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The SPEAKER (Hon. J. E. Delzoppo) took the chair at 2.07 p.m. and read the prayer.

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Morris Thomas Williams, Esq.

Mr KENNETT (Premier) — I move:

That this house expresses its sincere sorrow at the death of Morris Thomas Williams, Esquire, and places on record its acknowledgment of the valuable services rendered by him to the Parliament and the people of Victoria as member of the Legislative Assembly for the electoral districts of Box Hill from 1973 to 1976 and Doncaster from 1976 to 1988.

Morrie Williams, as he was known to us all here, was a lively figure in Victorian politics, and sadly passed away last Saturday, 28 October. He will be remembered for his considerable service to both the Box Hill and Doncaster communities and his contribution to the Victorian Parliament during his 15 years as a member of this house.

Mr Williams was born in Swan Hill in 1924 and grew up on his parents' Mallee wheat farm and orchard. In that environment he adopted traits, such as his distinctive, direct approach together with his sense of humour — values which became his hallmark — and a capacity for hard work. In fact Mr Williams credited much of his enterprise and community-minded zeal to his strong Methodist upbringing and traditional values.

Mr Williams was educated at Swan Hill High School and later at Melbourne University, where he gained a Bachelor of Commerce and an honours Arts degree. This field of study led to his employment as a research economist with the Institute of Public Affairs in Melbourne during the mid-1940s. On moving to Melbourne, Mr Williams with his wife, Agnes, settled in the newly developed suburb of Doncaster.

It was the need to improve local infrastructure in that area, which was not densely populated then, that led Mr Williams into the political arena. In order to effect improvements to road and public transport facilities, Mr Williams became a leading figure in the Bulleen Progress Association, in which he was active throughout the 1950s. In 1962 he was

elected to the Doncaster Shire Council where his tireless contribution and participation in the community confirmed his position as a well-known local identity.

That was complemented by his career with the Institute of Public Affairs and his wide-ranging engagements as a lecturer and speaker at various institutions and forums.

Given his strong local profile, Mr Williams was elected to the seat of Box Hill in 1973 and following an electoral redistribution in 1976 he became the honourable member for Doncaster and consolidated and expanded his majority.

Morrie was a wise and determined contributor to debate in this house. He pursued issues such as tax reform and industry deregulation in order to remove monopoly situations which he saw as anti-competitive. It is interesting to reflect upon the insight Mr Williams enjoyed some 20 years ago as governments around Australia now address these very same issues.

Mr Williams will also be widely remembered for his contribution to the public debate on issues of organised crime and corruption. He had a strong personal concern about and fearless regard for the activities of organised crime and its impact on our society. Mr Williams made full use of the facilities of this institution asking many questions on notice and using parliamentary privilege to pursue his investigations. On occasions those inquiries made have led him into conflict with others. However, his persistence brought serious issues to the fore, including the details that contributed to the Richmond council inquiry and the initial questioning regarding Tricontinental.

A tireless parliamentarian, Mr Williams served as a member of numerous party committees, including the Printing Committee, the Subordinate Legislation Committee, the Public Accounts Committee, the Library Committee, the Public Accounts and Expenditure Review Committee and the Social Development Committee.

Following his retirement from politics in 1988 Mr Williams continued his presence in Victorian politics pursuing issues such as tax reform and other matters of a personal nature and interest to him. His research often brought him back to Parliament House where he also enjoyed the company of colleagues he served with and those who entered the Parliament after his retirement.

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There is no way that a perfunctory statement about the life of Morrie Williams can adequately display or recall the colour of his personality. Those around my age or older who may have read Neville Shute Norway's book *No Highway* will understand me when I say that Morrie filled the same sort of role as the aircraft boffin at the aeronautical farm in the UK where the novel was set. Morrie Williams never walked; he sort of waddled. His glasses were never clean; they were always dirty. However, he had an intense commitment in pursuing those things he thought were of interest to the community and which needed to be exposed.

There is no doubt that on many occasions he was exposed to threats of intimidation and worse in terms of his own personal safety, but at all times he continued to pursue those issues, such as the Richmond council meatworks controversy in particular, and other issues that no-one else was prepared to talk about let alone pursue.

In this chamber there are two people who I remember with great fondness: one was Barry Jones, who before he left this place to go into federal Parliament used to sit where the honourable member for Preston now sits. When Barry Jones was given 2 minutes to conclude his speech he would invariably be reading from a book and would lift the speed of his delivery. However, he would do so with such diction, as was his capacity, that every word he said could be clearly understood by the entire chamber. Morrie Williams used to come into this place with an equally large number of books. He would have prepared the first 10 minutes of his speech, and I am quite sure that if any member wants to read *Hansard* he or she will find some of the most precise comments on the issue to which Morrie was devoting his time. However, after about 10 minutes it all fell in a heap. He used to be all over the place, and not necessarily on the issue he was talking about! That often resulted in interjections from the other side of the house, and, may I say, his own colleagues.

Without a doubt Morrie was a very warm and loving figure who I am happy to say, and as I have indicated, continued to make use of Parliament after he retired. There are not many parliamentarians who do return; it is a special environment and I know on leaving some wish never to return. Nonetheless, there are those who do come back and they are made welcome by both sides of the house.

