 23 February. On 15 March 1993 the minister said a moratorium would be imposed on all applications for permits for brothels. Any builder or developer would be amazed at the speed with which the decision was made. It seems suspicious to me. I have received almost 100 letters on this issue, as has the honourable member for Frankston East, and it worries me that our political opponents are suggesting that the government has been lax in this area.

The Attorney-General should have the committee examine this situation because I understand a number of permits were not approved. I suggest to the people of Frankston that they are being duped on this issue. It would seem that the council knew that even if someone opposed it the permit would be approved on the basis that one cannot use moral grounds to oppose permits for the development of a brothel in a light industry area, but it took more than a year for the brothel to open.

It caused enormous problems in my community, and I ask the minister and the government to reflect on our policy at the time and re-examine the issue. I have been in public life a long time and this one really smells.

Industrial safety audits

Mr HAMILTON (Morwell) — I raise for the attention of the Minister for Industry Services a matter concerning a Mr Michael McInnes, who is a constituent of mine. The matter is also one to which the Minister for Industry and Employment could apply his considerable flair.

Mr McInnes, who lives at Boolarra, rang me recently to inquire about how he may obtain some contacts to establish a private consultancy business to carry out safety audits in industrial plants. The concept, or his vision, as he calls it, is to be able to go to a plant and use his considerable skills and experience to discover what occupational hazards exist, examine ways of overcoming them and provide the company with a number of options for solutions.

The concept appears to be worth while. If we can encourage industry to provide safer workplaces by having someone from outside inspect plants and conduct audits with a fresh view of the problems, and perhaps remove hazards not recognised by people without skills and experience, it would be a good thing.

He has had some experience in carrying out similar operations in major industrial plants in our part of the world through his former employer, Australian Paper Manufacturers at Maryvale — one of our excellent local industries that is doing a great job.

He is at a loss to know where to seek assistance on whether there is an avenue for the business so he can sell himself to not only the larger companies around the place, but also medium-sized plants. He is seeking advice on how he may become involved in what is an extremely important part of industry — worker safety. It is too late once something has gone wrong and an inspector arrives and fines a company for having an unsafe workplace. If that situation could be prevented everyone would benefit. The concept is excellent, and I ask the minister to give it some thought to see whether there are avenues through which the service may be promoted and facilitated.

Templestowe Road, Lower Templestowe

Mr PERRIN (Bulleen) — I ask the Minister for Industry and Employment to direct to the attention of the Minister for Roads and Ports in another place the section of Templestowe Road, Lower Templestowe, between Gordons Road and Airds Road.

A couple of weeks ago a serious accident happened at this location — two young people were killed in a two-car collision. One was 19 years old and the other was 17 years old. Templestowe Road is a declared VicRoads road. A series of accidents has occurred at that location since before Christmas. As a result of the previous accidents VicRoads, in conjunction with the City of Doncaster and Templestowe, undertook a number of works it hoped would reduce the tendency for accidents to happen on that bend of Templestowe Road. At some cost the roads were resurfaced and new guardrails were put up to protect the local residents.The light poles that were knocked down in previous accidents were restored and a number of other works were undertaken.

I have been contacted by one of my constituents whose son was involved in one of those accidents. Fortunately he was not seriously injured, but obviously the local community is concerned about that section of Templestowe Road, which is near my home. On a number of occasions power poles have been knocked down as a result of accidents, causing blackouts.

I seek from the minister a realignment of the serious bend in the road. Although a lot of work has been completed on the road surface, the bend needs to be realigned to alleviate some of the problems. Clearly the previous works have not been effective, and one of my constituents received a letter from VicRoads indicating that if the present works were not effective funds would be provided from the budget next year for the realignment of the road. I seek from the Minister for Roads and Ports an adherence to the previous undertaking.

Northland Secondary College

Ms KIRNER (Williamstown) — I raise a matter for the attention of the Minister for Education and in his absence through the minister at the table, although I hope the Minister for Education will appear in the house.

One of the definitions of racism is that the race with the decision-making power makes decisions for and on behalf of other races that disadvantage the other races. That has been the theme in the decision-making of this government on the issue of Northland Secondary College. There have been three examples: firstly, when the school was arbitrarily closed despite the fact that the royal commission into Aboriginal deaths in custody said it was one of the best mainstream schools for Aborigines in

Australia and that it was a lighthouse school. The excuse given for its closure was lack of maintenance.

When the Aboriginal community negotiated with the Minister for Education saying that the government should be able to part with funds for maintenance, somebody at the top in the government overrode the decision of the Aboriginal community because that person knew best! The Aboriginal community took the government to the Equal Opportunity Board and used its scarce resources to take on all the government QCs. The Equal Opportunity Board decided that the school should remain open and so instructed the government, but the government knew better than the Aboriginal community and took the matter to the Supreme Court. The case has been adjourned and will be heard again on 1 June.

That is bad enough, but the worst thing is the outcome for Aboriginal children. There are 50 Aboriginal children no longer attending school in this state because Northland Secondary College has been closed.

Mr Kennett interjected.

Ms KIRNER — Because they choose not to, the Premier says! It is because you have stopped them from going to school.

Honourable members interjecting.

Ms KIRNER — The one person standing as a bridge between them and an education is Dedrie Bux, who is the teacher aide. She has been told that she is not going to receive funding. Her pay has been stopped on the instruction of Reg Macey, a former Liberal member of Parliament who works in the minister's office.

It is a disgrace. I ask the Minister for Education to overrule that racist decision and return this woman, who stands between those kids and destruction, to her rightful job.

Knox palliative care unit

Mr LUPTON (Knox) — I direct a matter to the attention of the Minister for Aged Care in another place, through the Minister for Industry and Employment. I refer particularly to the minister's visit last Saturday to the outer east palliative care unit in the city of Knox. The unit caters for people in the municipalities of Knox, Sherbrooke, Croydon, Lillydale, Upper Yarra and Healesville, so it covers a large area.

Unfortunately funding for the unit has been nil. It is typical of the former government, which looked after the west and forgot the rest! These municipalities have a large ageing population but do not have facilities where palliative care can be successfully introduced because no funding has been provided.

During the minister's visit last weekend he expressed his concern about that and his appreciation of the fact that the community had seen fit to become involved in starting a palliative care unit. That was achieved as a result of continual pressure from the honourable member for Bayswater and me over a considerable period. It is important that we continue to pursue funding for palliative care because we can no longer afford to have people sitting in hospital beds when they would choose to stay in their own homes and receive suitable care when they are terminally ill.

Not all people who require palliative care are elderly, but there is a definite need in the outer east for those people to be cared for. I ask that the minister examine the situation with a view to finding a way of providing funds to help the outer east palliative care unit get off the ground and become a viable, successful operation. There is a genuine need for the unit and it is to be regretted that nothing has been done in the past to provide funding for this service in the outer east.

Dandenong waste oil project

Mr PANDAZOPOULOS (Dandenong) — I direct to the attention of the Minister for Energy and Minerals his reply in the adjournment debate on Tuesday night when he offered excuses to the honourable member for Gippsland South as to why the Toora wind farm would not proceed, but I shall not focus on that. At that time the minister mentioned a number of cogeneration projects, which he is supporting and which he said would produce 177 megawatts of electricity. He stated:

> Through the waste oil project at Dandenong a total of 11 hydro plants have come on stream ...

It is of great concern to the people of Dandenong that the minister is supporting a project which has not even gone through the proper planning process, which has been rejected by the City of Dandenong — it may go to the Administrative

Appeals Tribunal — and which is questionable in terms of its environmental performance and impact on the area.

The house may recall the front page story of the *Sunday Herald Sun* about pollution and the industry in the area. Since the mid-1980s the people of Dandenong have worked extremely hard with local councils, local politicians, environmental groups, community groups and local industry to improve the outlook for Dandenong so that industry can improve its image, environmental performance and consultation with the community. However, this project, which is intended for Dandenong, could harm the image that the community has tried so hard to build.

The Premier, the Minister for Industry and Employment and the Minister for Small Business have supported local business, which is good. But I am worried by the support of the Minister for Energy and Minerals for a project that gives rise to grave environmental concerns.

The house should not forget that a few weeks ago Melbourne had a major pollution problem. Under the cogeneration project Dandenong Power Pty Ltd will use 18 million litres of used oil from Shell. The Environment Protection Authority has said that most of Melbourne's air pollution comes from used oil. The use of a large quantity of waste oil, which is to be transported from Shell to Dandenong Power, will result in more pollution in Dandenong. I ask the minister to seriously reconsider his support for the project. My area needs industry development and jobs; but clean industries, not polluters, are wanted.

Berwick neighbourhood houses

Ms GARBUTT (Bundoora) — I ask the Minister for Industry and Employment to direct to the attention of the Minister for Community Services my concerns regarding a group of neighbourhood houses in the Berwick municipality on which funding cuts have been imposed by the state government.

Funding cuts have been made to the Narre Warren child-care program. I was told by the Doveton coordinator that coordination time at that neighbourhood house had been cut from 14 to 8 hours. Funding from the Adult, Community and Further Education Board for the Endeavour Hills neighbourhood house has also been cut.

These funding cuts have affected neighbourhood houses in growth areas, despite increasing numbers of people coming through their doors wanting to participate in programs. Neighbourhood house representatives have had to get together and approach the local council, asking for extra funding of $85 000. That is the amount they say they need. The executive officer of the Narre Warren neighbourhood house, Mrs Vrieze, said she believed two or three neighbourhood houses within the City of Berwick could be lost. The situation is serious.

Mr Maclellan interjected.

Ms GARBUTT — The minister suggests that Berwick has money to burn. Perhaps the minister should tell the City of Berwick what he thinks. It is obvious from the minister's comments that the plan is to make neighbourhood houses go to the council and ask it to make up for the government's funding cuts. The alternative is that the neighbourhood houses will close.

The government's funding cuts have left the houses struggling to survive. It would be false economy to allow them to close. The important community networks provided by these houses are being crippled by funding cuts. Figures show that volunteer work at the centres amounts to more than 57 000 hours a year, which is equivalent to a saving of more than half a million dollars each year. Despite that the neighbourhood houses are being subjected to savage funding cuts, forcing them to go to the local council for assistance. It is obvious that that is what the local member expects them to do.

Youth suicides in western suburbs

Mr SEITZ (Keilor) — I direct to the attention of the Minister for Community Services a matter of grave concern to me and to my community in the western suburbs. Earlier I noted an interjection suggesting that the Labor government spent all its money in the western suburbs. Obviously it did not spend enough, given the Liberal Party's 27 years of neglect of the region!

I am concerned about youth suicides. The unemployment situation places pressure on young people in particular. In the western suburbs there has been an alarming increase in the suicide rate among young men. That is a shocking indictment of our society. I ask the minister to consider the possibility of initiating a program to assist young men. They do not know which way to go. They are seeking jobs, security and standing in society, but

the unemployment situation adds to the pressures they feel in trying to sort themselves out.

Perhaps the government could set up a program similar to that offered by neighbourhood houses. Although neighbourhood houses cater for women in the main, a program encouraging men to participate in courses to develop self-esteem would be beneficial.

Responses

Mr BROWN (Minister for Public Transport) — It is appropriate that I have been given the call first tonight on this extremely important occasion for me and some of my colleagues.

The SPEAKER — Order! I advise the minister not to push his luck!

Mr BROWN — Thank you, Mr Speaker. I have been pushing it for 15 years, but I will refrain from pushing it any further.

An honourable member interjected.

Mr BROWN — The honourable member for Melton referred to improvements to bus services. It is only fair to reiterate that until 18 months ago the Labor Party had been in power for 10 years. Throughout that time it did not make many of the changes now being requested. Notwithstanding that, I acknowledge that the honourable member for Melton is one of the better members of the Labor Party and represents his constituency rather well. He attends Anzac Day lunches and is generally well respected in the local area.

In addition to making many other reforms to transport, this government has made major changes to the way buses are run in Melbourne. The privatisation of services has provided the community with better services at a much reduced cost.

I undertake fully to investigate the issues put forward by the honourable member. The government is prepared to make changes to bus services that are cost neutral and provide better services to the local community. I cannot answer tonight whether the changes the honourable member for Melton mentioned fit into that category. However, I acknowledge his interest in obtaining better services.

For the past 10 years services could have been improved but they were not. I undertake to have officers of the Department of Transport investigate the honourable member's request to determine whether the government can improve the services in the near future rather than the long term.

Mr PESCOTT (Minister for Industry Services) — The honourable member for Morwell referred to safety audits and the possibility of people in his district and elsewhere in Victoria conducting those audits. As I understand it, the honourable member is talking about the possibility of people running their own small businesses in order to run those audits.

I inform the honourable member that a number of companies already run such businesses, mainly for some of the larger firms. I understand that the constituent who raised this matter previously worked with a large firm, Australian Paper Manufacturers, at Maryvale. One finds that the larger firms are prepared to employ people outside the government's inspection service so that they can satisfy themselves that the standard of occupational health and safety is high without having government inspectors come to do it.

I will provide a contact point to the honourable member to pass on to his constituent, and I will ask the Minister for Small Business to provide the honourable member for Morwell with some advice for his constituent on how to establish a small business in that area.

Mr McNAMARA (Minister for Police and Emergency Services) — The honourable member for Gippsland East referred to the Lakes Entrance police station. Some weeks ago I had the opportunity of inspecting that police station. I visited Lakes Entrance to announce that it would hold the world championships in kite flying, an event that will attract more than 10 000 people from all over the world. It is an important event in the tourism calendar and demonstrates that major events are occurring not only in Melbourne but throughout Victoria.

Honourable members interjecting.

The SPEAKER — Order! The Chair is calling for some decorum. I ask that the minister be heard in silence.

Mr McNAMARA — While I was in Lakes Entrance the honourable member for Gippsland East arranged for me to inspect the local police station. It

is in need of upgrading and unfortunately, after 10 years of neglect by the former Labor administration, had been placed on the bottom of the list.

The Labor government never got off the tram tracks, but this government has a broader vision for the state. It is interested in all Victoria and is ensuring that the prosperity is shared by all.

Honourable members interjecting.

The SPEAKER — Order! The level of interjection is far too high. I know it is late in the evening, but the forms of the house must be observed.

Mr McNAMARA — The issues raised by the honourable member for Gippsland East are important. I shall ensure they are properly addressed. The work done by Senior Sergeant Adrian Lalor, who is in charge of the station, and his team of officers is excellent. It exemplifies the type of community policing we have grown to expect.

Many aspects of the station need refurbishment, including its size. I shall ensure the matter is brought to the attention of the police department.

Mr HAYWARD (Minister for Education) — The honourable member for Williamstown referred to Ms Dedrie Bux. I am extremely grateful that the issue has been raised because it gives me the opportunity of informing the honourable member and the house of the facts. Ms Bux is an employee of the Directorate of School Education, but for some time she has been involved in the conduct of programs not authorised by the directorate while still remaining an employee. Although the programs were not authorised the Director of School Education has received legal advice that the directorate nonetheless could be subject to legal liability because one of its employees, namely Ms Bux, is involved in them.

Ms Kirner interjected.

Mr HAYWARD — The honourable member for Williamstown may not want to hear the facts. The directorate was concerned that it could not guarantee the safety of children at the pavilion provided by the Northcote council. For example, if any child attending the program suffered an injury, the directorate could be liable for the actions of Ms Bux, even though it was not authorised. As a consequence, on 6 April the Director of School Education, Mr Geoff Spring, wrote to Ms Bux requesting that she commence duties at Banksia college from 18 April 1994. Banksia Secondary College was specifically chosen by the Director of School Education because it is intended that the college will play a significant role in the government's program to improve educational opportunities for Koori students. The government intends to make those programs the best in Australia. Victoria intends to become the leader in Australia in providing educational opportunities for Koori students, as I told the meeting of education ministers last week. The Directorate of School Education has a formal partnership agreement with the Victorian Aboriginal Education Association Inc. (VAEAI). The directorate consulted VAEAI on the transfer of Ms Bux, and the association expressed no concern. Ms Bux has refused to comply with the direction of the director.

Mr HAERMEYER (Yan Yean) — On a point of order, Mr Speaker, it is clear that the minister is reading from a document. I ask you to ask him to table the document he is reading from.

The SPEAKER — Order! It is common practice for ministers to use aides-mémoires. Is the minister quoting from a public document or is he using it as an aid to memory?

Mr HAYWARD (Minister for Education) — I should like the agreement of the opposition to have the whole document incorporated in *Hansard*.

Leave granted; document as follows:

COMMENT BY IAN SMITH, PRESS SECRETARY TO THE MINISTER FOR EDUCATION

Ms DEDRIE BUX

5 MAY 1994

Ms Dedrie Bux is an employee of the Directorate of School Education.

For well over a year, she has been involved in the conduct of programs that have not been authorised by the Directorate of School Education while remaining a paid employee of the directorate.

While these programs have not been authorised by the Directorate of School Education, the directorate has received legal advice that it could nonetheless be subject to legal liability because one of its employees, namely Ms Bux, was involved in these programs. The directorate was concerned that it could not guarantee the safety of children at the pavilion provided by the

Northcote council. For example, if any child attending the program suffered an injury, the directorate could be liable for the actions of Ms Bux.

Consequently, on 6 April 1994, the Director of School Education, Mr Geoff Spring, wrote to Ms Bux requesting that she commence duties at Banksia college from 18 April 1994.

Banksia Secondary College was specifically chosen by the Director of School Education because it is intended that this college will play a significant role in the government's program to improve educational opportunities for Koori students.

The Directorate of School Education has a formal partnership agreement with the Victorian Aboriginal Education Association Inc. (VAEAI). The directorate consulted with VAEAI on the transfer of Ms Bux and VAEAI expressed no concern.

Ms Bux has refused to comply with the direction of the director. Consequently, her pay has been suspended by the directorate. Mr Lawrie Anderson of the north-west metropolitan region of the directorate communicated this to Ms Bux. He informed Ms Bux that he was acting on behalf of the Director of School Education.

Mr Reg Macey is an employee of the Directorate of School Education. He became a member of staff of the directorate in August 1992, prior to the change of government. He has never been and is not presently a member of staff of the Minister for Education.
Mr Macey has worked on a number of community projects for the directorate, including strategies to improve the provision of educational opportunities for Koori students. He did not prepare or convey any instruction to Ms Bux.

Mr HAYWARD — Ms Bux has refused to comply with the direction of the director. Consequently her pay has been suspended by the directorate. The honourable member for Williamstown saw fit to mention Mr Reg Macey. Mr Reg Macey is an employee of the Directorate of School Education. He became a member of the staff of the Department of Education in August 1992 while the honourable member for Williamstown was still the Premier. He has never been and is not currently a member of my staff. He did not prepare or convey any instructions to Ms Bux.

Honourable members interjecting.

Ms Kirner — What happens to the kids in the school?

The SPEAKER — Order! The honourable member for Williamstown is out of order.

Honourable members interjecting.

Ms Kirner — They do not go to that school.

Mr Kennett — They do not go to any school.

The SPEAKER — Order! I remind both sides of the house of standing order no. 43.

Mrs WADE (Attorney-General) — Two matters were directed to my attention. The first was raised by the honourable member for Werribee and concerned the administration of the Sheriff's Office. Although I was not actually in the chamber at the time, I was listening to proceedings on the speaker. As I understand it the honourable member for Werribee referred to a constituent of his who is alleged to have been speeding on 26 November 1992. The first the constituent heard of the allegation was when a warrant of arrest was issued. His constituent did not receive the earlier notices he should have received. At the time of the offence the constituent was living in Footscray.

Perhaps the constituent had left Footscray before the offence occurred and had subsequently re-established himself in the Werribee electorate.

I receive quite a number of complaints about warrants of arrest being issued where people say they have not been aware that they have been found to have committed various traffic offences. People who are issued with warrants of arrest fall into three different categories. A number of people deliberately avoid paying any penalty as a result of parking or speeding offences. They arrange their affairs so it is difficult for the Sheriff's Office to catch up with them.

A second group, not in that category, tend to move from one address to another; they are not caught up with until they subsequently apply for new driving licences or register their cars, at which time they register their new addresses. Then they are confronted with warrants for their arrest.

The third group of people take all the appropriate action and register new addresses, which are somehow not picked up by the relevant road traffic authority or Sheriff's Office. If the honourable member for Werribee provides me with the appropriate information about his constituent I will pass that on to the people responsible for the collection of fines to see which of those categories his

constituent falls into. It may well be, if he falls into the third category, that we can sort something out.

The honourable member for Frankston raised with me the problem about a brothel established in his electorate. The subject of brothels has been a matter of great concern to the coalition government, which inherited what can only be described as a completely unsatisfactory situation in regard to the regulation of brothels.

In 1986 the previous government moved to decriminalise brothels in certain circumstances, which were set out in great detail in legislation passed by this Parliament. Prostitution in brothels was decriminalised in circumstances where the brothel obtained a planning permit; where the owner went through licensing procedures; and where certain powers were to be conferred on the police and health authorities in concert with the first circumstance.

In what can only be described as an absolute fraud, the previous government proclaimed only half of the provisions; it did not proclaim the provisions requiring owners to go through licensing requirements, nor the provision that gave police powers to enter brothels to ensure that under-age children were not working there, and to ensure that certain other provisions were complied with.

As soon as the coalition government was elected I established a working party to examine the whole question of prostitution and particularly the way in which the Prostitution Regulation Act was being administered. That working party was established immediately after the election in, I think, November 1992.

The working party has had difficult problems to deal with. It has found that only a small percentage of the prostitution industry, if you can call it an industry, is being regulated and that a large part of it is operating in unlicensed brothels and escort agencies.

The particular problem raised by the honourable member involves a brothel that applied for a brothel planning permit in October 1992 — that is, immediately after the election. The application for a planning permit appears to have been dealt with in what can only be described as a very speedy manner by the Frankston City Council.

A number of other applications that were then in the planning pipeline went through the normal procedure and took some time. When those applications were considered a Liberal-National Party government had put into place a moratorium on brothels until the working party was in a position to report to the government.

An application for a planning permit for this particular brothel was made on 10 October 1992, immediately after the election and in what can only be described as a most speedy process it was dealt with by the Frankston council on 9 November. Although three ALP members on the council voted in favour of the permit, it was refused; but because the council dealt with it in such a speedy way the applicant was able to go to the Administrative Appeals Tribunal sooner than would normally be anticipated. The matter was dealt with by the tribunal prior to the moratorium instituted by the coalition government coming into effect.

The council is now trying to say that the brothel has been established under procedures introduced by the coalition government. It is clear that the brothel was established as a result of what I have previously described as a fraud on this Parliament by the former Labor government.

It would also appear that the application was expedited by the Frankston council in such a way that the provisions put in place by the government did not apply to this application. That is in contrast with a number of other applications that were on foot at that time which were caught up by the moratorium and did not go ahead. In some areas, not only brothels, the undesirable policies of the former Labor government could not be overturned by this government within a matter of a few weeks; it takes somewhat longer to overcome such undesirable policy decisions.

It is unfortunate that the application was dealt with so speedily by the Frankston council and did not get caught up in the moratorium. The Frankston community should make it clear to the council that it is not happy with the way the application was dealt with.

Mr GUDE (Minister for Industry and Employment) — The honourable member for Bulleen raised for the attention of the Minister for Roads and Ports a motor accident in which two young people were killed in the Templestowe Road area. The honourable member is recognised in this place as a person who cares greatly about incidents and events in his electorate. I shall raise the matter with the minister. It may or may not be dealt with in

the current round, but I assure the honourable member that the minister will pay particular attention to this issue and do all he can to facilitate improvements that are necessary to correct the situation.

The honourable member for Knox raised for the attention of the Minister for Aged Care the palliative care concerns he has in his electorate. The honourable member is well known for his activities former as a councillor and for his knowledge of the area. He was able to identify something that many of us have felt, but did not understand so graphically: that there were 10 years of neglect by the former Labor government and because of selective political influence funds were allocated in favour of areas other than the outer eastern suburbs.

I assure the honourable member that the Minister for Aged Care does not do things on political judgments; he takes into account the interests of all Victorians. I am sure the need that has been identified is real and the minister will respond in an appropriate way.