Morrie was very much an advocate of and was involved in the Henry George League, an

organisation working towards a different rating system. With the passage of time he became more convinced of the value and the need for the Henry George system of taxation to be introduced into this community.

Morrie's untimely death at 71 years of age saddens us all. As I have said, he was a character and an individual. He did not drive; he would either bot a lift into Parliament with his electorate secretary or one of his fellow parliamentarians or he would come by bus or tram. He was a great user of public transport. He had a heart of solid gold and a tremendous warmth and spirit around him. His passing on Saturday obviously came as a great surprise to everyone because it was not that long ago that he was a member of this house and looked in the peak of health.

On behalf of my government I extend condolences to the family of Morrie Williams, including his wife Agnes, his daughter, Heather, and members of his family. I can only say to them as I am sure they will recall on many occasions in the future that Morrie touched everyone he met and that everyone he met was impressed by his generosity and his humanity. He will be sadly missed by this house and the community as a whole.

Mr BRUMBY (Leader of the Opposition) — I join with the Premier in expressing condolences at the passing of Morris Williams. Morris Williams served in this Parliament as the Liberal member for Box Hill from 1973 to 1976 and again as the member for Doncaster from 1976 to 1988. As the Premier mentioned, in his time in Parliament Morris Williams served as a member of a wide range of parliamentary committees, including the Subordinate Legislation Committee, the Library Committee, the Printing Committee, the Public Accounts Committee, the Social Development Committee and the Public Accounts and Expenditure Review Committee.

Morris Williams was born into a staunchly religious Mallee wheat farming and orchardist family. He had to travel 50 miles by bus each day to school in Swan Hill. As the Premier has said, Morris Williams won a scholarship to Melbourne University in 1941 from which he graduated some years later with a Bachelor of Commerce and a Bachelor of Arts with honours. He then worked as a research officer with the newly founded Institute of Public Affairs until he entered this place in 1973.

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Morris Williams was undoubtedly one of the more colourful of characters during his time in this place. Never one to be accused of being a shrinking violet over the years, Morris Williams clashed with the Richmond council; he clashed with Prime Minister Malcolm Fraser; in 1983 he clashed with the soon to be elected Prime Minister, Bob Hawke; he clashed with his own party on many occasions; he clashed with the United States mafia; he clashed with prominent lawyer Frank Galbally; and, because of his very enthusiastic campaign against it, he clashed with organised crime.

Morris Williams was also fond of saying that politics is about people and people must come first. To that end he had a fine record of serving his local area of Doncaster through his involvement with such groups as the Bulleen Progress Association and the Doncaster Shire Council, on which he served as President in 1965-66. He worked tirelessly to improve local facilities, including public transport, schools, and parks and gardens, from the days when Doncaster was little more than a rural outpost.

It was during that period when he worked so hard in his electorate and on matters of crime that he earned the reputation — certainly by Liberal Party standards — of being something of a left-wing radical. It was the Hamer government's land deals that shook Morris Williams's faith in people's honesty. It led to his splitting with his own party and his ensuing and often notorious crusade against organised crime in Australia. It is also worth noting that Morris Williams was quick to blame the economic rationalist policies of Margaret Thatcher and Ronald Reagan for the recession of the early 1980s.

I did not serve in this Parliament when Morris Williams served here, but like many members I had the pleasure of meeting him during his regular visits to Parliament. I also met Morris Williams in the early 1980s when I was working with the then Victorian Teachers Union. I had raised some matters in the local Doncaster media concerning education issues and school sizes. Morris Williams contacted me by telephone and agreed to meet with me to discuss these issues. We subsequently met and he promised to raise the particular school problem in Parliament. He was true to his word and some time later sent me the relevant section of *Hansard*.

My father also knew Morris Williams as they both studied commerce at Melbourne University. My father had a high regard for Morris Williams,

particularly because of his honesty, integrity and old-fashioned 'people' values.

Morrie will be remembered for his service to his electorate, his keen mind, his honesty, integrity and commitment, his belief in people and his fearless pursuit of what he believed to be right.

On behalf of the state opposition, I extend my condolences to Mrs Williams and to the family and acquaintances.

Mr McNAMARA (Minister for Police and Emergency Services) — I join with the Premier and the Leader of the Opposition in the condolence motion for Morris Williams, who served as the honourable member for Box Hill from 1973 to 1976 and as the honourable member for Doncaster from 1976 to 1988. Morrie had a rural background and upbringing in the Swan Hill area and was educated at the Nyah State School and later at the Swan Hill High School. He went on to be educated at Melbourne University, where he graduated with a Bachelor of Commerce and Bachelor of Arts with honours.

He worked as a research economist with the Commonwealth Public Service and had a range of other areas of employment. He is certainly remembered for his involvement in local politics, having served as a Doncaster shire councillor from 1962 to 1968 and again from 1970 to 1973, and as president of the Doncaster shire from 1965 to 1966.

Morris Williams had a wide involvement with the Liberal Party at a local level in the area, and on being elected to the Victorian Parliament served on a number of parliamentary committees, including the Public Accounts and Expenditure Review Committee in the early 1980s and the Social Development Committee for six years from 1982.

When I entered Parliament in 1982 Morris Williams was certainly known as a very active member of Parliament; one who was always trying to seek out the activities of government. I believe he may have set a world record for the number of questions on notice he placed on the notice paper, which at one stage exceeded 600. Not all were answered, and at this stage I am advised that so far the *Guinness Book of Records* has not yet listed a record for questions in Parliament, but if it ever does I am sure Morrie will be at the top of the list, if not to the forefront in that area of endeavour.

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As has been mentioned by the Premier, Morrie had a range of interests which he showed great fervour in pursuing, particularly tax reform, law and order and crime fighting, and the measures that should be taken to clean up our society. He was always concerned about the leading identities in crime and believed they should be identified publicly. On several occasions he went very close to identifying some of those individuals.

Morrie wanted to ensure that the battler in our society was fairly represented. At numerous elections he publicly discounted his chances for preselection, which I think was almost a ploy to gain the sympathy of his local electorate panel, and it worked successfully. On every occasion he wanted to be preselected he was preselected.

He had a great ability to harness grassroots support, and he will be fondly remembered in the community of Doncaster as a very active and persuasive member who was able to go in to bat for people on numerous causes. Many people who visited Morrie did not expect to receive a good hearing but later, as occurred with the Leader of the Opposition, they found their cause being put forward vigorously in this chamber.

To his wife, daughter and family I join with the Premier and the Leader of the Opposition in extending our condolences.

Mr DOLLIS (Richmond) — I join with the Premier, the Leader of the Opposition and the Deputy Premier in this condolence motion. Morris Williams was a very unusual human being. In the 15 or so years I had known him, I found him to be very honest and decent, possibly one of the most perfect examples of a hardworking MP for his constituency. At the same time he thought of himself as the most unorthodox Liberal. He often said, 'When I was preselected conservative Liberals took up a petition to stop my endorsement'. They kept taking up petitions for preselection after preselection. As the Deputy Premier said, Morrie always managed to survive.

As the Minister for Planning would remember when he was Deputy Leader of the Opposition, when Morrie Williams celebrated his 10th anniversary in this house 180 people gathered to celebrate. It is not something that many of us will be able to achieve irrespective of the qualities we represent in this house.

He was a tireless fighter against corruption, particularly organised crime. He was a man of considerable integrity who was prepared to take on his own party and any other party in this house if he thought the cause was just. He was after justice.

Everybody would remember that in his early years he was rumoured to be one for promotion, especially given that he was one of the prime movers in organising the then Premier Dick Hamer's re-election and was part and parcel of the research component of the Liberal Party at that time. The Premier may find that to be a laughing matter, but the intellectual contribution that Morrie Williams brought to the Liberal Party is without parallel among most members sitting on the other side of this house.

Morrie considered himself a true Liberal, and his allegiance was to the Liberal Party of Gladstone and Lloyd George. That was an anomaly because the Liberal Party of Gladstone and Lloyd George could not be found in the state of Victoria or indeed in the Liberal Party.

He was proud to tell everybody that while he subscribed to those forms of liberalism he did not consider himself a Thatcherite. He was quick to condemn the politics of economic rationalism. It is this condemnation that brought him into conflict with the modern-day principles that were espoused by his former political colleagues.

I believe Morrie Williams was a unique human being in terms of what he wanted to represent. His electorate was of paramount importance. The people in his electorate were very important to him, and to ensure that services were delivered he would deal with everybody. Roads, schools and hospitals were important, but people were most important in his life.

With the Premier, the Leader of the Opposition and the Deputy Premier, I extend to his wife and daughter the condolences that have been expressed in the house. The passing of Morrie Williams sees the disappearance of a special breed of Liberal, a Liberal who believed in liberalism the way that Gladstone and Lloyd George would have wanted in this state.

Mr PERTON (Doncaster) — The four speeches that have preceded me all left me with a smile. Everyone in the house who remembers Morrie Williams does it with a smile and a good feeling in their heart — and that is the way he would want it

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to be. He had good friends right across the Liberal Party, the National Party and the Labor Party. He was very fond of just about everyone in this house and everyone he served with. He fought with them, he argued with them, he called them wrong, he called them right; but in the end he had something in his heart for everyone he served with and those who served after him that he got to know.

As the Premier and the Leader of the Opposition said in their contributions, the memories of Morrie Williams are mixed. My strong memories, as a student and a Young Liberal, are of going to a funny little office across the road from the Doncaster town hall, piled up with newspapers, as Morrie continued to expand his clippings collection and his research collection. I told that story in mirth today and my secretary looked at me and said, 'Well, you obviously learned a lot from him', expressing some views on the tidiness of my office.

I have a strong recollection of going to Liberal Party meetings when opinion polls were not yet fashionable and Morrie Williams was there with a big board, analysing the female youth vote and the male youth vote. Sector by sector he analysed where the Liberal Party ought to be campaigning. To be frank, in the mid-1970s I think he was one of the few members of Parliament and politicians who really understood the science of opinion polling.

I have strong memories of Morrie Williams standing at the bus stop, and of course any of us who were driving past heading toward the city would pick him up and drive him to Parliament. If you were a constituent who caught the bus with him to the city you could be sure that you would have a long consultation with your local member of Parliament.