The honourable member for Dandenong raised for the Minister for Energy and Minerals the cogeneration of electricity, particularly the use of waste oil products by the Shell company, in the Dandenong area. I took it from the remarks the honourable member made that he does not oppose the project so long as the appropriate environmental safeguards are in place.

Mr Pandazopoulos interjected.

Mr GUDE — Apparently the honourable member does oppose the project. I am glad it is clearly on the record that he opposes job creation in his electorate. When the matter was raised in this house the other night the Minister for Energy and Minerals gave a number of examples, one of which was the Anglesea power station where electricity is generated by Alcoa, used by the smelter at Point Henry and served back into the grid. The honourable member is not sufficiently switched on to understand that cogeneration is the way of the future and that it offers real benefits and job opportunities. I feel sorry for the electorate the honourable member for Dandenong supposedly represents.

In contrast to the previous administration, this government has put a great deal of energy into developing projects and industries in a range of areas. As the honourable member pointed out, albeit begrudgingly, the Premier and I have been to the area recently. Only this week I went there to open a factory that has generated more than 100 jobs. Cogeneration is an environmentally sensitive industry but it has made a commitment to develop world best practice in environmental controls. I pity the electorate of Dandenong for having a representative who is hidebound and bigoted and has his head in the sand.

The honourable member for Bundoora raised for the Minister for Community Services the subject of neighbourhood houses in Berwick. I will raise the matter with the minister.

The honourable member for Keilor, in his usual caring and knowledgeable manner, raised for the Minister for Community Services the problem of youth suicide. The honourable member has correctly identified the fact that suicide in young men in particular is very high and of great concern. The honourable member seeks support and assistance in his area and, no doubt as a result of contacts within his constituency — he is always available to his constituents — he has his finger on the pulse. I will raise the matter with the minister and I am sure he will share the honourable member's concerns.

Mr Haermeyer interjected.

Mr GUDE — The honourable member for Yan Yean jabbers on across the table and makes light of an important social issue, unlike his colleague the honourable member for Keilor, who is very concerned about the matter. I will make sure the minister contacts the honourable member for Keilor and mentions the matter in due course.

Motion agreed to.

House adjourned 11.05 p.m.

Friday, 6 May 1994

The SPEAKER (Hon. J. E. Delzoppo) took the chair at 10.05 a.m. and read the prayer.

PETITIONS

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

Maternity care

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

We, the undersigned citizens of Victoria, petition for the essential changes, to the maternity care given in Victorian public hospitals.

1. Maternity care be extended to a minimum of 5 days, to allow lactation to be established, or ensure mothers are afforded the time and assistance required to make an informed decision on their feeding method.
2. Maternity care after a caesarean section birth, be extended to a minimum of 7 days.
3. The mother may apply for an early discharge, providing home support and domiciliary care are available locally.
4. Legislation be implemented immediately that provides the above changes be maternity-care policy for all Victorian public hospitals.

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

By Ms GARBUTT (54 signatures)

Annexation of Kinglake

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

The humble petition of the ratepayers of the City of Whittlesea living in the Kinglake area and the undersigned citizens of the state of Victoria sheweth that because the ratepayers are dependent on urban Melbourne for employment, education and commerce, in order to preserve the present standards of service to ratepayers and their access to the offices and amenities of the municipality, your petitioners therefore pray that the Parliament oppose the proposed annexation of the Kinglake area into the Shire of Yea, and its amalgamation with the shires of Mansfield and Alexandra.

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

By Mr HAERMEYER (14 signatures)

Laid on table.

PAPERS

Laid on table by Clerk:

Annual Reporting Act 1983 —

Notification by the Minister for Finance of extensions of time granted to Ministers under section 8 in relation to 1992-93

Notification by the Minister for Finance of directions or exemptions from provisions or from regulations granted to public bodies and details of extensions of time granted under section 15(1)(b) in relation to 1992-93

Notification by the Minister for Finance of directions that a public body submit an annual report within a certain period pursuant to section 15(1)(a) in relation to 1992-93

Statutory Rule under the Racing Act 1958 — S.R. No. 55.

ADJOURNMENT

Mr GUDE (Minister for Industry and Employment) — I move:

That the House, at its rising, adjourn until Tuesday, 17 May.

Motion agreed to.

MELBOURNE EXHIBITION CENTRE BILL

Introduction and first reading

Mr GUDE (Minister for Industry and Employment) introduced a bill to establish a Melbourne Exhibition Control Trust to administer a Melbourne Exhibition Centre and for other purposes.

Read first time.

APPROPRIATION (INTERIM 1994-95) BILL

Second reading

Debate resumed from 5 May; motion of Mr STOCKDALE (Treasurer).

Mr PERTON (Doncaster) — I am surprised to be opening the debate today on the appropriation bill.

Honourable members interjecting.

Mr PERTON — It comes at an important time for the Victorian community. Yesterday the Committee for the Economic Development of Australia hosted a luncheon at which the guest speaker was Mr Bill Emmott, the editor of *The Economist*, an international magazine based in London covering world economic issues.

The editor of the magazine made one important point for this Parliament and other Parliament in Australia: in this new world trading environment, where incredible growth is taking place in Asia, where the United States and South America appear to be coming out of recession, as does Europe after the General Agreement on Tariffs and Trade — which the Minister for Agriculture has recently addressed on a number of occasions in this house — there is nowhere to run or hide.

The Victorian economy is now very much part of the world economy. The competitiveness of our government and industry, the quality of our education system and our community services are all relevant to our place in the world.

Ms Marple interjected.

Mr PERTON — The honourable member for Altona pipes up and says that is true, and I am glad that one member on her side of the house acknowledges that point because the government's program over the past 18 months has been to rectify the mismanagement which characterised the administration of — —

Mr Hamilton interjected.

Mr PERTON — The honourable member for Morwell interjects with a derogatory comment. He is not in a position to comment in the area of policy. I was proposing in this contribution to concentrate on the future but if the honourable members for Morwell and Altona continue to interject in relation to the performance of the government I will be more than happy to follow the lead of the honourable members for Mordialloc and Mornington, who described the inane economic mismanagement of the last government.

The government has established a program to restore the credibility of the Victorian community. The first part of the government's economic strategy was to bring the economy into line. The government inherited a deficit of more than $2 billion per annum, and it has moved rapidly but sensitively to reduce the size of that deficit.

International agencies such as Moody's Investors Service and Standard and Poor's, which analyse the state of our government sector and make judgments affecting the cost of interest to the state and therefore the total level of debt and debt servicing to the Victorian public, were able to positively reassess us. They have noted that the government is heading precisely down the right track.

The second part of the strategy was to improve the performance of the government sector. In education, for instance, over many years the Labor government diverted funds away from the maintenance of schools and the conduct of education to the salaries of the teachers. That move came as no surprise because in the lead-up to the 1988 election, the teacher unions were among the largest contributors to the Labor Party's campaign.

However, under the strong management of the honourable member for Prahran — the Minister for Education — we have actually set about rationalising and reintroducing quality to the education system.

As I move around my electorate and talk to teachers, principals and parents, I find that they are beginning to see the benefits of the programs introduced by the Minister for Education.

Mr E. R. Smith interjected.

Mr PERTON — Indeed, as the honourable member for Glen Waverley says, there is accountability, and one of the best initiatives of recent times is the proposal of the government to introduce testing at various levels of schools so that parents and the community are actually in a position to assess the quality of the school system.

After education a very important component of government activity is the health system. It is

interesting that our almost revolutionary case-mix funding management in the Victorian health system has received initial approval around the world. Sensible jurisdictions, which believe in giving proper care to people in an efficient manner that guarantees the largest number of patients are treated in a reasonable time, are looking at the Victorian experiment with approval.

Waiting lists are declining; more people are being treated. We actually have a system that will deliver more benefits to the community. It is extraordinary that the opposition has no philosophy on which to base its criticisms of our government. Its socialist philosophy has died, and one does not know whether it wants to achieve the greatest good for the greatest number, or whether it wants to achieve — —

Mr Sandon interjected.

Mr PERTON — I can only respond to the honourable member for Carrum with a comment made by the Minister for Planning yesterday, who remarked to some council planners who had provided a very 1980s-style proposal that, 'This is Victoria, not Havana'. The health system is operating not only more efficiently but for the greater good of the community.

Two weeks ago Melbourne University honoured the former Prime Minister of Singapore, Mr Lee Kuan Yew, with an honorary doctorate of law. This move has been subject to some criticism. I was not happy about the award, and Mr Lee, in coming to this state, was critical of the Australian system of democratic rights and civil liberties.

Ms Marple interjected.

Mr PERTON — The honourable member for Altona is interjecting, yet she and I probably agree on the matter about which she is interjecting.

Singapore is different from Australia. However, Dr Malcolm Smith, the head of the Asian Law Centre at Melbourne University, made the point this morning that while we in Australia could not live under the regime in Singapore — our spirit, morality and society are different — nevertheless the Singaporean experiment has resulted in people feeling safe and secure on the streets, and in improving the economy of that island. Its people now have one of the highest living standards in Asia, if not the world. Dr Smith made the point that although our conception of human rights is not reflected in Singapore's government, Mr Lee addressed human rights by increasing economic and social rights. The people of Singapore are now living healthy and fulfilled lives and their life expectancy has increased from 50 years to 80 years.

Although Australians would not want to adopt Singapore's system, we can see it has achieved something. We can learn from it. Our reforms to the system of justice attempts to create an environment where people feel safer and more secure in their homes than on the street.

Mr E. R. Smith interjected.

Mr PERTON — As the honourable member for Glen Waverley said, poverty is being eliminated, but just as importantly the government has introduced a number of reforms to the policing and justice system to ensure that the sentence fits the crime.

The government's introduction of cumulative sentencing rather than the previous government's system of concurrent sentencing means that sexual offenders will be properly punished.

Ms Marple interjected.

Mr PERTON — The honourable member for Altona is interjecting, but she can hardly argue against the proposition that a man convicted of eight rapes should get better than one year a rape in the sentence delivered.

Ms Marple interjected.

Mr PERTON — She says that of course she does. The new sentencing legislation that the government has put in place is an important component.

The government has increased police powers in respect of testing body samples and the like; however it has maintained good provisions relating to civil liberties under which the police are required to give their names and addresses to persons who are being searched, and this will protect the civil liberties of the individual.

If the opposition wants an example of sensible reform of the policing system it need only look at the new weapons legislation that came into the house this week. The community has demanded that the government control access to knives by street gangs, and the government has responded to that call but has acted in a way that does not infringe the civil liberties of young people in the streets or of the community in general.

The government has achieved those reforms, and one may ask what the next two years hold for the government and the community.

Agenda 21 is an important component of this for Victorians. The government will rebuild the civic institutions of the state: the new library, the new museum and the exhibition centre will be projects that the community can be proud of.

Only three years ago when rating cities around the world the Washington-based organisation for population control named Melbourne as one of the three most livable cities in the world, the others being Montreal and Seattle. The rating was made at a time of economic distress, when our civil institutions were in decline and their problems had not been addressed for some time.

What is the government doing? The government is rebuilding Victoria's institutions on the basis not of debt but of income and when the new museum, the library, the exhibition centre, the Eastern Freeway extension, the Domain tunnel and the new sports centre, which was announced this week, are completed, Melbourne will be a city that Victorians will be proud of and a better place to live than it is now. It may stand alone in the next assessment of livable cities.

What else has the government done? It has brought the grand prix from Adelaide to Melbourne. That is only one small aspect of our program because it falls only one week in a year, but it will be an important showcase for Victoria to the rest of the world. The formula one grand prix is watched by hundreds of millions of people around the world. After the disappointment of missing out on the Olympic Games and Sydney's success at winning them for the year 2 000, the Melbourne community has had to fight hard to establish the circumstances to enable Victoria to pick up economic growth from the Asia-Pacific region.

What else is the government doing for Victoria? It is finally bringing discipline into the electricity industry and the water industry. The changes in the electricity industry are no longer revolutionary. The government has been in power for only 18 months and it is doing as much as it can; however privatisation and competition in basic services are important components of a changing world.

I opened my contribution to the debate by referring to Bill Emmott — —

Mr E. R. Smith interjected.

Mr PERTON — I thank the honourable member for Glen Waverley. I opened my speech by referring to the editor of *The Economist*, Mr Bill Emmott. He made it clear in his comments in that publication that a place like Australia must not only incorporate itself into the Asian growth market but market itself around the world. We must pick up the advances of the food industry and leave the impression in Asia, Europe and the United States that the Australian food industry is the cleanest, freshest and healthiest in the world!

We have to pick up on the fact that not only is Victoria good at producing commodities but it is fantastic at producing technology of the New Age. It was not just Bill Emmott who talked about this time as being the technological age; a number of writers have now been talking about the defining characteristic of the new world order as a technological age. It does not matter if one sells apples, computer software, medical, educational or engineering services: in this day and age we are all dealing in information.

Mr E. R. Smith interjected.

Mr PERTON — As the honourable member for Glen Waverley said, our farmers are the most efficient in the world.

We need to make sure that we are the best purveyors of information; that at the end of the day we know and understand what the customer demands, and we are doing that. Yesterday I sat next to a businessman who was selling earthmoving services at Hong Kong airport. Last week I met with a business firm that is selling the software that will run the entire air safety system in Hong Kong. Two weeks ago I had a briefing from Telstra, the overseas arm of Telecom based in Melbourne, which is selling telecommunications into Kazakhstan. These are fantastic achievements and they are all coming out of Victoria.

Although Victoria is opening itself up to the world as part of Australia, this new spirit of confidence, of civil institutions and prosperity for Victorians owes its strength and vitality to the philosophy of the Victorian government — that is, the philosophy of the Victorian people. We are a liberal people; we are a tolerant people; we believe in a fair go; and we believe in getting things done. The government exemplifies all of those characteristics and will ensure that for the next 2, 4, 8 or 12 years and

beyond the Victorian people will maintain their confidence in this government.

Honourable Members — Hear, hear!

Mr SANDON (Carrum) — In such a short period the Stockdale economic statement of 1994 continues the Kennett government's tradition of placing an unfair burden on the people least able to afford such burdens. The statement calls for economic management and management of debt: that has a logical ring about it, but when one analyses it, one can see that the goals have been set without regard to the costs to the men, women and children of Victoria.

The Kennett government has forgotten — if it ever believed it — that the duty of a government is to govern for all Victorians. One would remember hearing those words in October 1992, and they were reiterated by the Governor in his speech to the Parliament. The Kennett government governs for just a few. For the private sector, the government has cut expenditure, reduced employment and raised taxes. It has not governed equally for all ordinary Victorian families. I am sure that a prosperous businessman living in Toorak does not mind paying a $100 state deficit levy — he would see the imposition of that levy as a responsible action by a responsible government — however $100 for people in my electorate of Carrum is hard to find. They cannot write it off as a business expense. For the people of my electorate that money comes out of their scarce resources.

In 15 months the Kennett government has introduced a dramatic increase in taxes and charges to the Victorian people. We have seen gas and electricity charges go up — —

An Honourable Member — By 20 per cent!

Mr SANDON — We have seen water and transport charges go up; we have seen a myriad of taxes and charges go up at an alarming rate. Many new taxes are now being imposed where the government previously took responsibility. It disturbs me that many new levies have been introduced into our schools. Former education ministers understood their constitutional obligation to provide teachers, but now parents must pay for what the government and the minister previously provided. Music teachers are an example of this change of attitude. They are not available because of teacher cutbacks.

We have fewer teachers in Victoria than we had in 1975 as a result of 8 000 teachers being driven out of the profession. This has meant that there are fewer subject choices, curriculum options and specialty programs available in schools. If parents are committed to having a range of options available to their children they must pick up the tab. If your children attend Black Rock Primary School and you want them to be taught music, you have to pay for it yourself. Children attending secondary college in rural Victoria probably do not go on excursions any more because the teachers are not available. At one secondary college in the metropolitan area the parents of students studying VCE politics who were going to Canberra on an excursion found they had to pay an extra $10 levy on top of the excursion cost for the teacher who replaced the teacher going with the students.

Taxes and charges have been increased and indirect taxes and levies have been introduced. The government is demanding much more of its citizens. Each year Victorian families must pay approximately $1500 to $2 000 in higher taxes. Families living in Toorak may be able to cope with those extra costs but those in Carrum certainly cannot. The government is prepared to govern for some but not for all. Whilst the government has been determined to reduce expenditure it has been demanding more in taxes and charges, which impacts greatly on Victorian families.

Funds have been cut to kindergartens and schools, and teachers have been driven out. As a result voluntary agencies have had greater demands placed upon their services. The Citizen Advice Bureau, which is an outstanding organisation designed to assist people not only with information but also with practical help and at times financial support, has had enormous demands placed upon it. I will give you an example of what has occurred. In the past schools had teachers available to counsel students with problems at home, with teachers and so forth. The teachers were called student welfare coordinators. They were able to sit with young people and counsel them about their difficulties. Those teachers are no longer available to give counselling; they are in the classrooms. It is sink or swim in our schools; voluntary agencies such as the Citizens Advice Bureau must counsel the young people instead. At a time when the government is cutting expenditure it is also cutting grants to the bureaus. The bureau in Chelsea has found that its volunteers are taking on greater responsibilities because the government is determined to cut the number of teachers.

Each honourable member has seen expenditure cuts in his or her electorate that have led to a cut in services. Railway lines and hospitals have been closed, the morale of Ambulance Services Victoria has been destroyed and rural areas have had their guts ripped out because government services are no longer available. At a time of high unemployment, in a bid to reduce public debt, the government has borrowed more money to encourage public sector employees to become unemployed when they take redundancy packages. That action alone accounts for the fact that Victoria is suffering increased unemployment levels, unlike other states.

There has been a mass exodus of people to other states from what was once the most livable city in Australia: it has now become a city without hope! Each day 219 people leave Victoria — 6570 each month, or 78 840 each year. That is bad enough, but the economic ramifications of those figures is that $1 billion of production is lost as a result of those people leaving the state. It does not make economic sense in any shape or form.

Whilst the Kennett government is demanding so much of Victorian families it is not demanding the same pain of itself. The government has one rule for itself and another rule for Victorians. The government has an increased numbers of ministers to manage a vastly reduced public sector at a cost of millions of dollars. There are more jobs for the boys. Yes, they are boys; I do not see any parliamentary secretaries of the other gender! They are the people we call ministers in waiting!

Most outrageous of all is the fact that Victorian pensioners have been told they must continue to pay the $100 state deficit levy when the state has been turned around as a result of the dramatic increase in taxes and reduction in expenditure. The budget is now in surplus and it is not necessary to continue with this iniquitous tax. The government has its priorities wrong. Its actions are hurting Victorians. It is not operating in the interests of all Victorians. After its term in office there will be more millionaires in Victoria. The actions of the government have made this a reality for some but tragically its policies are having an impact on those who can least afford it. They are suffering the consequences of increased taxation and reduced expenditure.

As the shadow Minister for Education, I have seen all too often the way the divisive policies of the government have affected education. The government has adopted an economic rationalist's approach to education but education is about educating young men and women by providing services, teachers and a wide curriculum to allow young people to develop their full potential.

Parents do not know whether, when they send their children to school, teachers will be there or will be replaced or whether decent curriculums will be provided. Primary schools cannot guarantee that music, library, art and physical education courses will be available. In the drive towards a national average subjects such as those are all too often regarded as optional extras.

As all honourable members know, averages are made up of highs and lows. Averages mean that some people are doing well at the expense of others. The process is divisive because the government is not starting from the point of looking at what each school needs to provide a quality education; instead the drive in Treasury is towards national averages, national perspectives and comparisons of expenditure in other states. It is a drive towards the bottom line.

Victoria used to pride itself on being the leader in the education field. Not only the previous Labor government but all governments took account of the partnership in education between parents, teachers and the community. The integration program was a world leader and resulted from the community's desire to let all children have a go. It was not about the ideology of one government dictating what should happen. It is significant and sad that that integration has now been lost because of the government's divisive approach.

That punitive approach can be seen in the government's talking to one parent organisation but not another, based on what it saw the previous government do. It is not correct to govern by retribution. Governments should govern for all the people. The previous government may have made errors in choosing to whom it spoke, but this government should not adopt a vindictive approach. The government does not need to be divisive — but it is. Young people observing a party's actions in government will remember what they have seen, and when their time comes they will extract as much revenge as they see this government extracting. It is not necessary — indeed, it is wrong — for the coalition to seek revenge and retribution; it should govern on behalf of all Victorians. The education changes have been motivated by a desire for retribution.

The government's hatred of trade unions has led to its excluding them from discussions and negotiations on the salary levels of principals while including the Victorian Principals Federation. It is right and proper that principals be involved; I have absolutely no difficulty with that. The best decisions a minister makes are those that involve the people who will be affected. Involving public servants in decision-making keeps them honest and brings up questions and concerns that otherwise may not be considered, as is illustrated in the television series *Yes, Minister*. The minister will not speak to certain teacher unions; when there is a review of salaries and conditions they are excluded. That approach does not make sense and leads to poor management and poor administration. That again reflects the divisive nature of the coalition's approach to governing the state.

It is no accident that more young people are leaving the secondary education system than ever before. Last year some 9852 young people left the system. The minister will say they have gone to technical and further education colleges or have got jobs. He will answer in some way that tries to suggest that this is not a scandal and a disgrace, but Victorians know it is. The government has made its intentions plain — the teachers and the programs are there no longer. Year 11 students are sent home from Deer Park High School on Tuesday and Friday afternoons because there are no teachers. The Victorian certificate of education accounting class of 26 students is held outside school hours; there are so few teachers that it is impossible to schedule that class within school hours. Parents and students can see what is happening. Special programs are not available and students cannot get the help they need, which is why they have gone elsewhere.

It is not right that that is happening at a time when education is paramount to enhanced life chances and rewarding lifestyles. Recent Australian studies show that a person who does not complete the Victorian certificate of education or an equivalent qualification is four times more likely to be unemployed. Honourable members recognise that a person's lifestyle and life chances are severely impaired if he or she does not complete year 12 schooling.

It is a divisive government that cuts education expenditure dramatically without having any understanding of the impact of the cuts on young people. Independent observers have sounded the alarm, saying that it has to stop; but instead of taking notice of the warnings the government puts up foolish defences. Government members should be saying to themselves: 'Let's look again. Maybe we have cut too deeply and need to review the changes'. Instead of trying to hide from the repercussions, government members should admit that there is a need to review the implications of those policies.

The reverse is true of the Treasurer's economic statement. Cuts in education will continue. In November 1992 the Minister for Education gave a commitment that there would be no more big cuts in education. In April 1992 there were further education cuts of $145 million over two years. On 3 September 1993 the minister said on the Ranald Macdonald radio program that the cabinet had made a commitment to cutting not a dollar more from education. But last year's budget papers and the April economic statement show more money being taken from the education budget. I cite a comparison of capital works spending. In the economic statement the government makes great play of its spending $67.5 million on capital works in education. I welcome that; it is certainly needed. But the government should be honest and not claim that they are new capital works. It should not parade the spending as evidence of an outstanding commitment to education. In last year's budget papers more than $99 million was allocated to capital works spending.

Regardless of which side of the house they sit on, honourable members know there are lies, damn lies and budget figures. Although we have to live with that, let's have some honesty about the extent of the cuts. The government should look members of the community in the eye when it makes these cuts. It is too frightened to do that; instead, there is subterfuge. Our young people will not get the education they deserve and are entitled to. Education is perhaps the most important thing a state can provide. Despite that, the government continues to cut the education budget.

The ramifications are that the opportunities for training and acquiring knowledge that are so necessary in a modern economy will be lost. Victorians will not be able to grow, learn and develop. The effects of cutting down on teachers, programs and curriculums mean that young people will be left on the streets; they will not be able to obtain jobs. Those young people who do get jobs will be the first to be retrenched in an economic downturn, and they will have no continuity in employment.