The parliamentary librarian told me that Morrie Williams was really the best customer the library has ever had. He died on Saturday, yet he was still using the library on Friday. The librarian also said to me, 'If there is one thing that black and white can't convey, it is the energy that Morrie Williams had'. In everything he did, he had energy. The librarian said, 'I would pull out a file and just be rummaging through it and Morrie would say that I could probably ring Canberra and get that.' There was this impatience to get things done for people — and that is a very strong memory.

His support for things Liberal was amazing. His career has been set out well by the Premier, the Leader of the Opposition and the Deputy Premier; but what were the things he was proud of? He was

extremely proud of his Methodist upbringing, but he was just as proud of his later study of mysticism. He studied the writings of Alfred Deakin and became enchanted with the views of the Rosicrucians. He was very proud when he found in the library an 1870s volume that had been ordered for Alfred Deakin, but the pages had never been cut or opened. His love of learning was immense.

He was proud that when he graduated from university the Institute of Public Affairs, which was to become the think-tank of the Liberal Party, sought him out for his intellectual brilliance. He was a small-l liberal, a radical Liberal, as the honourable member for Richmond pointed out. Lloyd George, Asquith and Deakin were his heroes. As Sir George Coles said to Morrie, 'I've heard about your politics, young man, but I want you anyway!'

In the early 1970s Morrie Williams worked with Alan Missen to write the platform of the Liberal Party that took us through the 1970s and early 1980s. That was something that he was very proud of. He was also proud of his early efforts in environmental protection. The Doncaster-Templestowe municipality has large tracts of open space and developers in the area were forced to allocate open space that was not allocated in any other area of Melbourne. That legacy owes a lot to Morrie Williams and the influence he held over other councillors and decision-makers in the area.

His insatiable curiosity actually made him a man of the future. We are all used to computer databases now. We can all track our constituents on database. We can all use word processing. Morrie Williams was the first. He spent thousands of dollars in the early 1970s and hundreds of hours of time developing the techniques that we believe are normal and ought to be used for efficiency.

The last thing I should share with you is his desire for justice and the desire to root out wrongdoers. Morrie had worked out that something was wrong with Tricontinental before the state government even bought the last half of the shares in Trico. In the mid-1980s he tried to warn this Parliament about Tricontinental and nobody listened to him until it was too late and we lost the State Bank as well.

Of course he pushed parliamentary privilege to an extreme, but he was doing it at a time when there was no National Crime Authority or any other body that would investigate the serious allegations in respect of the breach of trust that he believed senior industry figures and senior politicians had engaged

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in. It is not for this Parliament to work out whether Morrie was right or wrong, but he believed what he was doing was right and for the benefit of the state of Victoria, for Australia and for his community.

The best lesson he taught me and the best lesson he can teach any of us is, 'If you don't go for broke in politics, you are no use to your country'.

Mr PERRIN (Bulleen) — I support the condolence motion for Morris Williams, whom I knew particularly well. I think the words I would use to describe Morris and the feelings I have for him are love and affection. I first knew Morris more than 20 years ago when I moved into Lower Templestowe and he was the local member. In those days the seat of Box Hill took in Doncaster and Templestowe. Morris had a strong history in local government and the community before he got involved in state politics.

There are many monuments in my electorate to Morris Williams, in particular the Bulleen-Templestowe basketball stadium. There are a couple of other stadiums he could take credit for. There is a youth club in Thompsons Road which, as an activist in the local community, he was able to establish, and there are many other things in the area that will live on well after his passing.

But it was his love of politics that was paramount. I believe he had politics pumping through his veins for all of his life. Before he got into Parliament he loved politics and after he left Parliament he loved it. He was a great person for the community. I can say I have never heard anyone say a harsh word about Morris Williams. He was loved by everybody, particularly his constituents.

As other members have said, he was a fearless contributor to this Parliament. As one who served with him for three years as a member of this Parliament, I can say that he was totally and utterly opposed to any form of corruption. A lot of the information that he obtained and which was relayed to this house came from a very famous men's institution in Coburg that has a residential requirement. I can tell you that information was rarely wrong, and he visited that institution on a number of occasions in order to get very specific information which he would then bring into the house.

Those who were around when the Richmond abattoir fiasco was being exposed would recall that Morrie had a large hand to play in that exposition.

He was fearless in bringing out the meat substitution racket and its association with the then City of Richmond and the individuals who were involved in that. He was also opposed to casinos. Those members of the Liberal Party who were around in the Hamer era will recall the machinations of the casino debate. I can assure you Morrie Williams was in the thick of it. Morris Williams played an active part, giving his advice to many members of the Liberal Party at that time. He continued to advise on casinos long after he had left this place.

He was prepared to and courageous enough to name in the Parliament individuals he thought were corrupt, and he paid a penalty for that. He was sued by a number of people, one of whom was Bob Hawke. He had received death threats. I can well remember the occasion on which I spoke to him about the death threats. He was not concerned about the effect they might have on him but he was concerned about his family. He still courageously made his statements, believing what he was doing was best for all.

On a number occasions I had to follow Morrie Williams in tax debates in the house. That was an interesting experience, particularly when the subject was land tax. My speech, which would roughly relate to the bill, would be slightly different from Morrie's speech, which tended to have a Henry George League flavour about it. He was a strong advocate of Henry George and his views, and he was the editor of the Henry George League newspaper until the time of his passing.

After the 1984 redistribution I started doorknocking in my electorate, part of which had been Morrie Williams's electorate. I can tell honourable members without any shadow of a doubt that he was strongly remembered in the Doncaster end of the Bulleen electorate. When I knocked on doors saying that I was following Morrie Williams as the boundaries of the seat had changed, people had nothing but tremendous words for him. I believe their affection for him was to do with the fact that he never had a drivers licence. He walked everywhere or caught the bus. People would say, 'I saw Morrie walking down Thompsons Road the other day', or 'I saw Morrie on the bus'. He was always available to his constituents; he was always about in the community. That endeared him to the local community.

Morrie lived in Thompsons Road, Bulleen, and between 1985 and 1988 I had the pleasure of driving him home after parliamentary sittings. That was a

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pleasant experience for me because during that time he educated me in politics in a way no-one else could have done. He knew more about what was going on in political parties in this house than anybody else. He would move among the Labor, Liberal or National parties. He knew when Labor members were ganging up on John Cain; he knew what they were doing virtually at the same time as they were undertaking their actions.

Morrie Williams also knew what was going on in our party. In those times nothing was certain, although Morrie was a strong advocate of our present Premier. He was proud of the fact — he related this to me on many occasions — that he took the risk with Jeff in 1982 after the election had been lost. It was his view that Jeff Kennett was just what the Liberal Party needed after its defeat in 1982. I can tell the Premier that Morrie was loyal to him throughout his life, well after he left politics. As he would say, 'One day Jeff will be a great Premier. He will be as good as Bolte was'.

Morris Williams's love of politics never stopped, even after he retired from this place. He had a post office box at Bulleen post office, which is next door to my electorate office. Every morning when he came to collect his mail he would invariably push his way into my office and ask 'Have you got a minute, David? I want to talk about something'. He was always coming in, giving me advice, discussing matters with me and finding out what was going on because it was of some interest to him. I last saw him last Thursday when he was collecting his mail at the post office box. He was convincing another one of my constituents that we should have a Liberal government in Canberra at the next election.

Morrie never stopped giving to the community. He was the auditor of many organisations in the Bulleen electorate. They will find his no longer being available a great burden as they will have to find another auditor. He did that job with great affection and love for his community.

I know Morrie's passing will be a great loss to Agnes, Heather, Trevor and the grandchildren. I convey to them my good wishes for their future without Morris. He will be sadly missed by many in the Bulleen electorate.

Dr VAUGHAN (Clayton) — I have been saddened by the sudden passing of Morris Williams. It is obvious from the way people have spoken on the condolence motion led by the Premier that

people on both sides of politics have a genuine affection for Morris Williams; I share that affection.

I served with Morris on the Social Development Committee in the mid-1980s and it was a personally enriching experience. He had such enthusiasm for everything the committee did and he made a major contribution to the work of the committee. I recall the many discussions we had in the course of the committee's inquiry into options for dying with dignity. I recall his colourful references to Wesleyan principles and his deeply rooted liberal traditions. When I leave this place and reflect on my years here, one colourful character who will loom large in my memory will be Morris Williams.

Morris Williams spoke in the house on a range of issues. The honourable member for Doncaster mentioned his interest in environmental matters. I think I am correct in recalling him to be the first person to speak in the house on the depletion of the ozone layer. If my memory serves me correctly, someone took a point of order or the Chair intervened and wanted to know what he was talking about and what relevance it had to the Victorian Parliament. We all know its relevance to Victoria today, but Morrie Williams was the first person to be that well informed and that incisive in his analysis of the situation that he could raise the issue in the house.

Morris Williams was a special character. I shall treasure the memories of our time working together on behalf of the Parliament. I pass on my sincere condolences to his wife, Agnes, and his daughter, Heather.

Mr LEIGH (Mordialloc) — Often when honourable members talk about people who have left this earth and this chamber we talk about them not having known them as individuals. We do not know of their achievements; nor do we really care about them. They are just people whose speeches have been recorded in *Hansard* at some time and whom some of us may have known.

I first met Morrie when I came into the Parliament in 1982. He sat in the second row towards where the honourable member for Preston is sitting. I can recall on one occasion a group of schoolchildren being in the chamber while Morrie was making his usual contribution to the debate. One of the children asked me after we left the chamber, 'That little man who was making that comment, which side was he on?'.

Mr Brown — You weren't sure!

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Mr LEIGH — As the Minister for Public Transport said, I wasn't sure. Morrie said to me, 'There are two things you should remember about politics: watch your back and always look after your constituents'. In 1982 Morrie was one of those members who survived the crushing defeat of the Liberal Party. Morrie was always charmed by the fact that on one occasion the then Leader of the Opposition the current Premier said to Morrie, 'You are the only person who could have turned Doncaster into a marginal seat'. Years later Morrie still took delight in telling people that story. That was when he was on the Premier's side!