The bill will also have an impact on those in the community who are working. Each and every worker will have to pay more for services because of the cuts made in education, the effects of which are circular and cumulative. Because Victoria has a growing percentage of older people, those left in the work force will have to be trained and retrained throughout their working lives so that goods and services — the gross domestic product — will be sufficient to maintain those older people. The money has to come from those who work. It does not make any economic sense at all to cut the education budget in the way in has been cut. In the long run we will all have to pay — in every sense of the word — for the cuts.

The government's philosophy that the market determines the degree to which people have access to goods and services is wrong. Choices should not be available only to those who can afford them — to those parents, for example, who can afford to send their kids to different schools. This is not a budget for all Victorians; it is not a budget that ensures all Victorians have fair access to goods and services.

Why is Victoria not sharing in the national recovery? Let us examine the indicators. From memory Victoria's unemployment rate is 11.7 per cent. However, in areas like Frankston the unemployment rate is around 15.7 per cent. In rural Victoria it is probably about 20 per cent. As you possibly know better than I do, Mr Deputy Speaker, there is probably a lot of hidden unemployment. If they thought there were jobs for them people would register their names. That is one of Victoria's tragedies. We must get people back to work and we need policies that are designed for that purpose. The economic statement is not doing what should be done to get people educated, trained, retrained and working. And it all comes back to bite you in the end. Victoria's growth is lagging behind that of the rest of the nation because this government has failed to get its priorities right.

Another indicator is retail sales. Why are Victoria's retail sales down? The reason is that people are frightened. There is less money to spend as a result of increased taxes and charges — the indirect taxes and charges to which I referred and which include having to pay for teachers or for replacement teachers, having to pay for school maintenance and having to run more fetes and impose higher levies. Schools are now demanding more parental and community support because the government does not give them sufficient resources to provide a decent education for young people.

Retail sales are down, which has a multiplier effect on jobs. We know from experience that when we buy goods and receive services it has a compound multiplying impact on other parts of the economy. When people are frightened, when they do not know whether they will continue to have jobs or will be able to maintain their family budgets — fears this government has generated through its policies — retail sales suffer. The government is presiding over a state that is going backwards rather than forwards.

We have heard much spoken about debt. But this government has increased debt. It is fascinating to compare the present government with the governments of the 1960s. When one compares the debt ratios that existed in those days one realises that the debt levels of the governments of the 1980s were not excessively high. That is a fact. All one has to do is compare the present government with the Bolte government.

The present government is increasing debt dramatically to drive people out of paid employment. That does not make economic sense; it deprives the state of the goods and services those people could produce. Victoria faces losing $1 billion a year in production because 78 000 people have left the state. That says a lot about the government's policies. The average person expects much more from government. Victorians expect their government to govern for all Victorians, not just for their mates. As a result of the government's policies and this economic statement, the only increase in Victoria will be the number of millionaires. The government stands condemned: it governs for a minority, not for all Victorians.

Mr ANDRIANOPOULOS (Mill Park) — I join the debate on the Appropriation (Interim 1994-95) Bill to express some views about the Treasurer's economic statement, which was delivered to the house just over a week ago. The Treasurer trumpeted his belief that the economic statement would result in the current account deficit being turned into a surplus of some $300 million.

In the budget debate last September, the then shadow Treasurer and other members of the opposition clearly revealed that the current account was in surplus. To use the words of the honourable member for Carrum, it was lies, lies and budget figures. The current account showed an artificial deficit because of a one-off, $1.4 billion superannuation payment and the transfer of some $450 million from the capital maintenance account. The maintenance of that deficit was driven by the

ideology of the coalition and its need to further justify cutbacks in the public service and other services.

This morning the house heard two very different contributions. The honourable member for Carrum gave a caring and thoughtful contribution about what has happened to the Victorian community, while the honourable member for Doncaster, in his normal flowery and over-the-top manner, described some major projects that would be the salvation of us all. In my view those major projects will not be our salvation. Sure, the museum, the tram loop and the grand prix are welcome initiatives. However, they cannot be the only initiatives that drive a government. The initiatives that affect ordinary people in the suburbs, such as those in my electorate of Mill Park, are just as important and need to be considered by governments when calculating budgets.

The interim appropriation legislation will see one of the most regressive taxes introduced by this government continue to be imposed upon Victorian residents. I refer to the $100 home levy. In the case of an electorate such as Mill Park where most residents are owner-occupiers who bought their houses recently and are still paying massive mortgages, the $100 levy is an over-the-top and unfair measure. Without expanding on the details of the inequity of that tax, it is most improper that all occupants, irrespective of the value of their homes and their incomes, are asked to pay $100. I would have thought that the Treasurer would have corrected that situation in this bill to relieve some of the hardship imposed on Victorian families as a result of that measure.

As a consequence of the regressive measures imposed by the government, Victorians have been fleeing the state at the rate of approximately 200 a day. The government has undertaken a program to borrow and increase state debt to pay off public sector employees, but those people are taking Victoria's money interstate.

An electorate such as Mill Park has a high proportion of people of ethnic communities. The cutbacks imposed by the government on the Ethnic Affairs Unit of the Department of the Premier and Cabinet in May last year had a disastrous effect on those communities. I was among the first to warn of the alterations to that unit and the subsequent cutbacks in funding for ethnic affairs in the last budget which resulted in a unit that is totally impotent.

During the recent conflict among a number of ethnic communities, the unit was not in any shape to deal with that situation. I would have thought that the Premier, who is the Minister for Ethnic Affairs and has been making much about his concern for ethnic communities, would have done something in the autumn economic statement to make the ethnic affairs unit a much more viable organisation, capable of dealing with crises as they arise.

The Parliamentary Secretary to the Minister for Ethnic Affairs, the honourable member for Warrandyte, said the other day that the government was doing much for ethnic communities, particularly in the area of employment. It has recently announced a program in the north-western suburbs of Melbourne in which councillors will assist people from ethnic communities to learn about employment opportunities, how to write curriculum vitae, how to acquire language skills and how to place themselves in a better position to find employment. What a pity that the program employs only four people to cover the whole north-western area of Melbourne. At a rough estimate they are responsible for looking after approximately 40 000 unemployed people in the western and northern suburbs. That is not doing much at all. If the parliamentary secretary and the minister were serious, they would take better measures than allocating only four people to that program.

This government is about trying to convince the Victorian public that it is doing something. During its first year of office this government totally eliminated the previous government's ethnic affairs program — it reduced the funding from $3 million to zero. As a result of ethnic community pressure, the government reinstated the program in last year's budget, but only $200 000 was allocated.

It is a pity that the government has not proceeded to make any allocations, despite the fact that last December it advertised for submissions, the closing date for which was 28 January this year. To this day ethnic communities want and demand to know what this government is up to and whether it proposes to allocate further funds this financial year. I call on the minister to honour the budget commitment and make an announcement about that program shortly.

During their contributions to the debate on the economic statement much has been said by government members about the proposed $1 billion capital and infrastructure works program. However, a close analysis of the statement clearly reveals that

the program is nowhere near that figure. When one takes into account the allocations from the commonwealth government and allocations and expenditure for the state in future years, one sees that the figure is nearer to $100 million than $1 billion.

In order to create jobs more should be done to develop infrastructure in Victoria. In Mill Park my constituents, like most Victorians, have been calling for the completion of the F5 ring-road, which will open up the western and northern suburbs and will afford opportunities for people to move through the region for employment opportunities. It will have major economic benefits for motorists, transport industries and the economy.

The federal government recently announced the provision of funding for the completion of the section of road between the Hume Highway and the Princes Highway or Geelong Road, as it is commonly known, by 1996. However, the ring-road does not stop at the Hume Highway but extends around Melbourne. The road has been constructed to Greensborough. It was a pleasure to have the Minister for Roads and Ports and the honourable member for Eltham at the opening of what is known as the Greensborough section last week when the announcement was made that a further stage would be constructed between Plenty Road and Dalton Road. What a pity the government is not extending it further to the Hume Highway.

Mr Lupton interjected.

Mr ANDRIANOPOULOS — The honourable member for Knox should support this project, as a member of a government that advocates major capital works programs for infrastructure in Victoria. I call on the government to work in tandem with the commonwealth and local government to ensure that the remaining section of the ring-road is funded in the next budget allocation so that the section from Greensborough to the Princes Highway can be in place by 1996.

One infrastructure project dear to my heart that could assist metropolitan Melbourne is the extension of the Bundoora tramline to Mill Park. It is not a question of funding, because that was approved by the federal government almost two years ago under the Better Cities project: the same project that provided the funding for the extension of the tramline in Spring Street to enable the tram loop to proceed. What a pity that the government does not care about the ordinary people in the suburbs in the same way. It demonstrates that the government prefers to put on a show to indicate that it is doing something. I hope the project will proceed in the not-too-distant future.

Much has been said about hospitals and the health services. I remind the government that not a single dollar has been allocated to the northern hospital project in Epping. I recall how the government tried to use that issue in the lead-up to the state election in 1992 and the federal election last year. One would have thought the Minister for Health would do some work on the project. The minister pulled a stunt one week before the last federal election when hailing the work that the then federal member for McEwen, the Honourable Fran Bailey, had done to convince people that the project was imperative for the northern suburbs and should proceed. That was the announcement of the finding of the minister's own study into previous studies conducted by the former Labor government, which all came to the conclusion that the Epping site was the most appropriate location for a northern hospital. It is a pity that the government has not fulfilled its promise to make an allocation so work on the project can commence.

The honourable member for Carrum correctly pointed out that the government has attempted to duplicate previous announcements. In the budget last September the government announced the funding of the next stage of the Mill Park Secondary College, yet I note in the interim appropriation bill the government has announced there will be a new campus at Mill Park. Welcome as that decision is, I would have thought that instead of relying on one-off publicity stunts the government would be more concerned to ensure that something is happening on the ground. I have indicated previously that if the Mill Park Secondary College senior campus is not developed by 1996 there will be massive overcrowding, which will make the provision of quality education difficult to achieve.

I call on government to provide the infrastructure that is needed to guarantee services for ordinary Victorians.

Mr MICALLEF (Springvale) — I spent my formative years in the northern suburbs. It seems nothing has changed. During the 27 years of conservative government from 1955 to 1982 the northern suburbs were deprived of services. That was one of the things that attracted me to join the Labor Party during the late 1960s — to fight for a better deal for people in the suburbs of Preston, Reservoir, Thomastown, Mill Park, Bundoora and so

on. The battle to get appropriate resource allocations for those areas continues. The opposition is fortunate to have people of the calibre of the honourable members for Mill Park, Thomastown and Bundoora to take up those issues with the government.

The first matter that must be dealt with is the extent to which the government has destabilised Victoria. The destabilisation has been caused by Liberal Party branch stacking. It is obvious from the calibre of honourable members sitting on the other side that Liberal Party branch stacking has been going on for many years. The lack of quality is obvious. There is a difference between quality and quantity — and it shows.

It is disgraceful that that group of backbenchers has allowed the Treasurer to get away with a statement such as this. It amazes me that government members who represent areas that are looking for some leadership and additional resources go to their local schools, hospitals and community centres and try to justify what is going on. The stock phrase for the first year or so was, 'Well, we inherited a black hole'. I have said it before and I will keep on saying it: it is about time the government stood on its record and outlined its plans for Victoria — instead it's just cut, cut, cut.

Through their branch stacking Michael Kroger and others of his ilk in the Liberal Party have attempted to get rid of people such as the honourable member for Mordialloc. They have only partially succeeded: they have foisted him on a part of the world that can do without honourable members of his calibre. Members such as the honourable member for Mordialloc do not care about the issues. Attracting a headline and getting one's name in the paper is what they think being a politician is all about. That is the type of result achieved by branch stacking.

I would have mentioned the honourable member for Mornington, but given that he is in the chair I will exclude him from my analysis of the scheme to destabilise the Liberal Party. The scheme has been effective in the sense that the Liberal Party is now a mediocre group of people who day after day allow the Premier to bully the Parliament in the same way that he bullies the caucus room. The Premier is obviously very effective: he gets away with it. He needs some active lobby group within the caucus to take him on in the same way that the federal Labor caucus took on the federal Labor government after the last federal budget. As a result the upcoming federal budget will reflect the involvement of the whole caucus, as well as the involvement of community groups.

Governments of all colours run the risk of becoming arrogant and alienated if they do not get effective input from caucus members. One has only to read the federal government white paper to see the effective contributions made by government backbenchers and the backbench working party. That is evident in the way industry and, indeed, the whole community has responded to the federal government's initiative. While Victoria is burning — and while people such as the Treasurer are fuelling the flames with highly flammable materials — the federal government is building a new city around us through the Better Cities program. The federal government's program is reaching people.

It is the old approach of working on and overcoming a weakness and producing the goods. That is why the Labor government did extremely well at the last federal election. The polls expected that Dr Hewson would become the Prime Minister and that the conservatives would be ruling the federal and virtually all the state governments. Victorian's responded to that threat magnificently and voted against letting the conservatives take total control in Victoria. There is now a counterbalance to the coalition government's attack on community services such as hospitals and schools. There would not be one honourable member who has not had a call from educationalists asking, 'How many schools have closed down in your area?'.

Mr Steggall — When was the last one you had?

Mr MICALLEF — Last week. The opposition accepted the fact that some rationalisation was needed, but it did not expect the massive and unwarranted onslaught that forced schools to close. A number of schools in my electorate have closed — and in some cases there may have been good reasons. Keysborough Park Primary School was an excellent school and there was no need to close it. The year before Bangholme Primary School was also forced to close. There are good reasons for having those types of smaller schools in the same area. Some students do not fit in to large schools. Students came to those smaller schools from many kilometres away — out of the area — because they preferred the smaller school environment. There is a good argument for allowing a number of those schools to stay open to provide caring and understanding environments for students who are unable to fit into larger educational institutions. After reading the

autumn economic statement I ask, 'What is in it for Springvale?'.

Mr McLellan interjected.

Mr MICALLEF — Exactly, the honourable member for Frankston East says, 'nothing'. He ought to be ashamed to be part of a government that delivers nothing.

What is in the Treasurer's statement for Springvale and for Victoria? I represent a rather diverse electorate in that it has a mixture of cultures and socioeconomic groups. Its expectations have certainly been dampened in the past few years. There are in my electorate at least 106 different ethnic groups who speak more than 40 languages. Honourable members may therefore perceive the plethora of problems that constituents bring to my electorate office.

The government has cut funding to electorate offices, therefore affecting the many needs of the constituents who wish to complain to me. Victorians are under siege and threat from this government.

The 106 groups in Springvale are concerned that the Ethnic Affairs Commission is being run down. The commission has lost its teeth and funds have been removed, leaving a shell. The ethnic communities of Victoria regard 1993 as the year that did not exist. They have looked forward to some grants to their communities in this legislation — perhaps to purchase a community bus for my electorate; to assist the ethnic elderly; to help small ethnic groups get started, or as an encouragement for existing groups — but the cuts mean they will go without. It is disgraceful that the government has treated ethnic communities in that way.

Much has been said about the mischievousness of the Premier, through his getting involved in ethnic affairs issues in Victoria! So much for all the work put into developing a multicultural community that works together in a positive manner. Given the diversity and background of the communities in my electorate, it is sad that the government is driving wedges into those communities and undermining a lot of good work. The sooner we have a racial vilification bill that pulls people like the Premier back into line, the better this country will be.

I look forward to some ethnic communities taking on the government instead of waiting for the fruits of the budget process. They are now waking up to the fact that unless they jump up and down and pressure the government they will receive little.

Other groups in my area like the SICMA association have received grants. That is a positive step by the government, as I said to the Minister for Industry and Employment — but it is nowhere near enough. Prior to the introduction of the federal government's white paper, about $10 million was injected by the state government into the labour programs compared with $2 billion from the federal government. I know state governments do not have the resources of the federal government but there is a big difference between $10 million and $2 billion. This state should do more with labour market programs, to dovetail into the federal government's new initiatives so that Victoria can take advantage of federal assistance and help the community.

Last night I attended a meeting with health representatives of my area at the Monash Medical Centre, which is in my electorate. They say that the departure in droves of excellent and qualified staff from the centre is causing much concern. The Monash Medical Centre was established by the Labor government; as the local member I was involved in the turning of the first sod of soil at the commencement of its construction. That hospital has become one of the world's leading medical centres because of the resources provided by the former Labor government. It has had a full-time secretariat to assist overseas visitors who wish to survey and study the operations of the hospital. I suggest the number of visitors from overseas may start to dwindle because of the funding cuts that are reducing the ability of hospitals like Monash Medical Centre to maintain their standards. The impact of those cuts will affect the attitude of health representatives in other countries who are looking for ideas because the Monash Medical Centre is one of the last hospitals of that type to have been built in the world. It is an example of what can be done if a health system is supported by a government.

The Dandenong and District Hospital services my electorate. It is ironic that even though the hospital is in Dandenong, more people from Springvale than from Dandenong use it. The population of Springvale is now 93 000 compared with 62 000 in Dandenong.

In the next couple of weeks the Springvale neighbourhood house will celebrate its 10th anniversary. During the 1980s, the community health and neighbourhood house facilities received a massive injection of funds. That resulted in many

people becoming involved in community development issues, as well as educational and support programs.

The Keysborough learning centre does an excellent job on a shoestring budget. Any governments that do not fully support community initiatives, especially in the neighbourhood house area, will see the resultant closure of such ventures. The support by the federal government of other areas is amazing — and the state government should support those centres!

The government should support community health centres and neighbourhood houses in Springvale. They operate on a budget of $1.2 million and staff of 26; they service 93 000 people in the municipality of Springvale and in the Oakleigh portion of the Springvale electorate. Those centres and houses are legacies of the Labor government. The community health movement should be developed because the results from the resources already put in place have been worthwhile.

Given the government's move towards case-mix funding for hospitals and throughput, there is a need for community-based resources for patients who leave hospital immediately after surgery.

The other morning I listened to Mr Burdekin on a radio program discussing the way the state government is handling mental health issues, the reduction in resources and the closure of institutions. I support his views. If institutions are to be closed community-based resources must take their place. The Burdekins of this world are attracting attention about the impact the lack of resources is having on the community.

We have before us a so-called economic statement. I remember during my trade union days when autumn offensives took place in Europe and workers campaigned to raise the living conditions of their communities. For example, the autumn offensives of workers in Italy were successful in achieving a higher standard of living, given the resources of the country. Italian workers achieved superannuation benefits well before the so-called wealthier countries like Australia.

The government's autumn economic statement takes Victoria backwards, not forwards. The tactics of the statement are in tune with what happened in Nazi Germany about the big lie. Small untruths were politically worthless but the bigger the lie the more one would get away with it. Nazi Germany was discredited because premier Goebbels — or prime mover Goebbels — was like Premier Kennett and his henchman, the Treasurer.

What have they done? They have introduced a property tax which hits people in a nasty way. If honourable members have their electorate offices next to a city hall they would see their constituents paying the inflated rates and the filthy discriminatory home tax which drastically affects lower income people. The $100 levy will continue year after year to attack people who can ill afford to pay it — they will have to go without a lot of other things. Those who have been fortunate enough to purchase their own homes should be looked after when they are elderly. Their efforts should be acknowledged rather than penalised by the government.

It is a nonsense for the Treasurer to say that if there is not a balanced budget the state is broke. The debt per head of population in Sir Henry Bolte's day was higher than it is today. One only had to read last weekend's newspaper to learn what happened to the state under his leadership. It is nonsense to say that Victoria should have a balanced budget.

The economic statement is not good news for the state. Some of the facts on which the government's philosophy is based are erroneous. It is important to identify some of the misleading financial figures in the document. Alternative policies should be considered. The most fundamental error of fact of the government's financial policy is encapsulated in the Treasurer's statement at page 4:

> It is impossible to turn around a decade of mismanagement in eighteen months.

The Treasurer will not get away with such nonsense. The government cannot blame all the ills on the former Labor government — it must now stand on its own record.

Mr Finn interjected.

Mr MICALLEF — The honourable member for Tullamarine will no longer be here after the next election. Although I will miss his smiling face, he will be out digging trenches or doing some other activity to occupy the many hours of leisure he will have. The voters of Tullamarine have flirted with change and have learnt the consequences. What did the voters of Tullamarine get? The booby prize, the prize that took them nowhere.

The budget will impact on marginal seats, like the one held by the honourable member for Tullamarine. The decade of Labor mismanagement is part of the Treasurer's big lie. In 7 of the 10 years of Labor government Victoria had the best employment and economic growth record of any state in Australia. Victoria was doing extremely well, but then there were the crashes of organisations such as the Pyramid Building Society, a private sector organisation for which the coalition government must take some responsibility. The issues that were debated in the other place would have put controls on organisations such as Pyramid, but nothing was done.

The National Safety Council of Australia (Victorian Division) was another private sector organisation whose demise was not the fault of the former government. The failure of such organisations, particularly Pyramid, took billions of dollars out of the Victorian economy during the recession at a time when restructuring was taking place, such as the downsizing of the metal industry. Victoria suffered because of its manufacturing base. Those matters were outside the control of the Victorian government of the day, as was the demise of entrepreneurs like the Skases, the Bonds and the other corporate cowboys who got away with far too much. Such people have an identity crisis and an involvement with the conservative parties of this nation.

Mrs WILSON (Dandenong North) — I support the comments of previous opposition speakers and suggest to the Treasurer that our football team probably has more public support than the autumn economic statement!

Mr Stockdale — That's not so!

Mrs WILSON — Our football team has an unbeaten record, which I am sure the Treasurer does not have by any stretch of the imagination.

The economic statement ignores completely the human suffering, devastation and enormous decline in living standards caused by the government's economic rationalist approach. Although the Treasurer has been somewhat successful in painting a rosy picture and fooling many financial commentators, who have reported on the statement in glowing terms, the theory and reality are very different. Somewhere along the line something has gone terribly wrong with Victoria's economy. If the autumn statement paints a true picture one has to ask why only 600 new full-time jobs have been created in Victoria while 40 000 new full-time jobs have been created in the other states collectively.

It is fortunate that this week the federal government released its white paper on employment, which signals some hope for the many people who are looking for work, because no job growth is predicted in the autumn statement. The devastation and loss of dignity felt by people who are unable to find paid employment touches us all and needs to be addressed by both the federal and state governments.

If things are so good in this state, why are so many Victorians leaving to live in Queensland and northern New South Wales? Some of them are even going to Tasmania, which says a lot about what Victoria can offer them. If things are so good in Victoria, why are the Premier and the Treasurer continuing to punish ordinary, decent, hard-working Victorians by subjecting them to more financial pain and a decline in living standards?

The autumn economic statement is an attempt to persuade Victorians that things are improving. If he were to go out in the real world the Treasurer would find it extremely difficult to find people who agree with him, because they are hurting. They are certainly hurting in my electorate. Things cannot be improving: we are still stuck with the state deficit levy; we are being told that gas, electricity and transport charges will increase; retail sales are not improving; and unemployment is still a big problem.

In the *Age* of 27 April, Mr Kenneth Davidson summed up the situation very simply when he wrote:

> The operation was a success, it is a pity the patient is dying.

The patient certainly is dying!

Kenneth Davidson went on to say that the Kennett government would never admit that its policies of retrenchment have magnified the recession. The opposition knows that is the truth and it knows what happened to Kenneth Davidson: so many of his comments touched a raw nerve that the government used its not inconsiderable muscle, through government advertising, to have him partially silenced.

In October 1992, Victoria voted in a new government. People were hopeful because the then opposition made a lot of promises prior to the

election. It promised to solve Victoria's economic and employment problems, to implement many good things and to look after the weak and vulnerable. However, those problems were not peculiar to Victoria; they were being experienced by the other states and by most of the western world.

People did not expect miracles or believe that things would change overnight. They realised that the policies of governments differ but they did not expect the brutal treatment that has been meted out to them and were not prepared for the measures implemented by the current government or the subsequent drop in living standards.

People expected the government to honour its pre-election promise that no Victorian would be worse off. They expected the problems of the state to be addressed in a mature, sensitive and consultative way and believed that getting people back to work, which should be the first priority of any government, would be the government's first priority. Instead, there have been massive retrenchments from the public service, with an indication in the autumn statement that there are more to come.