As some speakers have said, Morrie made great contributions to this chamber about some of the criminals in our society. People should look back at *Hansard* to see some of the things Morrie said. Many of them were true. On one occasion Morrie was tripped up by some criminals, deliberately. He said to me afterwards, 'Because I made that mistake in my research it cost me a lot on many occasions. It dented my credibility'.

I remember on one occasion he mentioned a couple of famous criminals who had been involved in Sydney Harbour yacht races and various other activities. One day Morrie named one of them in this house. The media tape-recorded the speech and took off out of the chamber. Morrie scribbled the name out of the *Hansard* greens, by accident. And members of the press were running around in absolute chaos trying to get Morrie to put it back in so they would not all be sued.

He was, to me, a very endearing character. I express my sorrow to his family. He certainly taught me that you owe your allegiance to the people who put you here. I pay my respects and tribute to him as a colleague.

Dr COGHILL (Werribee) — I desire to add my support to the motion moved by the Premier and supported by other members. I first met Morrie after my election in 1979. I, like others, developed a fondness for him. I found him to be a very friendly person. As a new local member he made me feel at ease, despite the fact that I represented the other side of the house. He was a man of great principle and in many respects was prepared to stand up and speak out when he had evidence he believed pointed to criminal associations and criminal action. He spoke out on other matters of principle such as equitable taxation and the taxation regime that should exist in this state and in this country.

As the honourable member for Doncaster and others have pointed out, he was one of the first to draw attention to the potential dangers in Tricontinental. It is important to look at that issue closely. He pointed out not simply that there may have been some wrongdoing, but to the very important issue of the prudential standards observed by Tricontinental, the State Bank and banking generally during the 1980s. If there is one lesson that should remain with this Parliament and the Australian community it is the importance of those prudential standards and the integrity of the management of financial institutions and other institutions generally.

He provided evidence that the standards that had been found necessary historically to maintain proper and effective management of financial institutions and other institutions were being lost. Those lessons were being lost in the greed of the 1980s. Morrie was among the first to point strongly and clearly to the importance of returning those important values to financial management and management generally. I believe those lessons should never be lost either to public or private administration. For that alone, we, as members of the community and as members of Parliament, should be eternally grateful to Morrie Williams. I extend my condolence to his wife, his family and acquaintances.

Mr TANNER (Caulfield) — I wish to support the motion and to express my fondness for Morrie Williams. He was a wonderful man. As members are aware, he was elected to this Parliament in 1973. He was originally elected because of the Jewish community members in his area expressing outrage at the incumbent Liberal member of Parliament. They joined the Liberal Party and put Morrie Williams in.

Morrie Williams had those people values that have been talked about. He had empathy with and respect for people. He could relate to them regardless of whether they were members of the opposition or of the Liberal or National parties.

He was a person who challenged us. He had a great deal of energy. He always kept us on our toes. I can remember on one occasion the current Treasurer, who was then the shadow spokesman on Treasury matters, rushing into the Parliament late for a debate. He had no need to worry. Morrie Williams spoke on behalf of the opposition. At the conclusion of Morrie's address, the former shadow spokesman stood up and asked for the right of reply to speak on behalf of the opposition!

As I said, he kept everyone on their toes. As members of the Labor Party will be aware, he regularly made appeals across the chamber for members of the Socialist Left to keep the Centre Unity members on their toes. He sometimes kept me on my toes. I shared an office near his in the 1980s. He would regularly, at any time of the day or night, have somewhat suspicious and furtive-looking characters going into his office to talk with him. I recall on one occasion, when the government was changing the law on consorting, that the present Minister for Planning advised Morrie in the party room of the changes and suggested that he change the people with whom he kept company!

He was a gentleman and he was very kind to me. He never accorded me that ultimate accolade of a small-l liberal. He would say to me, 'You're all right, Teddy; you're an old Tory'. Apparently, I was not one of the others.

I enjoyed Morrie's company greatly. I will carry forever fond memories of him. I wish to support this motion and to express to Morrie's widow, daughter and family my sincere sorrow and regret at his passing.

Mr COOPER (Mornington) — I join with other honourable members in supporting the motion of the Premier following the death of Morrie Williams. I am going to miss seeing that unmistakable figure in the corridors of Parliament. In the years since Morrie left here in 1988 all of us have seen Morrie in this place, as other members have mentioned, constantly using the facilities of this Parliament, particularly the library.

Morrie became well known to me, as he did to other honourable members who came into this place in 1985, for his very strong support, particularly since I, along with the Treasurer, went straight onto the front bench following the 1985 election. That was a steep learning curve for me, and Morrie Williams was of particular support to me during that time. I was grateful for his support and for the experience he was able to pass on to me.

Morrie and I had a significant connection going well back before Parliament, although neither of us knew it until I came in here. I refer to the leading role Morrie played in having the Richmond council dismissed because of corruption. My father was a member of a group of three people who formed a company to tender for the Richmond abattoirs when it was put out for tender by the Richmond council. Although they won the tender, they did not secure it

because they refused to pay Richmond council the bribe that was required by its councillors at that time — the sling, as they called it. But Protean Holdings, which took on the Richmond Abattoirs, obviously had paid the bribe. However, it also paid the Williams penalty later on because Morrie was tenacious in tracking down the corruption in the Richmond council in those days.