As Kenneth Davidson said, the government has greatly magnified Victoria's recession. The state is lagging behind the other states because of the massive unemployment brought about by considerable retrenchments from the public service — and there is no sympathy from the government. Victorians want sensible solutions to their problems, not the slash-and-burn actions they have seen so far; they do not want Victoria turned upside down by the economic policies that have been introduced over the past 18 months. The government has forgotten that its role is to protect the weak and vulnerable while stimulating business and trying to create employment.

The government has forgotten that not all Victorians are the wealthy ones it rubs shoulders with on a daily basis. Many people are very poor, must live from week to week and cannot afford their existing income to be reduced. They are the people who have been brutalised by this government. They are the single parents, the elderly on pensions, the disabled and other low-income earning groups and they are being forced to pay again and again for the economic policies of the government. Government members, just like opposition members, must have many constituents coming to them expressing their concerns and telling them how difficult it is to make ends meet. Obviously, those concerns have not been passed on to either the Premier or the Treasurer, or if they have been they have not been listened to. The Premier and Treasurer do not listen to their back bench. The Liberal philosophy is that everyone pays irrespective of whether they are millionaires or pensioners.

I will mention a few examples of the way the government's economic decisions have affected some groups and individuals in this state. For example, during question time in the past couple of days the Minister for Health has been blaming the ambulance unions for the delays in ambulance response times, as well as the former government — although the former government did not seem to have the problem to the same extent as this government.

The delays in response times have resulted in the untimely deaths of a number of people. The minister and the government in general never seem to want to take responsibility for their unpopular actions; it is always someone else's fault. They always want to sheet home the blame to someone else because they are never to blame and they are never wrong. Government backbenchers must realise that if a significant amount of money or a significant number of personnel are removed from any government support service, obviously there will be a significant effect. Services like the ambulance service should not be seen primarily in terms of dollars and cents; they should be seen as services to the community and should be constantly under review. I agree with the minister in that regard: the ambulance service should be accountable and efficient, but money should not be the sole criterion because it must always be remembered that people's lives are at stake.

I am sure every honourable member has a great deal of sympathy for the family of the young woman who died a fortnight ago after suffering an asthma attack when the ambulance did not arrive in time. Although none of us knew that young lady, next weekend it could be a member of our families or someone close to us who is caught in the same emergency situation and requires an ambulance.

It is significant that senior officers of the ambulance service have been forced to resign because they could not continue in a job where they believed people's lives were going to be put at risk. In his speech the Leader of the Opposition wondered how appropriate it was for the Treasurer to allocate $9 million for upgrading the offices of the Premier and the Treasurer when the ambulance service was

not responding to the needs of ordinary Victorians. What are the priorities of this government? How can it equate spending that amount of money while people's lives are being threatened?

How can the government justify its failure to open hospitals like Werribee? People in that area certainly need the hospital beds that are waiting and ready, but the minister has declared that she has no intention of appointing an independent arbitrator to try to resolve the situation. Therefore, those people still have to wait for their hospital facilities.

Case-mix funding, of which the Minister for Health appears to be very proud, is an inappropriate way of caring for elderly Victorians before they are admitted to hospital. Older people are more frail, need more nursing and take longer to recover than young people. Also, the discharge planning that is supposed to be in place in most hospitals appears not to be working. The opposition is constantly being told about cases where inadequate discharge planning took place before older people were sent home.

My colleague the honourable member for Albert Park and I attended a seminar on case-mix funding and discharge planning at Mount Eliza some weeks ago and some of the anecdotes we heard at that time are of concern and should be of enormous concern to the minister. One story concerned an elderly cancer patient who was discharged in the small hours of the morning and sent home to an elderly and partially blind wife. That woman had not been advised that her husband was being sent home in a taxi — ambulances cannot accommodate very sick people being discharged from hospital. He was worried about disturbing his wife in the middle of the night because he did not have a key and he would have to get her up out of bed so that she could let him into the home. Because of that worry and because he was sent home without adequate discharge planning, that man was back in hospital a couple of days later.

We also heard a story about an elderly lady from a nursing home in Frankston who sat for two days in the emergency section of the Frankston hospital waiting for a bed. It is unacceptable for elderly people to be subjected to that type of treatment. I note that a government member is nodding — —

Mr Perton interjected.

Mrs WILSON — I do not believe that. The Department of Health and Community Services and the Minister for Health should investigate the discharge planning procedures of all Victorian hospitals. I think the elderly in particular should not be sent home from hospital unless there is absolute certainty that support is available for them in the community and someone can care for them at home. Home and community care workers should not be depended upon to provide paramedic services, and I have already expressed my concern about that to the Minister for Aged Care.

Case-mix funding is also responsible for a number of hospitals becoming selective about the type of patient they will admit to their hospitals. Because of budget constraints there is a tendency for hospitals not to take patients who will not fit into the neat little boxes determined by the various diagnostic-related groups. Peter Elsen, the Director of Medical Services at the Alfred hospital puts it this way in a statement he gave to a conference recently:

> Converting the complexity of people's health and illnesses to numbers as a means of paying for health services has a price — it erodes the importance of individual differences.

That is exactly what case-mix funding is doing in Victorian hospitals. It classifies everyone into little boxes, and if they do not fit within the parameters of those boxes they become problems. Case-mix funding needs to be constantly monitored and new formulas need to be introduced for the elderly, in particular. If hospitals continue to be selective about the patients they admit we could well see replicated the situation that is alarming so many people in the United Kingdom at present.

From my reading of it, the shadow Minister for Health in the United Kingdom has recently accused his counterpart of ignoring the needs of the frail and elderly who are finding it almost impossible, because of their age, to gain admittance to acute public hospitals. I am sure that is not what we want in Victoria, and I am positive that that is not what Victorians would consider acceptable.

I was pleased that the federal government allocated additional funds from the Medicare levy for palliative care. Of all the health services that deal with older people, palliative care is the one that has my utmost admiration.

Dandenong has a very fine palliative care service. It is starved of funds, of course, as are many other health services, but does a remarkable job with the funds it has available it. It covers an enormous area

and a significant number of people are grateful for its care. It has been able to recruit a number of volunteers who are trying to raise funds so that additional services can be provided.

It appears that drug and alcohol abuse problems are increasing because of the number of unemployed people in the present economic situation. In the Dandenong area the Westernport drug and alcohol association is extending assistance to people who are caught in the trap of alcoholism, depression or drug abuse.

All members of this house have received numerous complaints from parents with children of kindergarten age. The government has tended to trivialise the concerns of the opposition about the decrease in funding for kindergartens and the consequential rise in fees for those establishments.

There have been real problems in a number of areas, particularly those where there are large numbers of single parents and people living in flats. Two kindergartens in my electorate have had great difficulty filling the number of places available because the parents have not been able to afford the increase in fees. One kindergarten has children of 10 different nationalities, so one can only assume that the kindergarten directress of that particular establishment is either a miracle worker or a person of infinite patience and sensitivity.

We are talking about parents with so few of this world's goods that many of them do not even have a television in their own house. Their children desperately need to go to kindergarten and kindergartens desperately need extra money from the government to accommodate that need.

I was interested to hear the Minister for Community Services respond to the honourable member for Bendigo West in the adjournment debate a few nights ago when he was told that one of the kindergartens in his area, which is in a similar situation to mine, would receive additional funding. I hope the minister will ensure that additional funding applies to all kindergartens in similar situations right across the state. It would be extremely unfair if he were to apply that to only one kindergarten in the electorate of a government member.

I have had a long and personal association with many of the preschools in my own electorate. Most of the female members in this house and many of the male members understand the enormous benefit to four-year-old children from a year at preschool prior to going to primary school. We must ensure that no child is denied a year at preschool because of financial difficulties.

Most of the committees of the kindergartens are working extremely hard to raise additional funds, and their members understand that it is very difficult to raise money in the present environment with so many competing causes.

It is no secret that intellectual disability services is an area in which I have enormous interest. Intellectually disabled people are perhaps the most vulnerable people in our society; they need the support not just of the government but of the community as a whole.

I have a personal involvement with a group known as Wallara, established in the Dandenong area for more than 30 years. That group has suffered a 30 per cent decrease in funding. It has to find that money itself to keep the centre running. We are now also threatened with the closure of the hostel at Wallara, which accommodates 30 intellectually disabled people. This is despite the fact that the residents all wish to remain in residence at the hostel and that the hostel is extremely cost effective.

I thought that fact would have been very attractive to the government. It costs $11 200 per annum to keep an intellectually handicapped person at a hostel like Wallara; yet the government has said it wants those people to be placed in community residential units, which cost approximately $35 000 per annum per person.

Hostels seem to be appropriate for other groups of people, such as the elderly, so one has to ask: why not for the intellectually handicapped?

I am extremely disappointed at the withdrawal of funding that had been committed by the previous government for a community health centre at Dandenong. The previous government had given the Dandenong community health centre committee sufficient funds to purchase a building and to have core staff employed. Unfortunately, when this government came to office through its penny-pinching and cost-cutting measures it withdrew that funding because the committee had not been able to find a suitable building.

I emphasise to the Minister for Health that Dandenong has a large elderly population, a high percentage of migrants and a large number of young

unemployed people. As the minister would also know, we have an environmental health problem coming from the Dandenong offensive industry zone, so the need for a health centre in that part of Melbourne is probably more pressing than in many other areas, and I urge the minister to give the most serious consideration to restoration of the funds and to assist in the establishment of a community health centre.

In conclusion I shall comment on the lack of information in the budget and generally from the government to the opposition. Victorians do not enjoy open government. At present many things that are relevant to our constituents are cloaked in secrecy. I believe in a democratic society. All Victorians should have the same information made available to them through their local members. This important information should not be the prerogative of government members alone.

Ms KIRNER (Williamstown) — The Appropriation (Interim 1994-95) Bill and the economic statement on which it is based are suffering from an overdose of market ideology. It is an ideology based on a narrow market-based approach: an approach that places constraints on fiscal management to the exclusion of almost everything else. It makes the fundamental mistake of eliminating outcomes for people and equity from its appropriation equation.

I am the first to admit that there are extraordinarily effective elements in the Treasurer's economic statement, and I acknowledge the role that he has played in the past 18 months. There are some parts of his approach that I admire and that are in the best interests of Victoria.

For example, I believe the creation by the Treasurer of an effective Treasury bureaucracy and consultancy apparatus which is capable of providing good financial analysis, estimates and trends is important for Victoria, and the task of my government would have been made much easier if the bureaucracy had not been allowed to collapse after the departure of Mr Jolly and Mr Sheehan.

The creation of the Treasury Corporation of Victoria has been most important for Victoria in managing debt and investment in an integrated way. Normally I am a forgiving person, but it will take me quite some time to forgive the honourable member for Brighton and the opposition at the time for refusing, in an apparent desire to maximise the debt and deficit for political purposes prior to the election, to allow the former government to set up the Treasury Corporation of Victoria. The former government wanted to do it but was not allowed to, and the Treasury Corporation of Victoria is now working effectively for Victoria. This fact is shown in the outcome of the economic statement.

I believe it was absolutely essential to increase the revenue of the state in line with expenditure. I do not agree with the inequitable impact of the revenue measures in the bill and the economic statement; however I understand that it is absolutely essential to increase the revenues of the state to a better balance.

I certainly wish it had been done some five years ago. It is infuriating to see that the very proposals that were put forward in many economic revenue measures by my government and opposed by the former opposition have now been included, quite rightly, in the document.

One measure that the opposition would never have included is the inequitable $100 poll tax. The poll tax is one of the most cynical pieces of government action in a long time. It is cynical in two ways: firstly, because it is applied equally to all people regardless of their income levels, and secondly, because it is perfectly clear from every analysis of the economic statement and appropriation bill that the Victorian recurrent budget is already in balance. Therefore the $100 poll tax is being left on simply for blatant political purposes: the government thinks people will feel a lot better if they are told that it can come off just before the next election.

The $100 poll tax is not necessary and it is not even good financial management, because good financial management includes confidence. There is an increase in confidence in the Victorian economy as people move further away from the disasters of Pyramid, the State Bank and the national and international recession, but there is not an increase in consumer spending — indeed it has declined over the past couple of months. It is important in a financial sense to do something about the issue of the $100 poll tax, which stands as a symbol of ineffective financial management and blatant political grandstanding.

It is financial management, not economic management, that drives the economic statement. Although the government is doing well in tightening fiscal management, it is of concern to most economic analysts that total economic management has not yet been embraced by the government.

Mr Perton interjected.

Ms KIRNER — Yes, it is, actually; I will come back to that, and I am appreciative of the interjection. Economic management — that is, management of the total Victorian economy — is about not only fiscal management but economic strategic planning, environmental delivery and social service delivery. What is disappointing about the bill and economic statement is that they look only at fiscal management as a road to recovery, yet the indicators on matters like employment show clearly that fiscal management is not a sufficient road to recovery.

Mr Perton — It is a necessary element!

Ms KIRNER — Absolutely, a necessary element. Although one might disagree with parts of that, it is certainly an essential element, but unless it is balanced with the role that the public sector and services can play in rejuvenating the economy, it is likely to be as out of balance as effective mismanagement can be to an economy.

Mr Perton interjected.

Ms KIRNER — Indeed!

Mr Perton interjected.

Ms KIRNER — I would love to answer these interjections but it is disorderly to do so when the honourable member is not sitting in his place. If he would go and sit in his place I would be delighted to answer his interjections, but — —

Mr Perton interjected.

Ms KIRNER — I do not want to be disorderly.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Doncaster is being disorderly, and the honourable member for Williamstown is encouraging him.

Mr Finn — Shameful!

Ms KIRNER — Does that remain on the record, that I actually encouraged the honourable member for Doncaster? What a worry!

Mr Perton — Not one Labor member is present!

Ms KIRNER — I suspect they are out doing much more important things.

Honourable members interjecting.

An Honourable Member — Counting the numbers!

Ms KIRNER — Never mind: sanity prevails in the house, if not elsewhere.

The ACTING SPEAKER — Order! I believe the score to be about 15 all, and I would like the game to end there.

Ms KIRNER — It is clearly not a love game, anyway.

Mr Perton — That is appalling!

Ms KIRNER — Yes, that was pretty awful, wasn't it? The Victorian economy is in continuing and grave danger of being outstripped by the Western Australian and Queensland economies. What the Evatt Foundation report shows — although it gives high marks to the fiscal management of the current government — is a potential undermining of economic outcomes. This is reflected by the government's positioning of the public sector of a state literally under siege. There is no other way to describe the government's attack on the public sector. It has been predicted that by the end of the period 1991 to 1994, 58 000 people will have left the public sector — the majority during the period of this government. That figure represents a decline of approximately 21 per cent in public sector employment, which would be the largest decline in the public sector anywhere in the world.

This has caused concern because of the effect it has had on services such as public transport. It is clear to most people using Melbourne's roads that although public transport reform had to be undertaken, staff reductions and other reforms have resulted in an overload of the road system. Road traffic has increased to an unacceptable level, which is having an increasing impact on the environment. It is a matter of balance, and any government that is not totally obsessed by its credit rating with Moody's Investors Service would take the issue on board.

The government has removed 7500 teachers from the profession, which is the greatest attack on students and schools by any government in Australia. Although there was room for some reforms there is no doubt the government has gone too far. In fact it has gone further than the education bureaucrats who deal with the budget, who are not known for their competence — —

Mr Perton interjected.

Ms KIRNER — No, you have employed new ones. Those bureaucrats who are not known for their competence in the area of budget projections now find they have gone too far. Those honourable members who have complaints about the cuts to the breadth of the curriculum programs, the number of social welfare coordinators, the amount of sport and the number of camps and excursions could go to the education department and ask: 'Have you actually exceeded your budget targets? Have you put more people out of the system than you meant to? What effect is this having?'. Teachers are being driven into the ground. They are losing their capacity to deliver a full education program to students and as a result conditions are returning to those that obtained during the days when teachers believed the only role they could fulfil when dealing with large classes and a lack of specialist staff was to manage by using day-to-day classroom techniques. That is not the way to run a good education system.

The future of our economy, as the Minister for Industry and Employment knows, rests in the level of education and training of the state's citizens. The competitive strength of this state rests in the quality of its education and training. Victoria had the best education and training systems in Australia. That was acknowledged by analyst after analyst. However, that is being put at risk. It is possible for the government to do something before it is too late. It should redraft the bill and the economic statement and put these matters in balance. The bill should be withdrawn, not for political reasons or because there might be an election in 12 months time, but to protect the competitive strength of our state in education and training.

We can see the chinks in the retention rates for the first time in five years. Retention rates are declining, and that is a disgrace. It is a direct result of the education cuts. The children of Melbourne now know that the government is not serious about their finishing their education.

The measure that I am most proud of those achieved during the former government's time in office was the increase in retention rates from 25 per cent to 75 per cent. That is an extraordinary achievement in one decade. We did not do it with resources because the resources actually levelled out in the last couple of years of our government, but we did it because we believed all students should be given the opportunity of completing their schooling. The honourable member for Bendigo West knows what I am talking about because in his electorate — I am pleased to see he is working hard for it — is one of the best schools in the state, Bendigo Senior Secondary College. In fact it is the best senior college in the state, and that is because when we were in government, and I was education minister for part of that time, we believed the students were entitled to an education as good as they would get at Scotch College or any other private school.

We not only increased retention rates but also began to arrest the move of students from government to non-government schools. That is the case in Bendigo where its senior college wiped the floor with the non-government schools, not from an ideological position but because of the opportunity that was given to students. Because of the drastic education cuts to education resources, the drift from government to non-government schools has increased.

Mr Jenkins — But not in Bendigo!

Ms KIRNER — Yes, not in Bendigo. Every school should be not only as effectively resourced as the Bendigo Senior Secondary College but also as effectively led by its principal, teachers and school council. However, the opportunity of doing that must be provided and the government is not doing that.

The aspect that has caused most concern in the bill is the government's consistent ideological attack on the public sector, whether it be quality of service, the ability of the public service to provide frank and fearless advice or the fact that the government has gone for the jugular and removed the ability of people to be advocates for themselves or obtain adequate information to make their own decisions. I shall give the house one example of the frank and fearless advice being provided by a bureaucrat. Recently, as local member, I rang a department because I wanted some information about a constituent issue. It took me three telephone calls to get somebody who was game enough to take the call from me as the member for Williamstown. I do not believe the minister said, 'Don't take telephone calls from the member for Williamstown'. It is because of a climate of fear in the bureaucracy that public servants are not prepared to move until they have checked with somebody else. Staff are no longer prepared to give frank and fearless advice. Whenever I meet them casually at parties or in the street, that is exactly what they say. Why is there that climate of fear? It is because they know that these days the essential purpose of the public service

is to deliver advice to a Premier who regards any criticism of the government as un-Victorian.

Honourable members need only consider the incidents at Northland Secondary College over the past couple of days. A woman who is the best Aboriginal teacher-educator in the state, Dedrie Bux, has been running what is called a rebel school in the sporting pavilion. She has been all that has stood between the few Aboriginal children left at Northland staying at school and their roaming the streets. She has been directed by Geoff Spring to go to Banksia Secondary College because this government believes the Banksia college can eventually offer a decent Aboriginal education.

The Aboriginal community does not want its children to go to Banksia Secondary College, regardless of the minister's view of what is good for Aborigines. Dedrie has said, 'No, I am going to stay with the students'. What has the government done? Has it sat down with the Aboriginal community and the parents of the children and asked what is the best way to fix the problem? Don't be silly! The government knows best. It adopts its usual hobnail-boot approach and says, 'She will not do what she is told. We will stop her pay'. Never mind that under the liberal traditions of previous Liberal governments — and under our liberal traditions — there was a policy of allowing Aboriginal communities to determine who were employed as Aboriginal educators and where they were employed.

I am sure each member of the house, no matter on which side, could tell a story about the climate of fear that is a feature of this government's rule. That is sad for the future of effective financial management. Strong public sector functions and structures are an essential underpinning of a strong private sector. It is simply not true to say that a strong public sector undermines the strength of or crowds out the private sector.

Much of the American economic analysis that is being carried out under the Clinton-Gore administration makes that point strongly. An advanced private sector needs an effective public sector. That does not mean the public sector has to be huge, but it has to be effective and people-oriented. The Evatt Foundation report, which was launched in Victoria yesterday, makes that point well:

> Ratings agencies tell us next to nothing about whether a government is fulfilling its major obligations to the public. Yet Australian governments rely on such analyses to make decisions that ultimately affect the lives of ordinary people.
>
> The *State of Australian Government* is the first attempt undertaken in this country to broaden the evaluation of government to encompass not just fiscal but social and environmental performance as well. Drawing together all the available statistics, it offers an exacting and comprehensive assessment of Australian governments and ranks the states in a 'league table' according to their performance.
>
> The *State of Australian Government* judges Australia's governments by their capacity to advance the rights of citizens.

That is the way the economic statement should be judged. If it is judged in that way, it will be found wanting in employment policy. I would be the first to admit that, by themselves, state governments cannot resolve employment issues. Of course, that was the view of the then coalition opposition before it came to government.

Members of the public and I resent the Premier's instant change of mind on employment. I can remember him standing up, full of confidence, to take part in the debate on Channel 9 just before the election. His first promise was that he — not the federal government and not the private sector but he, Jeff Kennett — would restore employment to the state of Victoria. What has he done?

An honourable member interjected.

Ms KIRNER — He has set the pattern all right. He has set a pattern of increased unemployment. Unemployment in Victoria is now higher than it was when my government left office. What an indictment of this government! Why is that so? In part it is because the cuts to the public sector have been made too deeply and too quickly to maintain growth in the private sector.

I know that reading Tim Colebatch with his Weeties upsets the Treasurer. I have never known a Treasurer who, after reading Tim Colebatch with his Weeties, feels that he has to write little letters to the editor venting his spleen just so the rest of his day is not upset. In Shakespearian terms, which would be dear to your heart, Mr Acting Speaker, methinks he protests too much. The fact is that this Treasurer and this government have increased unemployment.

That brings me back to the point I made at the beginning of my contribution. The economic statement and the appropriation bill are flawed because basically they are about only financial management. The statement is not about economic, environmental or social progress. It does not guarantee equitable outcomes for the people of Victoria; and it continues to take power away from the people.

One interesting aspect of the statement is its promise of what is described as a vast new capital works program. I was impressed with the promise to build 10 new schools — 4 fewer than are needed and 4 fewer than were promised in the budget two years ago! If the government had not been so ideologically pure, those schools and the many other building projects referred to in the budget would have been on the drawing board now and our unemployment figures would look as though they were going down.

The promises for capital works in the environment area are interesting. Who says we need a backpackers' hostel at Wilsons Promontory that caters for 40 people a night? Wilsons Promontory has been built up to the stage where the environment is unlikely to be able to cope with any more people. During Easter and Christmas Wilsons Promontory becomes a small town. Yet for tourist reasons this government wants to build a backpackers' hostel in the area; and it will be able to do so because the Minister for Conservation and Environment in the other place has taken to himself the powers our government so carefully gave to the people. That is only a little promise but in many ways it sums up the arrogance, lack of care, lack of participation and lack of a broad approach to financial planning of the government.

That is the underlying philosophy of the statement: it puts figures first rather than people and it puts means first rather than outcomes — it is essentially a political document rather than a statement about Victoria's future.

Dr VAUGHAN (Clayton) — The Victorian community is facing continued economic hardship and is falling behind other sections of the Australian community: negative trends are continuing, Victoria is the home of the highest unemployment rate in Australia, everyone knows somebody who has either moved or is considering moving to Queensland, basic services have been slashed in the most ruthless way and optimism about the future has been crushed. Although optimism might be felt elsewhere in Australia, any sense of optimism in Victoria has been flattened by a misguided government.

When in opposition the present government set out on a political course to deliberately sabotage the Victorian economy to meet its own political ends: it either threatened to block or did block necessary revenue increases designed to address growing economic problems in the Victorian economy, blocked improvements to the efficiency and financial management of the Victorian public sector and talked down the economy.

In its early months in office the present government inflicted on the community massive changes in state taxes and charges and after almost two years in power continues to hold those taxes and charges at extremely high levels. In addressing short-term budgetary considerations the government has inflicted considerable economic and social damage on the Victorian community. It has attempted, fortunately unsuccessfully, to impose on the community potentially damaging industrial relations policies and has pursued a policy of high unemployment through a process of talking down the Victorian economy and excessive downsizing of the public sector.

I would be interested to know who history will judge as the so-called 'guilty party' of the 1980s. If the Labor government that held power between 1982 and 1992 had one fault it was failing to win control of the Legislative Council. It was hamstrung in the process of governing by a ruthless, uncaring and politically opportunistic opposition's control of the Legislative Council. Paradoxically, in my view the stranglehold that the present government has on political power in Victoria is also its greatest weakness.

Since 1992 there has been almost unchecked political power in the hands of the executive government in Victoria. Signs abound of the abuse of that power and over time the stench of corruption will surely follow. I am not making a personal accusation about anyone, but the lesson of history is that when there is no effective check on the power of an arrogant government, corruption will surely follow.

You can tell a lot about a government by its attitude to those that criticise or oppose it, or who merely question the direction being taken. Since October 1992 those sections of a fairly intimidated media in Victoria that have dared to continue to question the actions of the government and the Premier have been the subject of a torrent of abuse, intimidation

and, in some instances, boycott. The experiences of the *7.30 Report* and *Sunday Age* journalists are examples. The bullies in the current government have attempted to browbeat, intimidate and harass those in every section of the media who merely question the wisdom of government policies.

Not only has the media been subject to this policy of intimidation, prominent Australians such as Mr Justice Fogarty and the former Commissioner for Equal Opportunity in Victoria, Ms Moira Rayner, have been subject to even more personal and vicious levels of intimidation.

The politics of abuse in Victoria have been raised to an art form by those who wield executive power. They should know better because the capacity to listen to those who criticise and question the direction being taken, even if they are wrong, is fundamental to good democratic government. However, I suspect that much of the criticism being made of the current government is not terribly wrong at all. We have a government that does not listen but responds aggressively and with a torrent of abuse to anyone who questions the wisdom of its policy directions and decisions.

The restructure of local government is causing a great deal of interest across Victoria.The former Labor government attempted to achieve progress on that issue. That government's failure to win control of the Legislative Council and its attempts to govern without it had a lot to do with why so little was achieved. The ruthless and unprincipled opposition in the Legislative Council blocked the change that was obviously needed and exploited the opportunity for its own political ends, putting the coalition's march towards power and privilege ahead of the wellbeing of the Victorian community.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.06 p.m.

ABSENCE OF MINISTERS

The SPEAKER — Order! I advise the house that the Minister for Community Services and the Minister for Agriculture will be absent from question time today, as will the Minister for Small Business and the Minister for Energy and Minerals. The Minister for Finance will handle matters relating to the community services portfolio and the Minister for Industry and Employment will handle any matters relating to the agricultural portfolio.

QUESTIONS WITHOUT NOTICE

Grand prix

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to today's resignation from Melbourne Water of Mr Richard Burke, the man responsible for maintaining Albert Park and its surrounds, and to his comments that the grand prix will destroy Albert Park and that the whole process has been conducted in secret with no consultation. Will the Premier instigate a full, open and public inquiry into the suitability of Albert Park for the grand prix compared to other sites, such as Sandown and Phillip Island?

Mr KENNETT (Premier) — The Leader of the Opposition is absolutely predictable in everything he asks. That is such a stupid question; even Clyde Holding would not have asked it. Clyde Holding, a former opposition leader, did not once ask such a stupid question, and he went on to higher office!

Mr Dick Burke made some comments today. He was the manager of Albert Park until January 1992 and served that park and the community of Victoria well for over 30 years.

An honourable member interjected.

The SPEAKER — Order!

Mr KENNETT — In January 1992, when Melbourne Parks and Waterways was appointed to manage Albert Park by the former government, Mr Burke was appointed as the operations manager. Over the period that has ensued a new manager has been appointed at Albert Park, a Miss Ann Oldham, who has been totally responsible for its future planning and development.

In March Mr Burke advised Melbourne Parks and Waterways that he intended to retire. Today he again made some comments. At no stage has Mr Burke been involved in the development or the layout of the track or the subsequent — —

Mr Brumby interjected.

Mr KENNETT — If he was not involved, how would he know, stupid? How would he know?

Mr Brumby interjected.

Mr KENNETT — You are an Empty Suit — —

Honourable members interjecting.

[illegible] The Leader of the Opposition has asked his question and I ask him to listen to the answer in silence.

Mr KENNETT — Mr Burke has no knowledge of the extensive programming that has been done, not only for the Albert Park grand prix track, but for the entire area. The presentation of the track was put to the safety and circuits committee of the Federation Internationalé de l'Automobile. It was approved, with slight changes being made to some safety aspects in the conduct of the race, which will be taken into consideration.

When the plans are announced at the end of this month, after the first meeting of the new board that will run the grand prix for the next 10 years, the people of Melbourne and the community will realise that this is a major revitalisation of the entire park and its environs. The park will be available to the community in a way that it is not available today; it will add to the asset base of the state.

There will be no further review. The only people who ever ask for committees or reviews are those who cannot make decisions. That is exemplified by the stupid question that the Leader of the Opposition asked today.

Employment: federal white paper

Mr TURNER (Bendigo West) — Will the Premier advise the house of the impact on Victoria of the federal government's white paper on employment opportunities?

Mr KENNETT (Premier) — As the community of Victoria knows and as Parliament appreciates, over the past 18 months Victoria has been involved in a program to re-secure its financial base and put into place opportunities for long-term growth and development of the state.

I have said before, and I say again, that the government has a good working relationship with the federal government. There is a very good personal working relationship between the Prime Minister and me and the federal Treasurer and the state Treasurer. That benefits all communities. We disagree — sometimes quite profoundly — over some issues that are obvious to all.

Honourable members interjecting.

Mr KENNETT — The tragedy for Victorians and Australians is that the white paper seeks to turn back the clock to the 1970s by developing programs which have been tried in the past and which have failed. It is important for Australians to understand that although the programs may provide some short-term opportunities for the unemployed, as the subsidy periods expire, and as occurred in the past, the people in the programs lose access to employment. In the meantime, the programs increase Australia's debt and deficit. Interest rates for housing, white goods and motor vehicles will be forced up substantially.

The package does not address the fundamental ingredient that Australia requires to be addressed: the industrial relations issue that holds the country back.

Based on past experience, the package will not and cannot work. No country in the region is adopting that approach to address the challenges of the future. The Prime Minister is not only putting at risk Victoria's recovery, but also Australia's economic performance as it goes into the 21st century.

Honourable members opposite, particularly those making the inane interjections, will probably move through their lives in some comfort, but the young men and women who are finishing tertiary education and those currently in secondary education now know clearly that the federal government is not able to put into place the programs necessary to meet their aspirations and provide for their security.

Honourable members interjecting.

Mr KENNETT — The white paper will not provide the opportunities it seeks to provide. It is the wrong approach for the 1990s and the 21st century and, unfortunately, its impact will flow to Victoria and reduce by some percentage the good work the government is doing with the community to restore opportunities for the majority.

Ambulance services

Mr THWAITES (Albert Park) — I refer the Minister for Health to her excuse in the house yesterday that on 23 April, the night Michelle Galvin died, there were 421 emergency ambulance calls compared with an average in March of 356. Given that on the following Saturday there were

417 emergency calls and on the previous Saturday 396 emergency calls, will the minister assure Victorians that ambulance services on Saturday nights are adequate and that older people, asthma sufferers and motorists are not at risk?

Mrs TEHAN (Minister for Health) — I thank the honourable member for Albert Park for his great interest in ambulance services as reflected over the past few days. Yes, I can give an unqualified assurance that the people of Melbourne are being well served by the Metropolitan Ambulance Service. I can give four reasons why they are not only well served but far better served than they were two years ago when the state was administered by the former Labor government. Over 24 hours, there are between 10 and 20 more emergency vehicles available than there were in 1992.

Honourable members interjecting.

The SPEAKER — Order! I will not allow question time to proceed in its current fashion. The honourable member for Albert Park has asked his question and deserves to have the answer heard in silence.

Mrs TEHAN — How can I give the unqualified assurance that the people of Melbourne are well served by the ambulance services? As I said, there are now more emergency vehicles. Since the Labor government lost power 12 new manned stations have been added. The number of manned stations has increased from 33 to 45. Whereas in 1992 there were 108 paramedics, in 1994 there are 126, with 30 in training. There has been a considerable increase in the response time. In 1992, 90 per cent of emergencies were addressed within 16 minutes; in 1994, 95 per cent of emergencies are regularly met in 16 minutes. They are the four criteria: the increased number of emergency vehicles, the number of paramedics, the number of stations and the improved response time. That is why I can confidently say yes to the honourable member's question. The government has confidence that the old, the asthmatics and people with serious illnesses will receive a very good — and improving — response from the Metropolitan Ambulance Service.

Niemeyer statement

Mr LUPTON (Knox) — Will the Treasurer advise the house when the Niemeyer statement will be released and what the figures show about the government's economic and financial policies over the past 19 months?

Mr STOCKDALE (Treasurer) — Shortly after question time I will be releasing the March Niemeyer statement at a press conference outside the back door of Parliament House. The current account deficit for March is $615 million compared with an original budget target of $1521 million. That puts the government on track. It again exceeds the plans that would have represented the biggest turnaround in Australia's history. It does not warrant a policy change of the kind for which the Leader of the Opposition constantly calls.

The Leader of the Opposition has a contradictory position in more than one respect. Although he acknowledged that the previous Labor government made mistakes in the past, now the author of all the mistakes — the socialist left real Treasurer — has been elevated to the position of policy adviser to the Leader of the Opposition.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, I direct your attention to standing order no. 127. The Treasurer was asked a question about the March Niemeyer statement and the performance of the government's economic policies over the past 19 months. The Treasurer is now debating the question. I ask you to bring him back to the question.

Mr STOCKDALE (Treasurer) — On the point of order, Mr Speaker, nothing could be more relevant to the government's economic policies and what the *Australian Financial Review* has called Victoria's economic miracle than to contrast it with the muddle-headed approach of the Leader of the Opposition.

The SPEAKER — Order! I have heard sufficient on the point of order. Although I am not prepared to invoke standing order no. 127, I ask the Treasurer to keep his remarks relevant to the question.

Mr STOCKDALE — The Niemeyer statement reports on the progress of the government's financial and economic management. Nothing could more relevantly mark the brighter future Victoria is seeing opening up before it than to point to the causes of the problems with which the government has to grapple and to point to the alternative offered by the Leader of the Opposition. In the coming budget year the government is looking at improving Victoria's financial position to the point where it will have virtually a zero borrowing requirement in 1994-95. For practical purposes, in a budget of approximately $15 billion the government is budgeting for an outcome of an overall budget deficit of less than

$100 million. No previous Victorian government — particularly the Labor government — came anywhere near slowing the growth in debt.

We know that, although the Leader of the Opposition said he did not want to be shadow Treasurer, he now must be; that was a condition the socialist left imposed on him as a means of keeping his position. In the *Age* of 17 February the now shadow Treasurer — and Melbourne Grammar boy — said he did not enjoy studying commerce and that he studied commerce — —

The SPEAKER — Order! Under the standing orders I am compelled to interrupt the Treasurer, who is now straying from the question. I ask him to come back to the question.

Mr STOCKDALE — Victorians have a tremendous interest in the government's achievements in turning around the financial mess it inherited from the former government.

An opposition member interjected.

Mr STOCKDALE — Your personal presence on the front bench is lasting evidence of the paucity of talent on your side of the house. We now have a threat to the progress reported in the Niemeyer statement: the Leader of the Opposition said the only reason he studied commerce at Melbourne University was 'because that's what my father did'. He did not much like commerce and clearly the real shadow Treasurer — the honourable member for Northcote — did not like commerce, either. It was he who actually took the Labor Party into opposition — and now the Leader of the Opposition is trying to keep them there! The government has reduced recurrent spending. The Leader of the Opposition stands for reducing recurrent spending — —

Mr DOLLIS (Richmond) — On a point of order, Mr Speaker, you are well aware of standing order no. 127. I ask you to observe the standing orders and ask the Treasurer to answer the question.

The SPEAKER — Order! The Speaker must walk a fine line and exercise a fine point of judgment. The Treasurer is quite entitled to compare and contrast. I judge that he is doing so now. I do not uphold the point of order. I ask the Treasurer to complete his answer.

Mr STOCKDALE — The Niemeyer statement records the fact that the government is reducing recurrent spending. The Leader of the Opposition has repeatedly called for increases in recurrent spending. The Niemeyer statement records that Victoria has had to increase revenue while protecting its business base from those revenue increases. The Leader of the Opposition has repeatedly called for tax reform and reductions. The government is increasing capital spending. While asking for reductions in debt, the Leader of the Opposition is calling for even bigger increases in capital spending. Those two factors are simply incompatible. The Leader of the Opposition recently said:

> All honourable members opposite would do well to learn something from the Victorian Treasurer so that if they ever do win government again they will not botch it up as much.

That is, as much as in the past. The only problem is that he was speaking about Rob Jolly, who created the mess this government must clean up.

Ambulance services

Mr THWAITES (Albert Park) — I refer the Minister for Health to the death of Mr David Fenn who was struck and killed by a car on the West Gate Freeway. No ambulance was available and an ambulance officer was forced to travel in a police car — which presumably is one of the additional ambulances — to the scene, arriving 15 minutes after the accident and without equipment. Did this occur because there are now 20 fewer officers and 11 fewer ambulances available for emergencies in the western suburbs.

Mrs TEHAN (Minister for Health) — I thank the honourable member and the mouthpiece for the ambulance union, who will no doubt continue to bring in all manner of incidents that the unions continue to feed him for questions. I said categorically in answer to a previous question that because of the four key criteria, the ambulance service in Melbourne is providing far better service than it ever did under 10 years of Labor government.

Honourable members interjecting.

The SPEAKER — Order! I remind the opposition that it is their question. If the barrage of interjections continues, I will call the next question.

Mrs TEHAN — The honourable member referred to services in the western suburbs of Melbourne. I

refer him to a recent article in the *Western Times* which says:

> Thomastown's new ambulance has substantially bettered emergency response times in its area.

That article was from the local paper in Thomastown.

Honourable members interjecting.

The SPEAKER — Order! I have already advised the house that I will call the next question. I warn interjectors to remain silent.

Mrs TEHAN — I refer to a number of new stations around Melbourne including Thomastown, Cranbourne and Montrose — all across Melbourne. I refer especially to Thomastown because it is a Labor-held seat, and is indicative of the neglect of the western suburbs and even Labor-held seats during the past 10 years!

The government has brought improved services to those areas that were so neglected by Labor. Let me tell the house what has happened in Thomastown, according to the press article to which I earlier referred:

> Thomastown's new ambulance has substantially bettered emergency response times in its area.
>
> Thomastown team manager with the Metropolitan Ambulance Service, Mr Michael Costolloe, said the team averaged 7 minutes to reach 150 — —

Mr HAERMEYER (Yan Yean) — On a point of order, Mr Speaker, the question was about — —

Honourable members interjecting.

The SPEAKER — Order! I caution the honourable members for Mornington and Mordialloc. They are to remain silent.

Mr HAERMEYER — The question was about ambulance services in the western suburbs. The minister has been talking for some 2 minutes about Thomastown, which is nowhere near the western suburbs. Will you draw her back to the question?

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

Honourable members interjecting.

The SPEAKER — Order! It is not up to the Chair to direct a minister how she should answer a question.

Mrs TEHAN (Minister for Health) — The 12 new ambulance stations are across metropolitan Melbourne; some are in the western suburbs. One is at Montrose, one at Thomastown and one at Cranbourne. There is no doubt that the response times have improved dramatically. The differences in response times, in capacity, in vehicles and in paramedics — —

Mr Baker — There are a million people out there.

The SPEAKER — Order! I advise the honourable member for Sunshine that there may be one million and one because he will be joining them! There has been enough interjection.

Mrs TEHAN — On those four key criteria there is no doubt that across metropolitan Melbourne, including the western suburbs, there is an improved service by marked degrees. There will always be some incidents when the response cannot be met in the acceptable time. I repeat: 95 per cent of responses are within the acceptable time.

Flinders Street railway station

Mr THOMPSON (Sandringham) — Will the Minister for Public Transport inform the house of the government's future plans for Flinders Street station?

Mr BROWN (Minister for Public Transport) — I thank the honourable member for his question about what is undoubtedly the symbol of Melbourne.

Honourable members interjecting.

The SPEAKER — Order! Will the minister pause until the house comes to order?

Mr BROWN — Certainly, Mr Speaker, I have plenty of time.

Honourable members interjecting.

Mr BROWN — Another 15 years!

If you ask anyone which city building best symbolises Melbourne, the answer of course is Flinders Street railway station. It is as much an icon in this city as our much-loved W-class trams. Flinders Street station is one of the world's greatest

railway stations. It is the jewel in the crown of the public transport system and is used daily by more than 100 000 commuters. Even its clocks have been a traditional meeting place for some generations of young Melburnians.

It is well known that under the 10 years of the Labor government the station was generally allowed to decay and deteriorate, despite quite grand plans for redevelopment. It is true to say that a decade of Labor government left this grand station a shadow of its former self.

Last year I announced a 10-point plan to revitalise the station.

Mr Sandon interjected.

Mr BROWN — I am not having a press conference at the rear of Parliament House. I want to make it clear what is happening!

Honourable members interjecting.

The SPEAKER — Order! I have already said that question time cannot proceed with a barrage of interjections. I ask the house to use some discretion and judgment. I call the Minister for Public Transport to complete his answer.

Mr BROWN — Today I am pleased to announce the first external refurbishment and painting of the station in more than a decade, at a cost of $1 million. It will get a long-overdue facelift which, I have directed the Public Transport Corporation, will be finished by the end of this year.

An Opposition Member — What colours?

Mr BROWN — I am coming to colours. I have thought long and hard about the colours. I am aware that pink is popular with some people nowadays and in some quarters yellow is now popular. I am not talking about the Leader of the Opposition, but about colours!

We have had fantastic feedback on the new city circle trams but I have decided that the station will be repainted in its original heritage colours. I say that as a result of negotiations with the National Trust of Australia on what is Melbourne's most important public transport building.

I also announce today that I am commissioning a study to determine the future of Flinders Street station vis-a-vis the trains that now go to Spencer Street railway station. It is possible that many of the trains that now terminate at Spencer Street station, particularly those with rural commuters, could come to the more central point of Flinders Street station.

I also wish to determine whether a link between the new casino and the National Tennis Centre through Flinders Street station is a viable possibility. If the study which we are commissioning shows it is possible to put most of the trains into Flinders Street station as the termination point, particularly for those from rural Victoria, it will clearly be beneficial to hundreds of thousands of commuters in the future.

I assure the house that whatever the outcome of that study, Spencer Street station will continue to operate as an important part of our rail network. However all honourable members would agree that the central role of Flinders Street station in Victoria's public transport system must be protected and, if possible, enhanced. Today's announcement will ensure that that remains the case.

APPROPRIATION (INTERIM 1994-95) BILL

Second reading

Debate resumed.

Dr VAUGHAN (Clayton) — Before the suspension of the sitting I advised the house of my intention to speak on local government restructuring, which was supported and attempted on several occasions by the former Labor government. It was a much needed initiative that was blocked by the then opposition using its numbers in the other place. Local government in Victoria must be restructured in the interests of efficiency and better delivery of services. In principle, local government restructuring as suggested by the Local Government Board is supported by the opposition for various regions of the state.

The initiatives suggested for Ballarat, Bendigo, Geelong and the 21 inner suburban councils in metropolitan Melbourne all have merit. The main criticism the Victorian community can level at the actions of the Kennett government is the denial of local government democracy. That serious criticism can also be levelled at the local government reforms currently under consideration.

In general the opposition supports local government restructure in Victoria. Although I support the restructuring, with some trepidation, I suggest it is time for the Victorian community to consider another tier of local government, a fourth tier of government. Many of the local government reforms being pursued by this government are modelled on the Thatcher years in the United Kingdom. Larger local government units and compulsory competitive tendering were initiatives pursued in Britain during the 1980s. Even in the 1990s the most local level of local government has survived all of the efforts to restructure in England and Wales over a long period. I refer to what is commonly known as the community council, the parish council, the parish meeting or organisations with similar names in various places in England and Wales.

I am suggesting with some trepidation that there may be a role for a fourth tier of government in Victoria. The concept of a community council, being a much smaller unit than the units of 100 000 persons being talked about for the Melbourne metropolitan area, would apply in the Melbourne metropolitan area, and would apply perhaps more appropriately in rural Victoria than in the provincial and metropolitan areas of the state.

A community council would be a focus of community interest and activity. In parts of rural Victoria it may embrace only a few hundred or a few thousand people, but in metropolitan Melbourne it would embrace some thousands of people. It would be much smaller than the local government units of 100 000 the Local Government Board is discussing. A local community council would manage the local halls, sporting facilities and parcels of land here and there. It would be the body that auspices such things as community festivals. It would put the 'local' back into local government. It is a concept worthy of consideration.

One of the strong arguments used in the bush in opposition to local government restructuring is that local communities would be robbed of their local focus of community opinion and action in hamlets across the state. It is an issue that on economic grounds has been overlooked in the current restructuring of local government. The government should consider a fourth tier of government that does not have a rating power or provide full-time employment; it may provide only for a part-time secretary as its entire payroll. It may not even have that — it may be voluntary in every aspect of its activities — but it would have a place in the better governing of the state of Victoria.

Mr E. R. Smith — What is it called?

Dr VAUGHAN — One could call such bodies what one wishes, but the concept of a community council or board adequately describes the matter about which I am speaking. Its name is something for others to decide; perhaps for the local community. There is a place for a more local level of local government without a taxing power; probably without any employees, but possibly with a minimal administrative assistance that really puts the 'local' back local government, that acts as the focus for that community's actions and a channel for its opinions.

I return to the issue of local government restructuring in Victoria and relate my remarks to the community I represent. In the south-eastern suburbs local government restructuring is a topical conversation point. The councils with which I regularly interact include the cities of Oakleigh, Moorabbin, Springvale and Waverley. They all eagerly await the work of the Local Government Board in the coming months.

The City of Oakleigh has proposed to the Local Government Board an innovative idea for a new City of Monash that would include that great Australian university, Monash University, from which there are a few graduates in this place. It would also include the Monash Medical Centre, which was one of Australia's great hospitals until recent budget cuts rewrote its discharge policy. It would also include the planning precinct known as the Monash technology precinct, which is the home of many Commonwealth Scientific and Industrial Research Organisation divisions, the university, the hospital and all its research activity, and many other public and private sector research establishments, including BHP's research centre and a growing number of high technology and information-based industries that relate to those academic and research institutions.

I say to the Minister for Local Government, the Premier and publicly to the Local Government Board that the concept of the City of Monash has merit; it is a creative idea by the City of Oakleigh and deserving of consideration.

Another point I should like to make is that in restructuring local government in and around my electorate it is important for the Local Government Board to take into account the horrendous legacy of sandmining, the horrendous legacy of putrescible landfill operations and the horrendous legacy of the inappropriate use of land from Warrigal Road in

South Oakleigh to Springvale Road in South Springvale. Into that sandy soil the community has poured putrescible garbage and who knows what else. What makes it even worse is that the watertable is almost at surface level. Some people have described the area as the largest rubbish dump in the world. People who have worked in the landfill industry over a lifetime can tell you stories that would make your hair stand on end, if drinking the ground water from the area had not made it fall out!

Victorians have to accept responsibility for doing something about the horrendous legacy of sandmining, putrescible tipping and the pollution of the ground water, not to mention the everyday environmental blight the local community has to endure. People who live in the vicinity of the current and former landfill operations should have the number of the EPA pollution watchline stuck on the refrigerator door or beside the telephone. Sadly, however, after years of ringing the EPA, many of them have given up thinking they will ever be heard. Therefore, when an appeal for the next putrescible landfill operation comes to the Administrative Appeals Tribunal and the EPA is asked to provide evidence of the complaints, the database will be a fraction of what it should be.