I recall being told by two former Labor members of Parliament, one of whom was a minister in the Cain government, that if it had not been for Morrie Williams the Richmond council would have got away with it. They said he played more than just a leading role; he played the major role in ensuring that the Richmond council was eventually dismissed and that those guilty of corruption were brought to justice through a royal commission.

Morrie Williams has been described here today as something of a left-wing radical. I am sure Morrie is now looking down upon this debate shaking his head sadly at that description because he was nowhere near being left wing. Radical he was, but he was right wing and proud to be right wing.

He was also proud to be a Georgist and a person who took a different view. Above everything else, in the last three years Morrie Williams was very proud of this government.

The SPEAKER — Order! I join with the Premier, the Leader of the Opposition and the Deputy Premier in this condolence motion. It has been fascinating to listen to the debate and hear various members' appreciation of Morrie Williams.

When I came into the house as a new member in 1982 after the defeat of the Thompson government Morrie Williams was very kind to me. His kindness to new members has been mentioned by several members of this place, along with the help and encouragement he gave to honourable members.

When Morrie Williams got up to speak you never knew what was going to come out of his mouth, and if you happened to be a shadow minister for a particular bill, especially if it was a local government bill — and I was shadow minister dealing with those bills on a number of occasions — it always proved interesting because Morrie would have a prepared speech for the first 10 minutes or so, and then off he'd go!

With great skill he would turn the debate around to support for the Henry George League. He was

strong when it came to site valuation, the MAV and the CIV, and on all those issues he made his views very clear indeed.

He had a good sense of humour, and received a lot of chacking from both sides of the house. I remember the marvellous exchanges between Morrie Williams and the then honourable member for Melbourne, Mr Keith Remington. Both men served on the same council and knew each other very well, and there were some quite sharp exchanges across the chamber, but always in good humour.

Morrie had many friends in the house, and used to get mocked a little when dubious characters would appear in the gallery because when somebody said, 'Who are they?', the answer was inevitably, 'They're friends of Morrie Williams, come to give him some more information'.

Some of the claims in the house at that time were regarded as being absolutely outrageous. He would make claims about people who were pillars of society, and then with great courage he would name them. Both sides of the house would wince at this; months would go by and inevitably it would transpire that Morrie was correct. We are not sure where he got his information from, but he had a great feel for what was going on.

Therefore, along with other honourable members, I support this motion and pass on my condolences to his wife Agnes, daughter Heather, and the other members of his family.

Motion agreed to in silence, honourable members showing unanimous agreement by standing in their places.

ADJOURNMENT

Mr KENNETT (Premier) — I move:

That, as a further mark of respect to the memory of the late Morris Thomas Williams, Esquire, the house do now adjourn until 4.00 p.m. this day.

Motion agreed to.

House adjourned 3.05 p.m.

The SPEAKER took the chair at 4.05 p.m.

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Police: investigations of allegations

Mr HAERMMEYER (Yan Yean) — I refer the Minister for Police and Emergency Services to my request that he refer to the police for investigation the allegations made against the Premier which involve possible breaches of section 176 of the Crimes Act. I also refer to the minister's comments in the house last Thursday when he said he would examine the matter and give consideration to my request. What decision has the minister made in relation to the matter?

Mr McNAMARA (Minister for Police and Emergency Services) — I have had a chance to look at the allegations made by the Honourable David White in another place. The allegations did not really lead to much at all. I have assessed the matter and I will take no further action.

Solaris: sale

Mr FINN (Tullamarine) — Will the Treasurer advise the house of the outcome of the government's sale of Solaris Power Ltd?

Honourable members interjecting.

Mr STOCKDALE (Treasurer) — We will get to higher prices and your allegations! I am pleased to announce to the house that the government has accepted a bid from the Australian Gas Light Company and Energy Initiatives, a subsidiary of a US company, of an offer of \$950 million for the purchase of Solaris Power. That has to be taken together with the franchise fees payable over the next five years, which have a present value of \$137 million, making a total of \$1087 million.

Although the Leader of the Opposition has commented on this transaction, he has lived up to his usual reputation: he has not been a model of consistency. On Peter Couchman's program yesterday — I am sorry, I am ideologically incorrect. On Peter Couchperson's program yesterday the Leader of the Opposition said:

... and I think the fact that these prices appear to be relatively good prices indicates just how profitable these businesses are.

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Yesterday, it was a relatively good price but this morning in the *Herald Sun* — he must have got out of bed on the wrong side — the Leader of the Opposition is reported as having said:

This is not a good price. This is a bad price.

Yesterday it was a good price but today it is not a good price; it is a bad price! What are the people of Victoria to think!

Mr Brumby interjected.

Mr STOCKDALE — It's a fire sale! We are back with the fire sale! Last week the Leader of the Opposition said it was a fire sale. Today it is an over-priced fire sale! It is the sort of fire sale where you get top dollar. It is the sort of fire sale that the ALP knows nothing about. On the one hand the Leader of the Opposition says, 'This is a fire sale. The prices are too low' and on the other hand he says, 'Prices being paid are so high that electricity prices must go up and there will be no profit to the state'.