The environmental consequences of sandmining, putrescible tipping and the pollution of the ground water will be so complex and costly to repair that the sites should all fall within the responsibility of one local government unit, yet the solution is beyond the resources of any particular local government body. I am sure the three main areas with tips — Springvale, Oakleigh and Moorabbin — would be pleased if after local government restructuring the landfill were hived off to somebody else. Landfills are an economic burden to whatever body has ownership of and responsibility for them and the solution to the environmental problems is beyond the resources of the municipalities in which they are presently located.

Honourable members should ask the City of Oakleigh what it thinks of the growing bill for addressing the legacy of receiving Melbourne's garbage. It is not Oakleigh's garbage; it is Melbourne's garbage, and it is in the ground water strata. Resolving such a problem is expensive. So horrendous is the problem that I think some of the tips will have to be dug up and processed. They cannot all be treated in situ, but on economic grounds that may be the initial approach. The cost of addressing the environmental legacy is so large that it has the capacity to destroy the local government body that inherits the problem.

It is desirable that all the problems be put together, but the cost has to be shared across Melbourne, if not across Victoria.

Mr E. R. Smith — Would you drain it first?

Dr VAUGHAN — I am being prompted by the honourable member for Glen Waverley to propose a scientific solution to the problem. With due humility let me say that I have a background in this sort of activity — —

Mr E. R. Smith — That's why I'm asking!

Dr VAUGHAN — The problem is so serious that it will be extremely expensive to solve. Trying to find appropriate solutions, let alone implementing them, will be expensive enough, but the problem needs the attention of the state government and should not be left hidden under the carpet or dumped on local government. It is desirable that the problem areas fall within the responsibility of a single municipality and that the municipality receive financial support from the state government, perhaps from a metropolitan-wide levy, to provide an ongoing solution. It may be a generation or two before the problem is solved but it has to be addressed. A city cannot bury its garbage in an unsafe place for several generations and assume the problem will disappear in time.

I should like to conclude by mentioning a matter close to my heart and that of the community — that is, the government's deceit and dishonesty in respect of the so-called state deficit levy or $100 home tax. The government said clearly that the tax would remain until the deficit was addressed. The figures in the last budget were justification for the removal of the levy. But what is the government going to do? It is going to impose it for another year. It has targeted ordinary Victorians — not the people the government is concerned about — who struggle to find that $100 every year. It is analogous to Mrs Thatcher's poll tax and deserves the same fate. The government has performed disgracefully in respect of that particular tax. It will remain a symbol of dishonest and unjust taxation.

Debated adjourned on motion of Mr E. R. SMITH (Glen Waverley).

Debated adjourned until next day.

SUPERANNUATION ACTS (AMENDMENT) BILL

Second reading

Mr I. W. SMITH (Minister for Finance) — I move:

That this bill be now read a second time.

Last year following an historic agreement with the unions representing Victoria's public sector workers, the government legislated for comprehensive reform of the state's public sector superannuation schemes. I am pleased to be able to report that those reforms have already resulted in a dramatic improvement in the financial health of the schemes and a reduction in the burden that they will place on the state's finances in years to come.

This bill will assist the progress of the reforms by clearing up a small number of technical problems which have been discovered since last year in the superannuation legislation. The first two amendments concern the Parliamentary Superannuation Scheme. It has been suggested that the present definition of 'child' in the Parliamentary Salaries and Superannuation Act 1968 does not cover adopted children or step-children. Clause 3 therefore amends that definition to bring it into line with the definition in the other superannuation acts.

Clause 4 of the bill corrects an anomaly in the transitional provisions for parliamentary pensions which would have resulted in retired members of Parliament having to wait two years before receiving an increase in their pensions in respect of the pay rise deferred by Parliament last year.

Clause 5 amends the Hospitals Superannuation Act 1988 to provide for equal representation of employers and employees on the Hospitals Superannuation Board, as is required by commonwealth legislation. Clause 6 resolves an ambiguity in the definition of 'salary' for contract officers under the State Superannuation Act 1988. Officers who are declared to be contract officers under the new provisions inserted into the act last year can now have their salary for superannuation purposes specified in their employment contracts in the same way as executive officers.

Clauses 7 and 8 clarify the provisions in the State Superannuation Act for calculation of the entitlements of members transferring from the revised scheme to the new scheme, so as to remove possible doubts about their interpretation. Clause 9 allows the Metropolitan Transit Authority Superannuation Fund to be wound up and its eight remaining members transferred into the Transport Superannuation Fund, as part of the government's promised rationalisation of fund administration.

Clause 10 amends the definition of employee in the Emergency Services Superannuation Act 1986 so as to ensure that regulations under that act for the new accumulation scheme can cover casual employees in the emergency services. Clause 11 is a standard piece of statutory revision to repeal spent provisions in the Public Sector Superannuation (Administration) Act 1993.

Although none of those changes are of major significance, taken together they will improve the administration of public sector superannuation and ensure that the government's reform program and the resulting savings to Victoria can continue.

I commend the bill to the house.

Debate adjourned on motion of Mr HAERMEYER (Yan Yean).

Debate adjourned until Friday, 20 May.

LOCAL GOVERNMENT (COMPETITIVE TENDERING) BILL

Second reading

Mr GUDE (Minister for Industry and Employment) — I move:

That this bill be now read a second time.

This bill has one clear aim — to introduce competition to require councils to look hard at their own operations and improve efficiency. It can be simply stated but its significance is profound. The bill heralds a cultural change which goes to the very core of the way councils operate. Councils will be compelled to review and specify just what it is they do and to test those specifications in the marketplace. If in-house staff fail to measure up to the competition, those who can provide better service should take over, just as they do in any other organisation which claims to be accountable to its constituents. Ratepayers are entitled to expect value for money from council services.

In August last year, the Minister for Local Government asked the Local Government Board to consider the best way to implement compulsory

competitive tendering (CCT) and the board submitted its final report to the minister on 22 December. Its key recommendation is that instead of prescribing services such as garbage or recreation centres for CCT, a percentage of a council's expenses each year should be expended through competitive tendering. The minimum share of total expenses that councils will have to market test will rise from 20 to 30 to 50 per cent over the next three years.

Councils will be able to decide for themselves to which services CCT will apply. Further, CCT will not be administered by regulation; instead, procedural guidelines will be developed jointly with the industry.

Those recommendations substantially reflect the views expressed by local government during a comprehensive process of consultation, public hearings and seminars. Not surprisingly the board's readiness to consult and to heed the views of those consulted has been widely applauded within the industry. The pro-active approach taken by local government in this instance is very encouraging. However the government has very clear policy objectives in relation to CCT and will be monitoring progress to ensure those results are being achieved. If they are not, the government will not hesitate to adopt a more rigorous and regulatory approach.

I turn now to the provisions of the bill. Clause 1 sets out the purpose of the legislation, which is to require councils to use competitive tendering arrangements for a percentage of their total expenditure each year.

Clause 2 provides commencement dates for the different sections of the legislation. The section imposing general requirements on councils to tender before entering into contracts worth $50 000 or more is to come into effect on 1 October 1994, or earlier by proclamation. The sections on competitive tendering arrangements are to come into effect on 1 October 1994.

Clause 3 inserts a new division into the act to provide for competitive tendering arrangements:

Proposed section 208A requires a council to be a party to competitive arrangements valued at 50 per cent or more of its total expenses for the year. For the phase-in period, the targets are 20 per cent in 1994-95 and 30 per cent in 1995-96.

Proposed section 208B defines 'competitive arrangement' to include contracts entered into by a council after it has engaged in a competitive process, whether for the supply of goods or services or the undertaking of works either to or for a council or by a council. It also includes an in-house agreement, and any contract or in-house agreement approved by the minister under proposed section 208F. Employment contracts and other contracts and in-house agreements lasting longer than five years are not competitive arrangements.

Proposed section 208C identifies a competitive process for the award of a contract or in-house agreement as one in which tenders are submitted following public notice, all tenders considered, the contract or in-house agreement awarded to a tenderer and any other requirement in regulations observed.

Proposed section 208D provides that an in-house agreement is an agreement entered into by a council with a member or members of its staff after a competitive process. The agreement is in writing, describes the staff obligations and sets out the annual cost and performance criteria relating to those obligations.

Proposed section 208E identifies how to assess the value of each type of competitive arrangement. Proposed section 208F allows the minister to approve as competitive arrangements contracts or in-house agreements which are entered into without the council engaging directly in a competitive process or which have or could have a life of more than five years.

Proposed section 208G requires a council to prepare a competitive tendering statement in accordance with regulations and submit it to its auditor and to the minister. If a council has failed to comply with the percentage target required for the year it must also give the minister a written explanation for that failure.

Clause 4 inserts a definition of 'competitive tendering statement'. Clause 5 requires a council to include the competitive tendering statement in its annual report together with its explanation for any failure to comply with the percentage target required for that year, and the auditor's report on the competitive tendering statement.

Clause 5 also requires a council's auditor to report on the competitive tendering statement in the form and containing the details required by regulations. The auditor must submit a copy of the report to the minister as soon as practicable.

Clause 6 substitutes a new section on the power of a council to enter into contracts over a certain value. Before a council enters into a contract for the purchase of goods or services, or for the carrying out of works valued at $50 000 or more, it must:

(a) invite tenders by public notice, or,

(b) invite expressions of interest by public notice before inviting tenders from all or some of those whose expressions of interest have been registered by the council.

A council is not obliged to accept the lowest or any tender.

Certain contracts, for example those entered into because of an emergency, are not affected by this provision. Contracts with public bodies including other councils or which are for professional services are included.

Clause 7 provides for the Governor in Council to make regulations for competitive tendering and for matters related to the power of a council to enter into contracts.

These provisions outline the scope of the competitive tendering environment in which councils will function from 1 October 1994. For each council the discretion left by the legislation requires, firstly, that it describe clearly the operations in which it intends to be or to remain involved. Achieving that clarity in terms of the strategic selection of services and works for tendering and in the documentation of individual supply, service or works contracts is the challenge now before each council.

As tendering progresses, the challenge for the whole local government industry will be to ensure that due process is adhered to and all bidders treated fairly. Local government stands to make significant efficiency and productivity gains under competitive tendering. It cannot afford to undermine those gains or its own credibility by a less than rigorous adherence to scrupulous tendering standards.

I commend the bill to the house.

Debate adjourned on motion of Mr LEIGHTON (Preston).

Debate adjourned until Friday, 20 May.

ELECTRICITY INDUSTRY (AMENDMENT) BILL

Second reading

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — I move:

That this bill be now read a second time.

This significant piece of legislation further facilitates the implementation of the government's reform strategy for the electricity supply industry in Victoria. The reform strategy has been undertaken to increase the competitiveness and efficiency of the electricity supply industry on a sustained basis, to empower electricity consumers by creating a basis for reductions in the cost of electricity in Victoria and to assist in the reduction of state debt.

In early October 1993 the State Electricity Commission of Victoria was divided into three separate businesses in preparation for corporatisation and further division after 30 June 1994. The three existing businesses are:

Generation Victoria, responsible for the production of power to meet the energy requirements of the electricity system;

National Electricity, responsible for high-voltage transmission, the balancing of supply and demand and for security of supply across the electricity system; and

Electricity Services Victoria, responsible for low-voltage distribution and the sale of electricity to retail customers.

To achieve the government's principal objectives it is necessary to create a competitive electricity industry. A competitive industry requires a large number of individual businesses trading with each other and their customers on a commercial basis through a wholesale electricity market. The wholesale electricity market has two main functions: to bring buyers and sellers together commercially through a pool and to ensure a safe and secure operation of the electricity supply system — system security.

This bill is enabling legislation which further progresses the creation of an efficient and competitive structure for the operation of the electricity industry for Victoria. In taking this path the government has been advised by the ESI Reform Unit within the Office of State Owned Enterprises of

the Department of the Treasury, which was established specifically to analyse and recommend appropriate reform strategies for the Victorian electricity supply industry and in addition by a range of independent international experts. A recently released public information paper outlined the government's plans for the future course of electricity industry reform.

The government now intends to embark on the second stage of structural reform by dividing the three existing businesses into eight new companies, each with its own independent board. From mid-1994 the structure of the electricity supply industry in Victoria will comprise Generation Victoria, which will be an interim generating structure comprising separate business divisions which will trade independently of one another; a transmission grid company which will own, maintain and manage the high voltage grid (GridCo): this is a natural monopoly and will remain state owned; an independent statutory corporation that will monitor and control the wholesale electricity market and ensure the security of electricity supply (PoolCo); and five regionally based distribution companies comprising former assets of Electricity Services Victoria and the 11 municipal electricity undertakings. Three distribution companies will service metropolitan Melbourne, and two will service rural Victoria. These companies will be created under and operate in accordance with the Corporations Law.

These structural changes separate the natural monopoly elements from the potentially competitive parts of Victoria's electricity supply industry. This is a necessary but not sufficient condition for competition. The mechanism that will bring these elements together will be the wholesale electricity market controlled by PoolCo and regulated through the Office of the Regulator-General. Consumer choice and demand management will be encouraged through competition in generation and energy retailing, giving consumers an incentive to seek the lowest tariff consistent with their energy consumption patterns and overall demands. This represents a significant advantage of empowering purchasers in a competitive market.

This bill is designed, by way of amendments to the existing electricity restructuring act, the Electricity Industry Act 1993, to give legislative authority for each separate statutory corporation so that it may carry out its functions; in the case of each of the new entities, to provide for staff transfers with the preservation of entitlements and to allocate the rights, liabilities and assets of Electricity Services Victoria, the 11 municipal electricity undertakings and National Electricity in an orderly and prudent way, and to provide appropriate mechanisms for each separate electricity business to function effectively within the proposed scheme.

Part 1 of the bill sets out the preliminaries to it. Part 2 specifies the principal amendments to the Electricity Industry Act 1993 to provide for the establishment of PoolCo and the recognition of the distribution companies. This part has the effect of setting out the ground rules for operation of each of these businesses to ensure that they are accountable for their actions and managed on the same basis as the existing electricity corporations. These provisions are modelled on those in the State Owned Enterprises Act 1992 and encompass the conduct and duties of directors, the preparation of corporate plans, provision for the performance of non-commercial functions, annual reports and audit and the payment of dividends. Procedural arrangements relating to the appointment of board members and the chief executives, together with the conduct of meetings, which are applicable to the existing electricity corporations are also to apply to PoolCo and each of the distribution companies until such time as they cease to be wholly owned by the state.

Part 3 of the bill provides for the allocation and transfer of property from Electricity Services Victoria and the 11 municipal electricity undertakings to the new distribution companies and from National Electricity to PoolCo. The current provisions for interim arrangements governing the rights of electricity corporations in relation to transferred property under the Electricity Industry Act 1993 will continue to apply to the electricity corporations and the new entities during the transitional period from the establishment of the new businesses until 31 March 1995.

Part 4 sets out the new provisions to be inserted in the Electricity Industry Act 1993 to deal with regulation of the electricity supply industry. Honourable members should note the importance of these provisions in this extensive reform process. These provisions specifically provide for the electricity industry to be a regulated industry under the Office of the Regulator-General Act 1994 in order to protect the consumer, monitor and maintain the integrity of supply and ensure the market operates fairly. Technical regulation will continue through the chief electrical inspector appointed under the Electricity Industry Act 1993.

Further, this part prohibits any person who does not have an appropriate licence or exemption from generating electricity for supply or sale or transmitting, distributing, supplying or selling electricity or operating a wholesale electricity market. Detailed provisions regulate the issue, variation or revocation of licences and the terms and conditions of licences. Licences are to be issued, varied or revoked by the Office of the Regulator-General.

In performing its functions under the Electricity Industry Act 1993 as amended by this bill the Office of the Regulator-General is required to take into account the policy objectives specified in the Electricity Industry Act 1993 as amended by this bill, in the Office of the Regulator-General Act 1994 to the extent that they are not inconsistent with those specified in this bill, and in any statement of government policies made under the Office of the Regulator-General Act 1994. The policy objectives to be taken into account by the Office of the Regulator-General under the bill are: firstly, to promote competition in the generation, supply and sale of electricity; secondly, to ensure the maintenance of an efficient and economic system for the generation, transmission, distribution, supply and sale of electricity; thirdly, to protect the interests of consumers with respect to electricity prices and the safety, reliability and quality of electricity supply; and fourthly, to facilitate the maintenance of a financially viable electricity supply industry.

Part 5 sets out the further amendments required to the State Electricity Commission Act 1958 and the Electric Light and Power Act 1958 to make them consistent with the intent of this legislation and to make consequential amendments to other acts so that there is consistency in application of legislation.

Victoria is progressing well towards its target of a reformed electricity industry. This bill is a significant move in that process. Each part of the industry will have clear and transparent responsibilities.

The government plans to continue its restructuring initiatives with a view to substantially completing the reform process over the next year. Further reform includes creation of competition in generation. Work is proceeding on this area simultaneously with the development of more competitive wholesale trading arrangements. The government is committed to the development of an open, integrated domestic market which matches world's best practice in the electricity industry.

Clearly this bill is an important step in achieving this objective.

I commend the bill to the house.

Debate adjourned on motion of Mr HAMILTON (Morwell).

Mr S. J. PLOWMAN (Minister for Energy and Minerals) — I move:

That the debate be adjourned until Friday, 20 May.

Mr HAMILTON (Morwell) — Given that it is an important bill, I ask the minister if more time could be permitted.

Mr S. J. PLOWMAN (Minister for Energy and Minerals) (*By leave*) — At this stage I am not prepared to agree to more time being allowed, but I am prepared to provide opposition members with any necessary briefings during the two-week period so that they can be well and truly up to speed with all the provisions of the bill.

Motion agreed to and debate adjourned until Friday, 20 May.

MELBOURNE EXHIBITION CENTRE BILL

Second reading

Mr GUDE (Minister for Industry and Employment) — I move:

That this bill be now read a second time.

The exhibition industry is a growth industry with direct and indirect benefits to Victoria of more than $40 million per annum and to Australia of more than $200 million per annum. It is also extremely competitive, with modern centres in Sydney, Brisbane, Singapore and Hong Kong vying for an increased market share.

A new exhibition centre, to be located at Southbank, was announced by the government as part of the Agenda 21 program. The overall project delivery time for the new centre is currently scheduled for a late 1995 or early 1996 completion.

Since the construction of the exhibition centre is about to commence, an ownership entity needs to be put in place quickly to ensure the project is managed through to completion by the organisation which

will be accountable for the performance of the exhibition centre. Early establishment of the ownership entity will enable their participation in the development and establishment of the management and marketing arrangements. These arrangements will have a major impact on the performance of the centre.

The objectives of the Victorian government for this centre are:

to promote the international competitiveness and strengths of Victorian industry and firms; and

ensure that Melbourne is the nation's leading city of exhibitions and trade shows.

The government aims to create and maintain Australia's largest exhibition centre and provide an international standard exhibition facility which can attract both important Australian and international exhibitions and trade shows to Melbourne.

It should be stressed that the primary purpose of this bill is to put in place an ownership vehicle. It is the government's intention that the trust will, as a priority, set in train processes for the management of the centre by the private sector. We are therefore taking the first step, albeit an important one.

The trust will be small in its membership, numbering three to five people selected for their commercial expertise. It will be provided with all the powers necessary to carry out its functions, including the power to acquire land by agreement, to enter into arrangements with other public sector agencies, to close roads and so forth. In other words, such powers as may facilitate construction, operation and maintenance of the exhibition centre. It will also be empowered to enter into agreements with the private sector for the management and operation of the centre.

The bill establishes an area of land within which the Melbourne Exhibition Centre Trust may operate.

Since the plans for the centre have not been finalised, the bill delineates the area within which the centre may be built and is shown in schedule 1. Honourable members will notice that this area includes the maritime museum, which is permanently reserved land. Some demolition works will be required on the reserve. The bill therefore enables these works to be undertaken subject to the consent of the minister responsible for the Crown Land (Reserves) Act and the committee of management. It does not, however, otherwise affect the reserve or the responsibility of the committee of management.

Upon completion of construction, the land required for the centre will be vested in the trust. It is likely a portion of the reserve will be required for construction of the centre and agreement with the committee of management on the new boundary is nearing completion. This will, of course, require further legislation in accordance with the Crown Land (Reserves) Act before any of this reserved land could be vested in the trust.

It should be pointed out also that all private land required for the construction of the exhibition centre has been acquired.

In conclusion, I must emphasise the significance of the new exhibition centre to the revival of Victorian trade and industry. This will be a focus for our manufacturing, our science and technology, our research and development. The centre will be a showcase which re-establishes Victoria as an industrial powerhouse, recognised internationally.

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section by this bill. Clause 35 provides that it is the intention of that clause to alter or vary section 85 of the Constitution Act. The provision precludes the Supreme Court from entertaining actions for compensation where the bill provides that no compensation is payable in respect to actions taken under clauses 21 and 24 of the bill.

Clauses 21 and 24 deal with road closures and the use of land reserved under the Crown Land (Reserves) Act 1978 respectively. The reasons for restricting the Supreme Court's jurisdiction in this way are to ensure that the Crown's ability to deal with this land as part of the exhibition centre project is not restricted by any claim which members of the public may have and which may arise from the previous dedication of the roads to the public or the nature of the reservations.

I commend the bill to the house.

Debate adjourned on motion of Mr HAERMEYER (Yan Yean).

Debate adjourned until Friday, 20 May.

ADJOURNMENT

Mr GUDE (Minister for Industry and Employment) — I move:

That the house do now adjourn.

Ballarat housing office: opposition visit

Mr LEIGHTON (Preston) — I direct to the attention of the Minister for Housing through the Minister for Industry and Employment the cancellation of my scheduled visit to the housing office of the Department of Planning and Development in Ballarat. I have been advised that the minister has vetoed my visit to the office. I call on him to review that decision and reverse it.

I shall be visiting Ballarat on Monday with other members of the shadow cabinet to attend a meeting and to familiarise ourselves with the various local issues. Each shadow cabinet member has a useful and beneficial itinerary while in Ballarat.

As I have pointed out, my itinerary included a visit to the local housing office. This morning I contacted the regional manager, Mr Mick Murrihy. He informed me that he had been directed by the minister not to meet me. I certainly would not accuse Mr Murrihy of being rude. He was polite and courteous but also brief and non-specific, as are many public servants these days.

The minister should explain why he feels it is necessary to veto my visiting that office. It is in the interests of the people of Ballarat that the opposition be allowed to visit that office and ascertain the housing needs of the Ballarat community. It is obvious that access is to be denied. In one sense it is petty, vindictive and spiteful; but in another sense it has major implications for parliamentary democracy.

Will the Victorian government continue to operate under the Westminster system or will Victoria become a one-party state? One wonders who will be the next person denied a visit to that housing office. I hope it is not someone in urgent need of housing. One wonders whether other ministers will also deny shadow ministers the opportunity to be briefed and to visit various government offices. At this late stage I call on the minister to review his decision in the interests of the housing needs of the people of Ballarat and of the proper functioning of our Westminster system of parliamentary democracy.

Local government restructure

Mr LEIGH (Mordialloc) — I ask the Minister for Industry and Employment to bring to the attention of the Minister for Local Government in another place the activities of local councils during this time of proposed mergers. The government should ensure local government officers examine what councils are spending.

By way of example I refer to the City of Springvale. The Mayor of Springvale, the adviser to the Leader of the Opposition, Mr John Brumby, and the honourable member for Springvale, now one of the most powerful people in the state, have concocted a little deal, hiring International Public Relations Pty Ltd, a well-known public relations firm. The socialist left Springvale council, led by its mayor — the adviser to the honourable member for Broadmeadows — has hired the company to protect it from mergers. This week in an article in the *Oakleigh-Springvale Times* the mayor accuses me of being a sniping member of Parliament. He says he knows the difference between politics and working for his party. He is quoted in the article as saying:

> What were the words of Neville Wran? If a car door opens you hop in.
>
> If the opportunities present themselves I'll take them but I am not looking for any.
>
> I often say to my partner, Linda, we will probably end up running a pasta bar or something.

An honourable member interjected.

Mr LEIGH — Perhaps a sandwich shop would be better. Those comments were made by a senior adviser to the Leader of the Opposition. My concern is that some councils are using lobbyists and consultants to protect themselves from mergers. After mergers have taken place, the local government accounting section should examine whether councils have conducted themselves responsibly.

The City of Springvale — a great city with wonderful residents — is unfortunate that the majority of those who control the council are members of a crazed group of individuals in society known as the socialist left. The honourable member for Springvale, Mr Micallef, and others are seeking to protect themselves from the democratic principles currently being applied in this state to ensure that councils provide the best service possible.

Those honourable members are trying to protect their power base, and that is why they are prepared to use companies such as International Public Relations. I am told that after the tips issue the company actually hides them. Apparently I am a serious threat to the citizens of Springvale and the socialist left. I certainly regard myself as a threat to the socialist left of the Labor Party, to which I say good riddance!

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

Sunshine police station

Mr MILDENHALL (Footscray) — In the absence of the Minister for Police and Emergency Services, I direct to the attention of the Minister for Industry and Employment, who is at the table, the substandard facilities and appalling overcrowding at the Sunshine police station. The police station consists of a small 1956 building incorporating a former residence. It now houses 37 uniformed officers and until very recently it also housed 17 CIB staff.

The cells at the rear of the facility are totally inadequate; there are three 3 x 3 metre cells that have recently accommodated up to 12 people at once. The police station staff have made an urgent request for a portable building to be used as a change facility to free up a few more square metres of urgently needed work space. The extremely small waiting area of 3 x 3 metres, in which there is often a crowd of 10 or so people, is a main thoroughfare used by senior officers to walk from their offices to work areas. It is a totally inadequate layout and situation.

The contract to redevelop this facility had been prepared and signed by the previous government, but upon the change of government it was one of the projects of Fletcher Construction Australia Ltd that were cancelled. The priorities have not changed. According to police sources Sunshine and Foster constantly vie with each other for the title of the police station with the worst conditions in the state. With the rhetoric that has been directed towards the need for improved infrastructure, I would have thought the Sunshine facility would have been given some sort of priority.

I ask the minister to urgently review the police station redevelopment by inspecting the current facility and determining what priority should be given to a construction program for that site and other sites in the metropolitan area.

Direct Cameras

Dr NAPTHINE (Portland) — In the absence of the Minister for Fair Trading, I direct to the attention of the Minister for Industry and Employment, who is at the table, the scam operating in and affecting the people not only of Portland but also of Victoria and Australia.

This scam preys on vulnerable people in particular, especially the elderly and those who are not able to understand financial procedures and can be easily conned into paying money for goods which they do not want and have not ordered. The scam is operated by a firm called Direct Cameras, which has a post office box address in Hong Kong and the Queensland addresses of post office box 464, Southport, and 109 Upton Street, Bundall.

People receive what looks like an official document or letter by air mail. When it is opened one sees the words 'Official delivery notice' followed by:

> Attention: first and final request — only for —

it then has the name of the person to whom it is addressed.

> All other persons please disregard. This urgent goods reservation notice is to advise you of prerelease goods reserved in your name for delivery to the address below. Please return this form in the envelope provided with the fee shown below for acquisition of the photographic equipment currently held at the Australian clearing house for you. Immediate delivery guaranteed.

The letter is presented in a form to indicate it is an order system to dupe the person into believing he or she or somebody on their behalf has ordered camera equipment. It specifies the exact type of camera equipment and the amount of money involved. It is clearly a scam with the intent of duping people, particularly those more vulnerable, into sending money in the mistaken belief they have ordered the equipment or have an obligation to pay for it.

I ask the minister to investigate this matter to ensure that Victorians are protected from what is obviously a scam being run out of Queensland and Hong Kong. After initial discussions with the minister, my advice is that this is not the first time the scam has operated. All honourable members would condemn

this marketing practice as disreputable and preying on the more vulnerable people in the community. The minister should take whatever action she can to stop this scam.

Police comment on child protection

Mr HAERMEYER (Yan Yean) — I direct to the attention of the Minister for Police and Emergency Services through the minister at the table an article in the Dandenong *Journal* of 18 April, which refers to the political gagging of a police officer who spoke out against and drew attention to the lack of child protection facilities. The article states:

> Bureaucratic 'gagging' of local police critical of the child protection services may lead to a Daniel Valerio-type tragedy in the Dandenong region.

The article points out that a local police sergeant, Sergeant Mark Seamer, who was reported in the daily newspapers as having spoken out about cuts to the child protection services in the region, saying that their resources were at crisis point, has been gagged. The article goes on to say:

> Asked to comment further on his claims in a metropolitan newspaper, that the Hallam CPS was unable to cope with the unexpected increase in child abuse notifications which made up to 60 per cent of the unit's workload, Sergeant Mark Seamer told 'The Journal' he had been told not to make any further comment and to contact the district Superintendent, Bill Jackson.
>
> When 'The Journal' made contact, Superintendent Jackson said he was not prepared to make any comment.

I have been advised that the order forbidding Sergeant Seamer from making further comment came not from Superintendent Jackson but from much higher up. The order that Sergeant Seamer should not comment on matters that he has some critical knowledge of can be based only on the most cynical political considerations.

The situation smells of political interference, of the government interfering with police officers' abilities to carry out the duties they are expected to carry out. I ask the minister to investigate the matter and to find out where the interference came from.

Naval ammunition storage complex

Mr FINN (Tullamarine) — I direct to the attention of the Minister for Planning a matter I first raised in the house on 19 May last year concerning the appropriateness of locating a naval ammunition storage complex next to the Greenvale reservoir in the north-western suburbs of Melbourne. It is next to Roxburgh Park and Roxburgh Heights, where a large number of people are building and moving into homes. There is considerable concern, as there was almost 12 months ago, about a storage dump of that type being located in that residential area.

Mr Mildenhall interjected.

Mr FINN — It would not be the first time. The federal Labor minister ignores most things. I ask the minister to continue his efforts to have the ammunition dump shifted. I also ask him to continue his contact with the federal Minister for Defence, Senator Robert Ray. I hope the minister, who is in charge of the Urban Land Authority, will be able to find a more appropriate use for the land — either as parkland or for extra housing.

I am disappointed that I must ask the minister to follow this through. I understand that two of the local members, the honourable members for Broadmeadows and Yan Yean, are good mates, as the Labor Party likes to say, of Senator Ray. I thought they would have used any contacts they had — —

Mr Phillips interjected.

Mr FINN — They do use sharp knives — both of them. I should have thought those honourable members would have used their contacts with Senator Ray to represent their constituents properly. Unfortunately that has not occurred. That is why I feel it necessary to get to my feet in defence of the constituents of the honourable members for Broadmeadows and Yan Yean. One can understand why those members, particularly the honourable member for Broadmeadows, have not been able to find the time to speak to Senator Ray. The Leader of the Opposition in particular has been too busy branch stacking! It requires a considerable amount of time to sell one's soul to the socialist left! I ask the Minister for Planning to go into bat for the people of Greenvale and Roxburgh Park.

Mr Haermeyer interjected.

Mr FINN — He has no soul to sell. The honourable member for Yan Yean says it all. It would appear that there is a strong case for the federal minister to take up the matter immediately and to get the site shifted. The government should take a firm stand, because it is obvious that the local Labor members could not care less.

Grand prix

Mr THWAITES (Albert Park) — I direct to the attention of the Minister for Health a matter relating to the health effects of the grand prix, which is to be held at Albert Park. I ask the minister to conduct a full inquiry into the health effects of the grand prix.

Honourable members interjecting.

Mr THWAITES — Honourable members opposite laugh because they have no real concern.

Mr Leigh interjected.

The SPEAKER — Order! The honourable member for Mordialloc is interjecting from out of his place. He is being doubly disorderly.

Mr THWAITES — Honourable members opposite are laughing. They are not concerned about the health of the ordinary residents of Melbourne. They are not concerned about serious health issues in this state. If the minister is not prepared to carry out an inquiry, will she give the house a guarantee — —

Mr McARTHUR (Monbulk) — On a point of order, Mr Speaker, the honourable member for Albert Park is raising a matter relating to the grand prix. I believe that has very little to do with the portfolio of the Minister for Health and would be more appropriately directed to another minister.

The SPEAKER — Order! There is no point of order. The honourable member for Albert Park has made it clear he is talking about health matters.

Mr THWAITES (Albert Park) — If the minister is not prepared to carry out an inquiry, will she give the house a guarantee that the health of local residents will not be detrimentally affected by the grand prix? Why do honourable members opposite laugh when academics such as Professor Mark Wahlqvist, the chairman of medicine at Monash University, say the state government underestimates the apolitical opposition among doctors to the grand prix being held at Albert Park? As he said, although Victoria is regarded as a model of health worldwide, if the grand prix were allowed to have tobacco advertising, the state would lose its pre-eminence in that area.

In the short time available I shall refer to a specific danger presented by the grand prix — that is, traffic accident casualties. A report on the South Australian grand prix concludes that road accident casualties increase when the grand prix is held. Casualties over that period were far higher than casualties for the whole of the year. To a small extent that can be explained by traffic problems, including accidents as a result of what is called the hoon effect. That is something the honourable member for Mordialloc would know about.

Honourable members interjecting.

The SPEAKER — Order! The level of interjection is too high. I have had cause to criticise the honourable member for Cranbourne; I ask him to remain silent. The honourable member's time has expired.

Monbulk Primary School

Mr McARTHUR (Monbulk) — In the absence of the Minister for Education, I direct to the attention of the Minister for Industry and Employment the performance of an excellent school in my electorate. The efforts of the school administration and the staff should be recognised, because they are exemplary. They could be used as an example not only of the way school communities can respond not only to the challenges facing education in the coming years but also of the ways schools can restructure the programs offered in the interests of students to ensure they obtain sound and professional educations.

I am speaking about Monbulk Primary School. In 1993 the school had about 340 students. The largest class was grade 2, which had 31 students. The class sizes ranged from 31 down to a low of 25. The average size was 28.3. This year, because of demographic reasons, the enrolment has dropped slightly. The school now has 323 students. It has restructured its staff time and, through skilful use of resources and despite fewer students, has managed to run more classes this year than last year. The school now has 13 classes, and the average class size has fallen from 28.3 to 24.8. Now the vice-principal is teaching in the classroom.

The school offers a wide range of programs for students including art, physical education and music as well as a library program. It is developing an integration program and a keyboard program and individual recorder tuition and after-school music are available. An extraordinary range of programs is available to students at Monbulk Primary School.

The SPEAKER — Order! What matter is the honourable member raising?

Mr McARTHUR — I ask the minister to examine the school's excellent record and to promote it as an example for other schools. It has adopted the types of changes that are possible in the education system. Its example should be followed by other schools in this state in the interests of present students, students of the future and future communities. That school's good news story should be told. Opposition members should recognise the positive changes now happening in education.

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

Werribee railway underpass

Dr COGHILL (Werribee) — I wish to raise a matter for the attention of the Treasurer, although it extends beyond his portfolio. It concerns the availability of funds for the construction of the Derrimut Road underpass beneath the Melbourne-Geelong railway line in Werribee. The issue has arisen because of the rapid population growth in Werribee and the fact that traffic is restricted to using the three railway level crossings in the town.

There is now added concern that with the construction of the standard gauge rail line to accommodate the National Rail Corporation traffic between Melbourne and Adelaide via Geelong, additional closures of level crossings will further aggravate the disruption that already occurs as a consequence of the high volume of the electrical suburban rail services and V/Line services linking Melbourne and Geelong.

This matter became an issue late last year when the Minister for Roads and Ports wrote to his federal counterpart suggesting that the Victorian government contribute $3 million, the federal government $3 million and the City of Werribee $1.5 million to enable that project to be completed. At that time the federal government made $2 million available for the state under the Better Cities program. That would have been entirely appropriate to allocate to this project, which is related as much to the growth of urban population as to the level of rail traffic. The Victorian government did not use the $2 million made available for that purpose by the federal government but diverted it to another project as it was able to under the provisions of the commonwealth-state agreement affecting the Better Cities program money.

In those circumstances it is unreasonable for the Victorian government to again go cap in hand to the federal government for another $2 million or $3 million to fund this project. The money was available and the Victorian government decided to use it for another purpose. Will the Treasurer ensure that any funds made available by the commonwealth are allocated to the project as is the commonwealth's desire?

Broadmeadows electorate officer

Mr HONEYWOOD (Warrandyte) — I refer the Attorney-General to the Leader of the Opposition's shabby political deal to sack his electorate assistant and to the provisions of the Equal Opportunity Act, which should be of importance to all honourable members. As part of the deal with the socialist left faction to defend his position as leader, Mr Brumby said he would get rid of him.

Will the Attorney-General inform the house whether under the Equal Opportunity Act an electorate assistant can be sacked as a result of a political arrangement between factions of the ALP when that person could be hard working, performing his duties well and looking after his constituents?

An honourable member interjected.

Mr HONEYWOOD — That may come under the heading of political adviser. The Equal Opportunity Act provides for exemptions for political advisers but in their day-to-day work electorate assistants have to deal with constituents. Will the Attorney-General investigate whether it is appropriate for the Leader of the Opposition to dismiss a hard-working employee who also happens to be a well-respected member of the Turkish community, who has done a great deal of good work for that community and who has been loyal to the Leader of the Opposition?

The front page of the weekly *Turkish Report* has a photograph of Mr Tayfun Eren smiling and embracing the Leader of the Opposition. The photograph was taken the day before the coup.

Honourable members interjecting.

Mr HONEYWOOD — I commend the newspaper to all honourable members — I read it every week. If the photograph had been taken some days later I do not think Mr Eren would be smiling. Will the Attorney-General investigate the matter?

Mr HAERMEYER (Yan Yean) — On a point of order, Mr Speaker, perhaps the honourable member for Warrandyte could tell the house what action he is asking the minister to take.

The SPEAKER — Order! The honourable member for Warrandyte has asked for an investigation. There is no point of order.

Mr HONEYWOOD (Warrandyte) — The government is rapidly developing a good relationship with this particular newspaper and looks forward to the article that will appear next week.

Responses

Mrs WADE (Attorney-General) — In explaining why he believes a scam is operating in his electorate and possibly other areas, the honourable member for Portland said that some of his constituents have received apparent invoices from a company called Direct Cameras, whose address is a post office box in Hong Kong. The invoice or official delivery notice says that the person to whom it is addressed has waiting for him or her a reserved camera which can be purchased for the relatively low price of $19.95, and it describes the camera provided.

As requested by the honourable member I will raise the matter with the fair trading office. But I advise him that about 18 months ago complaints were received from people throughout Victoria about exactly this sort of delivery notice or invoice. As I recall, the office investigated the complaints and learnt that if the recipient of a notice sent it back with the appropriate amount of money he or she would receive a camera in accordance with the description in the notice.

Complaints about the current promotion began to filter through to the fair trading office two weeks ago so this promotion appears to be relatively new. The office has advised me that it has examined the wording of the material and, given that the cameras are available, it does not appear that the notices contravene any consumer laws. However, when people contact the office they are advised that they should be cautious about ordering goods and sending money overseas because if they are not satisfied with the goods or do not receive them no remedy is available. The honourable member for Portland mentioned that this particular delivery notice contains a Queensland address, and I advise him that the fair trading office has contacted the Queensland consumer affairs department to ask for further investigation.

The honourable member for Warrandyte referred to a member of staff employed in the electorate office of the Leader of the Opposition. There has been a certain amount of publicity to the effect that the Leader of the Opposition is about to sack or has sacked this person as a result of a deal — —

Mr Haermeyer interjected.

Mrs WADE — I said there has been a lot of publicity to the effect that the Leader of the Opposition has sacked or is about to sack this electorate officer as a result of a deal done between the Leader of the Opposition and the socialist left faction of the Australian Labor Party. It would appear that staff of political parties, ministers and members of Parliament, including the Leader of the Opposition, do not have the protection that is afforded to other employees under the Equal Opportunity Act.

Section 21(4)(c) of the Equal Opportunity Act provides that the provisions that make it unlawful for an employer to discriminate against a person on the grounds of the person's political belief do not make it unlawful if an employee is discriminated against:

> ... on the ground of the holding or not holding of any lawful political belief or view or the engaging in or refusal or failure to engage in any lawful political activities with respect to the offering of employment to a person as a ministerial adviser, member of the staff of a political party, member of the electoral staff of another person, or in other similar employment;

It is not clear whether that will exempt the Leader of the Opposition from having a complaint made against him under the Equal Opportunity Act without, as the honourable member for Yan Yean said, the full details of the arrangement between the

Leader of the Opposition and the socialist left being in the public arena. The exemption is limited and it may not apply to these particular circumstances. I suggest that the honourable member for Warrandyte might like to make it known to the employee concerned that he should carefully consult the Equal Opportunity Act and obtain legal advice.

Now that this matter has been raised, it does seem that the staff of the Australian Labor Party and the Leader of the Opposition are particularly disadvantaged in the area of equal opportunity. There seems to be far more likelihood of discrimination against and consequent problems for members of staff of ALP members and people employed by the ALP given the factions that are involved in the party. As we have seen this week, it is not a matter of the factions that have been identified over the years but that the factions are splitting into mini-factions. No longer is it enough to be employed by a person in a particular faction if your political beliefs are in line with that faction — —

Mr Haermeyer interjected.

Mrs WADE — Thank you for the compliment. I watch your party with great interest; I find it intriguing.

It could be that the person employed by the Leader of the Opposition belonged to the same faction as the Leader of the Opposition, was engaged in branch stacking on behalf of the Leader of the Opposition and that their aims and objectives were similar. Notwithstanding that, the Leader of the Opposition found the need or desire to hold on to his own job and put at risk that employee's job, which apparently has now been lost.

Mr HAERMEYER (Yan Yean) — On a point of order, Mr Speaker, under standing order no. 108 I suggest that the Attorney-General is making imputations against the motives of the Leader of the Opposition, and she should withdraw.

Mr HONEYWOOD (Warrandyte) — On the point of order, Mr Speaker, these statements are on the public record. It is a registered deal within the ALP that this person is to be dismissed not because of the work he was employed to do but because he has been working for a faction of the ALP. It is not an imputation, it is a public fact.

The SPEAKER — Order! There is a great deal more latitude afforded to members during the adjournment debate than there is at question time. Although I understand the honourable member for Yan Yean has raised a point of order under standing order no. 108, at this stage I am not prepared to uphold it because if standing order no. 108 were to be applied in every situation there would be no debate in this chamber.

Mrs WADE (Attorney-General) — I had virtually finished what I was going to say, but in the past few minutes I have had the opportunity of further perusing the Equal Opportunity Act. I refer to section 21(4)(c) that I read out earlier. In the time available to me I would not wish to give a legal opinion on this matter, but I note the exemption is an exemption for:

> discrimination on the ground of the holding or not holding of any lawful political belief or view or the engaging in or refusal or failure to engage in any lawful political activities with respect to the offering of employment ...

It would not appear to apply to the reason why the person was dismissed. Everyone in this chamber is concerned about discrimination and equal opportunity principles. It would be highly desirable if the person sought advice from the Equal Opportunity Commission as to whether or not he has a justifiable complaint under the Equal Opportunity Act of being discriminated against.

Mr MACLELLAN (Minister for Planning) — The honourable member for Tullamarine raised a matter regarding the naval ammunitions storage dump in the Greenvale area of Roxburgh Park.

Mr Haermeyer interjected.

Mr MACLELLAN — The ships do not get there; the ammunition goes to the ships. As Melbourne has developed and expanded it has become clear that many once remote sites have now been overtaken by development, and in this particular case a reservoir in the area would be subject to pollution in the event of any unfortunate accident during the storage of ammunition materials. As the honourable member would be aware — —

Mr Haermeyer interjected.

Mr MACLELLAN — I suggest to the honourable member for Yan Yean that the group sessions do not seem to be doing him any good and that he should return to the traditional medicine that he has abandoned.

Mr Haermeyer interjected.

Mr MACLELLAN — Just take another pill and keep quiet! It seems from the honourable member's interjections that he has absolutely no concern for the fact that the Commonwealth authorities are storing large quantities of ammunition in close proximity to residential suburbs in the area, and as he points out it has been there for years, and I presume the honourable member, after 10 years of Labor government, is anxious for it to remain there for more years whereas — —

Mr Haermeyer interjected.

Mr MACLELLAN — Take another tablet! It is perfectly clear that the honourable member for Tullamarine, on behalf of the people who live in that area, is concerned about the storage of the ammunition in close proximity to residential developments. He wants it removed.

It is equally clear that the hysteria from the honourable member for Yan Yean suggests he does not want it moved.

If he does not want it moved we will know what side of the argument he is on; perhaps it would be in the interests of all concerned if the residents of the area were circulated some kind of notice to say that the honourable member for Yan Yean wants it kept there and the honourable member for Tullamarine wants it removed!

That is the dividing line in this Parliament. The opposition and the honourable member for Yan Yean want to keep the ammunition storage next to his electors and the honourable member for Tullamarine wants the ammunition storage moved, and it needs to be moved.

Mr Haermeyer interjected.

Mr Thomson — There is no point speaking to you about it!

The SPEAKER — Order! The farce has gone on long enough. The level of interjection is far too high.

Mr MACLELLAN — The honourable member should realise that the matter has been raised with Senator Ray. The honourable member for Tullamarine invited honourable members on the opposition side of the house to use their influence with Senator Ray — —

Honourable members interjecting.

The SPEAKER — Order! I shall explain in simple terms to the honourable member for Yan Yean, who has recently been elevated, that when the Chair asks him to come to order the Chair expects to be obeyed. I will not take action against him at this stage, but he is to remain silent.

Mr THOMSON (Pascoe Vale) — On a point of order, Mr Speaker, the minister is seeking to debate the matter about which he has been asked. It would be more conducive to order in the house if he responded to the matter that has been raised with him. The way the minister is responding invites interjection.

Honourable members interjecting.

The SPEAKER — Order! It is very hard to know which comes first, the debate or the interjections, but I will say that if the Chair happened to have the luxury of making some sort of reflection on this matter it would say that many members in this place are a bit like Murphy's dog: they can give it but they cannot take it.

Mr MACLELLAN (Minister for Planning) — I am assured by a disorderly interjection from the honourable member for Yan Yean that the matter is apparently completed and the removal of the ammunition dump will be accomplished and that I am irrelevant to the process, so I shall have pleasure in announcing on behalf of the honourable member for Yan Yean that despite Senator Ray's recent correspondence and his reaction, Senator Ray is under a misapprehension: he has not yet become aware that he is to remove the ammunition dump at the behest of the honourable member for Yan Yean, who has now interjected and announced it in the Parliament.

I can say only that I am intensely grateful to the honourable member for Tullamarine for raising the matter and extracting a promise from the honourable member for Yan Yean that the ammunition dump is going to be moved, and I cannot wait for it to happen!

I am delighted to know that the state government and I will not be of any particular relevance to that decision; I can only hope that the federal government is not expecting to take it to West Point Wilson or to Point Wilson because obviously the matter would have to be considered both in environmental and planning effect terms by me and

the Minister for Industry Services, but mere details like that mean nothing when one actually hits the political soft spot in a member like the honourable member for Yan Yean.

In other words, he will promise anyone anything if he thinks it is going to get him out of political difficulty. The only trouble is that the honourable member is now going to have to perform on the promise he has made. He is going to have the storage dump moved and his performance will be the touchstone.

I commend the honourable member for Tullamarine for his concern about the matter and for bringing it to the attention of the Parliament. I am delighted that opposition members are reaffirming their commitment by announcing that they have arranged with their good mate Senator Ray to have it moved. I am delighted also to feel that I am irrelevant to the matter, so presumably the state government is not going to be asked to contribute any money towards the cost of the removal, and this is a bonus. On the strength of the assurance of the honourable member for Yan Yean we should start marking Roxburgh Park as an ammunition-free zone, because that is what the honourable member for Yan Yean is about. He is misleading everybody who purchases land in that area by saying that he has arranged for the ammunition dump to be moved. If people buy land in the area in that belief I hope that, on the basis of the Evatt case in regard to tort claims which was established in New South Wales, people who are disappointed that the ammunition dump is not removed will sue the honourable member for Yan Yean for misleading them.

It is typical of the Jollys, the McCutcheons and the open-mouthed Labor Party. They say it first and think, 'To hell with the truth and the consequences; just make a political response'.

Since its election the government has held the view that it is inappropriate to have the ammunition dump in that area. I have written to the federal minister and I have sought an assurance that the ammunition dump will be moved. The moving of the ammunition dump to Point Wilson is part of a transaction that is under way after appropriate environmental studies have been undertaken.

If the ammunition dump is not to go to Benalla and is stored in an area such as this with the Australian Defence Industries, it should not be located in the immediate vicinity of a residential area. As the honourable member for Tullamarine stated, it is inappropriate for the dump to be stored in a suburban setting, such as the Roxburgh Park area.

I am disappointed that the matter did not attract bipartisan support. I should have thought members of the opposition would be much more comfortable if they had said they too urged the federal government to make a sensible decision, rather than claiming credit for a decision not yet made by the federal government. Undoubtedly the embarrassment that the honourable member for Tullamarine has caused Senator Ray, as a result of the outburst by the honourable member for Yan Yean, will be sufficient to inspire the federal government to carry out the open-mouthed policy of the honourable member for Yan Yean.

Mr LEIGHTON (Preston) — On a point of order, Mr Speaker, is the Minister for Planning going to respond to the matter I raised with him for the attention of the Minister for Housing in another place? I understand the Minister for Planning represents the Minister for Housing in this place and I would like him to wax lyrical about my concerns as well.

There appears to be nothing stopping a minister who has not been present in the chamber during the time matters are raised during the adjournment debate, to then come in and respond, particularly to a matter raised by a government member. I am interested in the minister's response to the matter I raised.

Mr MACLELLAN (Minister for Planning) — In response to the honourable member for Preston, I will have much pleasure in referring the matter he raised to the Minister for Housing in another place and I shall ask the minister to respond to the honourable member.

Mr GUDE (Minister for Industry and Employment) — The honourable member for Preston will be relieved I am not going to wax lyrical. I can only suggest that the Minister for Housing in another place may not wish to allow the honourable member to visit the Ballarat housing operation as a consequence of the honourable member's misleading performance this week.

Mr HAERMEYER (Yan Yean) — On a point of order, Mr Speaker, the matter has already been addressed by the Minister for Planning. I suggest that the Minister for Industry and Employment is covering previously traversed ground.

The SPEAKER — Order! It did occur to the Chair that that was happening, but I thought in the interests of the honourable member for Preston that if there were any additional information that the Leader of the House could add I would allow him that luxury. However, the honourable member for Yan Yean has directed my attention to standing orders and I instruct the minister to consider that that item has already been covered.

Mr GUDE (Minister for Industry and Employment) —

The honourable member for Mordialloc directed to the attention of the Minister for Local Government in another place extravagant expenses incurred by councils at this time of local government mergers. In particular he raised Springvale council's use of International Public Relations Pty Ltd. I will draw that matter to the minister's attention.

Cr Phil Reed, the personal assistant and adviser to the Leader of the Opposition and Mayor of Springvale, is driven to and from his job at Parliament House every week courtesy of the taxpayers of Springvale. I am sure they would not wish their rates to be spent on conveying him around the state for his personal convenience, although that would be typical of the misallocation of funds for which Springvale council is legendary.

I will direct to the attention of the Minister for Police and Emergency Services the matters raised by the honourable members for Footscray and Yan Yean.

I will direct to the attention of the Minister for Health the matter raised by the honourable member for Albert Park.

I will direct to the attention of the Treasurer the matter raised by the honourable member for Werribee concerning funding of the Derrimut Road underpass.

The honourable member for Monbulk, in his usual caring way, directed to the attention of the Minister for Education the performance of Monbulk Primary School. His comments drew some provocative remarks from across the table. I suggest that if honourable members on the other side of the house understood the substantial and innovative changes and improvements that have taken place at that school they would not jeer.

Class sizes have been reduced from 29 to 21 for preparatory students and from 30 to 22 for grade 1 students. Grade 6 class sizes have also been reduced and the average grade size has gone from 28.3 to 24.8 students. Young students at that school are getting real service. The school obviously has a quality administration and as a school of the future is looking after the futures of its fine, young students.

As the honourable member said, the staff and parents at the school deserve full commendation. I understand that the minister is aware of the matter and I have no doubt that he will write to the school and recognise the quality work of its dedicated teachers and fine young students in the way suggested.

Motion agreed to.

House adjourned 4.33 p.m. until Tuesday, 17 May.

Wednesday, 4 May 1994

QUESTIONS ON NOTICE

Police and Emergency Services: legal representation and expenses incurred

(Question No. 158)

Mr HAERMEYER asked the Minister for Police and Emergency Services:

In respect of legal expenses incurred by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What were the cases in which these legal expenses were incurred?
2. What expenses were incurred in each case?
3. What was the purpose for engaging legal representation in each case?
4. What was the outcome of each case?
5. What the names are of legal counsel engaged in each case?
6. What was the name of the city and court in which each case was heard?

Mr McNAMARA (Minister for Police and Emergency Services) — The answer is:

Provision of the requested information would require excessive time and resources and cannot be justified.

Corrections: legal representation and expenses incurred

(Question No. 159)

Mr HAERMEYER asked the Minister for Corrections:

In respect of legal expenses incurred by each department, agency or authority within his administration for the period 3 Octobr 1992 to date:

1. What were the cases in which these legal expenses were incurred?
2. What expenses were incurred in each case?
3. What was the purpose for engaging legal representation in each case?
4. What was the outcome of each case?
5. What the names are of legal counsel engaged in each case?
6. What was the name of the city and court in which each case was heard?

Mr McNAMARA (Minister for Corrections) — The answer is:

Provision of the requested information would require excessive time and resources and cannot be justified.

Thursday, 5 May 1994

QUESTIONS ON NOTICE

Community Services: expenditure on conferences, seminars, workshops and training courses

(Question No. 187)

Mr HAERMEYER asked the Minister for Community Services:

In respect of expenditure on conferences, seminars, workshops and training courses or like events by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What was the name of each conference, course, seminar, workshop or like event attended indicating — (a) locality and venue; (b) purpose; and (c) the name of each person attending?
2. What was the cost of each event indicating — (a) accommodation; (b) entertainment; (c) meals and refreshments; (d) travel; (e) car hire; (f) taxis and hire cars; and (g) other expenses?
3. Whether the event was externally organised; if so what was the name of the person(s), organisation(s) or companies engaged and at what cost?

Mr JOHN (Minister for Community Services) — The answer is:

The information requested is unavailable in the format requested and the time taken to align available information with the questions asked would involve excessive administrative expenses. Hundreds of courses were delivered by Health and Community Services (H&CS) Staff Development Branch and the Information Systems Training Unit during this period.

Information has been collected and provided in the following formats:

(i) Listing of all courses offered by H&CS Staff Development Branch and Information Systems Training Unit from 3 October 1992 to date. (Attachment 1).

(ii) Management reports covering the period requested indicating numbers, work location and categories of participants in these courses. The length of each course is also indicated in this data. This is in booklet form and will be provided to you under separate cover.

(iii) Summary of expenditure under available categories that are compatible with those requested in the question. (Attachment 2).

(Attachments 1 and 2 referred to in answer have been supplied to honourable member and a copy tabled in the Parliamentary Library).

Health: expenditure on conferences, seminars, workshops and training courses

(Question No. 188)

Mr HAERMEYER asked the Minister for Health:

In respect of expenditure on conferences, seminars, workshops and training courses or like events by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What was the name of each conference, course, seminar, workshop or like event attended indicating — (a) locality and venue; (b) purpose; and (c) the name of each person attending?
2. What was the cost of each event indicating — (a) accommodation; (b) entertainment; (c) meals and refreshments; (d) travel; (e) car hire; (f) taxis and hire cars; and (g) other expenses?
3. Whether the event was externally organised; if so what was the name of the person(s), organisation(s) or companies engaged and at what cost?

Mrs TEHAN (Minister for Health) — The answer is:

The information requested is unavailable in the format requested and the time taken to align available information with the questions asked would involve excessive administrative expenses. Hundreds of courses were delivered by Health and Community Services (H&CS) Staff Development Branch and the Information Systems Training Unit during this period.

Information has been collected and provided in the following formats:

(i) Listing of all courses offered by H&CS Staff Development Branch and Information Systems Training Unit from 3 October 1992 to date. (Attachment 1).

(ii) Management reports covering the period requested indicating numbers, work location and categories of participants in these courses. The length of each course is also indicated in this data. This is in booklet form and will be provided to you under separate cover.

(iii) Summary of expenditure under available categories that are compatible with those requested in the question. (Attachment 2).

(Attachments 1 and 2 referred to in answer have been supplied to honourable member and a copy tabled in the Parliamentary Library).

Aged Care: expenditure on conferences, seminars, workshops and training courses

(Question No. 204)

Mr HAERMEYER asked the Minister for Community Services, for the Minister for Aged Care:

In respect of expenditure on conferences, seminars, workshops and training courses or like events by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What was the name of each conference, course, seminar, workshop or like event attended indicating — (a) locality and venue; (b) purpose; and (c) the name of each person attending?
2. What was the cost of each event indicating: (a) accommodation; (b) entertainment; (c) meals and refreshments; (d) travel; (e) car hire; (f) taxis and hire cars; and (g) other expenses?
3. Whether the event was externally organised; if so what was the name of the person(s), organisation(s) or companies engaged and at what cost?

Mr JOHN (Minister for Community Services) — The answer supplied by the Minister for Aged Care is:

The information requested is unavailable in the format requested and the time taken to align available information with the questions asked would involve excessive administrative expenses. Hundreds of courses were delivered by Health and Community Services (H&CS) Staff Development Branch and the Information Systems Training Unit during this period.

Information has been collected and provided in the following formats:

(i) Listing of all courses offered by H&CS Staff Development Branch and Information Systems Training Unit from 3 October 1992 to date. (Attachment 1).

(ii) Management reports covering the period requested indicating numbers, work location and categories of participants in these courses. The length of each course is also indicated in this data. This is in booklet form and will be provided to you under separate cover.

(iii) Summary of expenditure under available categories that are compatible with those requested in the question. (Attachment 2).

(Attachments 1 and 2 referred to in answer have been supplied to honourable member and a copy tabled in the Parliamentary Library).

Community Services: interstate travel

(Question No. 219)

Mr HAERMEYER asked the Minister for Community Services:

In respect of expenditure on interstate travel by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What the name was of each individual undertaking such travel and to what destinations?
2. What was the purpose of visiting each destination?
3. With whom did the minister or persons undertaking such travel meet and for what purpose?

4. What costs were associated with the travel, indicating —(a) airfares;(b) car rental and hire cars, including type of cars hired or rented; (c) taxis; (d) accommodation, including name of establishment and the itemised costs; (e) entertainment, including nature, venue and itemised costs; and (f) other expenses?
5. Whether family members, associates, or guests accompanied the traveller(s) on each trip; if so at what cost?

Mr JOHN (Minister for Community Services) — The answer is:

To answer this question from departmental records would entail an examination of all personal expense claims. Each employee may have many entries which would have to be investigated to determine if they relate to an interstate trip. The time and resources required to do this cannot be justified.

However, National Australia Bank Travel (NABT) is the contracted agent for the provision of interstate air travel to the department and the bank has been able to provide a report for the designated period on:

passenger name;

destination;

airfare costs.

This report is attached and has been used to provide the information below.

1. There was a total of 710 interstate trips undertaken by staff of the Department of Health and Community Services within the designated period 3.10.92 — 24.11.93. A list of names of staff and destinations is attached.
2. The time and resources required to answer this question for all 710 trips cannot be justified.
3. The time and resources required to answer this question for all 710 trips cannot be justified.
4. (a) The total cost for the Department of Health and Community Services for all 710 trips within the designated period is $293 431.38.

   (b) – (f) The time and resources required to answer this question for all 710 trips cannot be justified.
5. During the designated period only travel by officers of the department on official duty was paid for by the department.

(Attachment referred to in answer has been supplied to honourable member and a copy tabled in the Parliamentary Library).

Health: interstate travel

(Question No. 220)

Mr HAERMEYER asked the Minister for Health:

In respect of expenditure on interstate travel by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What the name was of each individual undertaking such travel and to what destinations?
2. What was the purpose of visiting each destination?
3. With whom did the minister or persons undertaking such travel meet and for what purpose?
4. What costs were associated with the travel, indicating — (a) airfares; (b) car rental and hire cars, including type of cars hired or rented; (c) taxis; (d) accommodation, including name of establishment and the itemised costs; (e) entertainment, including nature, venue and itemised costs; and (f) other expenses?
5. Whether family members, associates, or guests accompanied the traveller(s) on each trip; if so, at what cost?

Mrs TEHAN (Minister for Health) — The answer is:

To answer this question from departmental records would entail an examination of all personal expense claims. Each employee may have many entries which would have to be investigated to determine if they relate to an interstate trip. The time and resources required to do this cannot be justified.

However, National Australia Bank Travel (NABT) is the contracted agent for the provision of interstate air travel to the department and the bank has been able to provide a report for the designated period on:

passenger name;

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This report is attached and has been used to provide the information below.

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3. The time and resources required to answer this question for all 710 trips cannot be justified.

4. (a) The total cost for the Department of Health and Community Services for all 710 trips within the designated period is $293 431.38.
   (b) – (f) The time and resources required to answer this question for all 710 trips cannot be justified.
5. During the designated period only travel by officers of the department on official duty was paid for by the department.

(Attachment referred to in answer has been supplied to honourable member and a copy tabled in the Parliamentary Library).

Aged Care: interstate travel

(Question No. 221)

Mr HAERMEYER asked the Minister for Community Services, for the Minister for Aged Care:

In respect of expenditure on interstate travel by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What the name was of each individual undertaking such travel and to what destinations?
2. What was the purpose of visiting each destination?
3. With whom did the minister or persons undertaking such travel meet and for what purpose?
4. What costs were associated with the travel, indicating — (a) airfares;(b) car rental and hire cars, including type of cars hired or rented; (c) taxis; (d) accommodation, including name of establishment and the itemised costs; (e) entertainment, including nature, venue and itemised costs; and (f) other expenses?
5. Whether family members, associates, or guests accompanied the traveller(s) on each trip; if so at what cost?

Mr JOHN (Minister for Community Services) — The answer supplied by the Minister for Aged Care is:

To answer this question from departmental records would entail an examination of all personal expense claims. Each employee may have many entries which would have to be investigated to determine if they relate to an interstate trip. The time and resources required to do this cannot be justified.

However, National Australia Bank Travel (NABT) is the contracted agent for the provision of interstate air travel to the department and the bank has been able to provide a report for the designated period on:

passenger name;

destination;

airfare costs.

This report is attached and has been used to provide the information below.

1. There was a total of 710 interstate trips undertaken by staff of the Department of Health and Community Services within the designated period 3.10.92 — 24.11.93. A list of names of staff and destinations is attached.
2. The time and resources required to answer this question for all 710 trips cannot be justified.
3. The time and resources required to answer this question for all 710 trips cannot be justified.
4. (a) The total cost for the Department of Health and Community Services for all 710 trips within the designated period is $293 431.38.
   (b) – (f) The time and resources required to answer this question for all 710 trips cannot be justified.
5. During the designated period only travel by officers of the department on official duty was paid for by the department.

(Attachment referred to in answer has been supplied to honourable member and a copy tabled in the Parliamentary Library).

Community Services: overseas travel

(Question No. 251)

Mr HAERMEYER asked the Minister for Community Services:

In respect of expenditure on interstate travel by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What the name was of each individual undertaking such travel and to what destinations?
2. What was the purpose of visiting each destination?
3. With whom did the minister or persons undertaking such travel meet and for what purpose?

4. What costs were associated with the travel, indicating — (a) airfares; (b) car rental and hire cars, including type of cars hired or rented; (c) taxis; (d) accommodation, including name of establishment and the itemised costs; (e) entertainment, including nature, venue and itemised costs; and (f) other expenses?
5. Whether family members, associates, or guests accompanied the traveller(s) on each trip; if so at what cost?

Mr JOHN (Minister for Community Services) — The answer is:

The time and resources required to collate this information for each agency and authority within the administration of the Minister for Community Services cannot be justified. The following information is provided in respect of overseas travel within the Department of Health and Community Services. Ministerial overseas travel is conducted within the administration of the Department of the Premier and Cabinet and I understand the Premier will be providing information on ministerial travel.

1. Tracey O'Halloran and Ian Freckelton — USA and Canada

2 & 3. Interview of witnesses in relation to the Children of God court case.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $11 148.84. The time and resources required to itemise all costs cannot be justified.
5. The Department of Health and Community Services incurred only costs for the travellers.

1. Carolyn Blair — USA

2 & 3. Attendance at the First International Conference of the National Association of Children's Hospitals and Related Institutions.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $1975.61. The time and resources required to itemise all costs cannot be justified.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr Christopher Brook — The Netherlands

2 & 3. Presentation to the meeting of the International Society on Quality Assurance in Health Care registering Victoria as a proposed site for the placement of its permanent secretariat.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $5625.47. The time and resources required to itemise all costs cannot be justified.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. Jennifer Luntz — USA

2 & 3. To examine and report on preventative programs for children whose parents suffer from mental illness (Creswick Foundation Travelling Fellowship).

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $223.68.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr Robert Simpson — USA

2 & 3. Completed a Master of Public Administration at Harvard University (Victorian Health Promotion Foundation Overseas Fellowship).

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $416.80.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. John Prent — Romania, The Netherlands and Thailand

2 & 3. Negotiation of a new intercountry adoption program with the Romanian Committee for Adoption. Concluded Australia's contribution to the development of The Hague Convention on Intercountry Adoption. Negotiation of a new intercountry adoption program in Thailand.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $12 240.30. The time and resources required to itemise all costs cannot be justified.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr David Tofler — USA and Germany

2 & 3. Recall to duty to attend the Sixth Congress of the International Psychogeriatric Association in Berlin. Examination of latest advances in the field of psychogeriatrics at the McLean Hospital Psychogeriatric Unit in Boston.

4 & 5. The Department of Health and Community Services did not incur any costs associated with the travel.

Health: overseas travel

(Question No. 252)

Mr HAERMEYER asked the Minister for Health:

In respect of expenditure on interstate travel by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What the name was of each individual undertaking such travel and to what destinations?
2. What was the purpose of visiting each destination?
3. With whom did the minister or persons undertaking such travel meet and for what purpose?
4. What costs were associated with the travel, indicating — (a) airfares; (b) car rental and hire cars, including type of cars hired or rented; (c) taxis; (d) accommodation, including name of establishment and the itemised costs; (e) entertainment, including nature, venue and itemised costs; and (f) other expenses?
5. Whether family members, associates, or guests accompanied the traveller(s) on each trip; if so at what cost?

Mrs TEHAN (Minister for Health) — The answer is:

The time and resources required to collate this information for each agency and authority within the administration of the Minister for Community Services cannot be justified. The following information is provided in respect of overseas travel within the Department of Health and Community Services. Ministerial overseas travel is conducted within the administration of the Department of the Premier and Cabinet and I understand the Premier will be providing information on ministerial travel.

1. Tracey O'Halloran and Ian Freckelton — USA and Canada

2 & 3. Interview of witnesses in relation to the Children of God court case.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $11 148.84. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the travellers.

1. Carolyn Blair — USA

2 & 3. Attendance at the First International Conference of the National Association of Children's Hospitals and Related Institutions.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $1975.61. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr Christopher Brook — The Netherlands

2 & 3. Presentation to the meeting of the International Society on Quality Assurance in Health Care registering Victoria as a proposed site for the placement of its permanent secretariat.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $5625.47. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. Jennifer Luntz — USA

2 & 3. To examine and report on preventative programs for children whose parents suffer from mental illness (Creswick Foundation Travelling Fellowship).

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $223.68.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr Robert Simpson — USA

2 & 3. Completed a Master of Public Administration at Harvard University (Victorian Health Promotion Foundation Overseas Fellowship).

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $416.80.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. John Prent — Romania, The Netherlands and Thailand

2 & 3. Negotiation of a new intercountry adoption program with the Romanian Committee for Adoption. Concluded Australia's contribution to the development of The Hague Convention on Intercountry Adoption. Negotiation of a new intercountry adoption program in Thailand.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $12 240.30. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr David Tofler — USA and Germany

2 & 3. Recall to duty to attend the Sixth Congress of the International Psychogeriatric Association in Berlin. Examination of latest advances in the field of psychogeriatrics at the McLean Hospital Psychogeriatric Unit in Boston.

4 & 5. The Department of Health and Community Services did not incur any costs associated with the travel.

Aged Care: overseas travel

(Question No. 252)

Mr HAERMEYER asked the Minister for Community Services, for the Minister for Aged Care:

In respect of expenditure on interstate travel by each department, agency or authority within his administration for the period 3 October 1992 to date:

1. What the name was of each individual undertaking such travel and to what destinations?
2. What was the purpose of visiting each destination?
3. With whom did the minister or persons undertaking such travel meet and for what purpose?
4. What costs were associated with the travel, indicating — (a) airfares; (b) car rental and hire cars, including type of cars hired or rented; (c) taxis; (d) accommodation, including name of establishment and the itemised costs; (e) entertainment, including nature, venue and itemised costs; and (f) other expenses?
5. Whether family members, associates, or guests accompanied the traveller(s) on each trip; if so at what cost?

Mr JOHN (Minister for Community Services) — The answer supplied by the Minister for Aged Care is:

The time and resources required to collate this information for each agency and authority within the administration of the Minister for Community Services cannot be justified. The following information is provided in respect of overseas travel within the Department of Health and Community Services. Ministerial overseas travel is conducted within the administration of the Department of the Premier and Cabinet and I understand the Premier will be providing information on ministerial travel.

1. Tracey O'Halloran and Ian Freckelton — USA and Canada

2 & 3. Interview of witnesses in relation to the Children of God court case.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $11 148.84. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the travellers.

1. Carolyn Blair — USA

2 & 3. Attendance at the First International Conference of the National Association of Children's Hospitals and Related Institutions.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $1975.61. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr Christopher Brook — The Netherlands

2 & 3. Presentation to the meeting of the International Society on Quality Assurance in Health Care registering Victoria as a proposed site for the placement of its permanent secretariat.

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $5625.47. The time and resources required to itemise all costs cannot be justified.

5. The Department of Health and Community Services incurred only costs for the traveller.

1. Jennifer Luntz — USA

2 & 3. To examine and report on preventative programs for children whose parents suffer from mental illness (Creswick Foundation Travelling Fellowship).

4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $223.68.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr Robert Simpson — USA
2 & 3. Completed a Master of Public Administration at Harvard University (Victorian Health Promotion Foundation Overseas Fellowship).
4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $416.80.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. John Prent — Romania, The Netherlands and Thailand
2 & 3. Negotiation of a new intercountry adoption program with the Romanian Committee for Adoption. Concluded Australia's contribution to the development of The Hague Convention on Intercountry Adoption. Negotiation of a new intercountry adoption program in Thailand.
4. The aggregate of costs associated with the travel to the Department of Health and Community Services is $12 240.30. The time and resources required to itemise all costs cannot be justified.
5. The Department of Health and Community Services incurred only costs for the traveller.

1. Dr David Tofler — USA and Germany
2 & 3. Recall to duty to attend the Sixth Congress of the International Psychogeriatric Association in Berlin. Examination of latest advances in the field of psychogeriatrics at the McLean Hospital Psychogeriatric Unit in Boston.
4 & 5. The Department of Health and Community Services did not incur any costs associated with the travel.