The Leader of the Opposition has been told before — among other things I have told him — that the price paid for these companies is irrelevant under the regulatory regime that has been established by force of law of this Parliament. Under the tariff order, which is an instrument made under legislation of Parliament, the price actually paid is irrelevant in the price-fixing arrangement undertaken by the Regulator-General. Indeed, the tariff order requires that a specified asset value be used as the basis for the price review after five years and not the actual price paid.

In the case of Solaris the defined price is not the \$950 million paid but the \$611 million nominated in the tariff order. In the case of United Energy it is not the \$1.55 billion actually paid but the \$879 million stated in the tariff order.

The Leader of the Opposition has been told that before. The reason he refuses to acknowledge those facts, those laws and those binding commitments — which the purchasers know all about because they have paid their price after a rigorous examination of the regulatory regime — is because he cannot face the facts and he seeks to dissemble and distort and to mislead the people of Victoria.

The fact is that the price is determined by the amount stated by the government. Yesterday, Mr Bleasal made the point that he did not buy

Solaris in order to run it out of customers, and that when he gets the opportunity to participate in the competitive market he will ensure that he offers competitive, low prices. He made it clear that this is a good deal for the shareholders of AGL and for electricity consumers.

He is not alone in that view. Despite the views of the Leader of the Opposition, the respected commentator, Chanticleer, from today's *Financial Review* says:

Victorian Treasurer Alan Stockdale certainly can't be accused of selling precious state assets at a discount.

The price paid for Solaris, and United Energy before it — —

Mr Batchelor interjected.

Mr STOCKDALE — We will come back to you!

The price paid for Solaris, and United Energy before it, has floored many of the critics of the Victorian deregulation model.

Robert Gottlieb, the respected editor of the *Business Review Weekly*, said on 3AW this morning that the Australian Gas Light Company has effectively declared that Victoria's model for electricity distribution is the way all Australia should go.

He said that the Victorian government was the subject of critics — I am sure he did not have the Leader of the Opposition in mind — but that it stuck to its electricity master plan and that it is now clear that it is right.

Mr Kennett — Who else? Is there more?

Mr STOCKDALE — Stephen Bartholomeusz, one of the Leader of the Opposition's favourite authors because I can see his eyes light up when I mention his name — —

Mr Kennett — And one of the few professionals at the Age!

Mr STOCKDALE — There are more professionals at the Age.

Mr Kennett — Not many!

Mr STOCKDALE — We have two pieces of evidence from the Age that tell us we are on the right

track, and one is that Kenneth Davidson keeps attacking us. That is compelling evidence we are on track. After going through the various factors established in the government's regime, Stephen Bartholomeusz from the *Age* says today:

Those factors are producing prices that make it near impossible to argue against the sales on financial grounds. The argument that the profits of the distribution companies are worth more to the state than the private sector is in the process of being comprehensively demolished.

It is not only in Victoria; I shall conclude by stating the perspective of our competitors in New South Wales. Again, the respected financial journalist, Glenda Korporaal, wrote in the *Sydney Morning Herald* yesterday that:

The question is not whether NSW's electricity business will be privatised. Like state-owned banks, airlines and insurance companies, that's only a matter of time ... The question is how far NSW will fall behind over the next few years as Victoria leads the way with privatised power.

By taking the initiative, Kennett is giving his state a competitive advantage which will not only establish Victoria as the home base for a new generation of what will become national electricity companies — but also giving the state's electricity consumers a widening cost advantage.

The message of this program is clear to every respected journalist in the country. The Leader of the Opposition goes on radio and appears in the media and dissembles and misleads. The fact is that when the people of Victoria are asked in whom they have confidence they express confidence in the Premier and not in the Leader of the Opposition.

Access Economics: state taxes

Mr BRUMBY (Leader of the Opposition) — I refer the Premier to the recent access economics report, paid for in part by the Victorian government, which recommends radical taxation initiatives for state governments, including a broad-based consumption tax and state income taxes. I ask the Premier: what discussions has he had with his federal colleague Mr Howard or other members of the federal opposition about these proposals? Does he agree with the report's conclusion which alleges that if the states levied personal income tax it would raise national welfare by about 0.3 per cent per annum?

Mr KENNETT (Premier) — Firstly, I have had no discussions with Mr Howard about the recommendations in that report. Secondly, had the Leader of the Opposition ever been in government, particularly in Victoria as a couple of his colleagues sitting behind him have, he would realise that over many years governments of all political persuasions have been concerned about the way the federal-state financial arrangements work to Victoria's disadvantage. In addition to this state being disadvantaged seriously, all the other states are concerned about the federal government's increasing control on the decreasing funds that come back to the states from taxpayers and companies.

The Premiers of all states, including Labor Premiers, met some months ago and commissioned a number of reports to investigate a whole range of issues concerning the duplication of roles and responsibilities. The reports were to look at the taxation bases of the states. As guests of Premier Goss, those reports will be considered by all state Premiers on Friday in Queensland.

There is no proposal among any of the states — I think I am fair in reflecting the view of both Labor and non-Labor states — for there to be an income tax raised at a state level. There has been no discussion of it, but if we are to commission these reports we must be prepared to allow those we commission to act freely in a manner they see as the best way of presenting advice to the Premiers, who are in this case the clients.

It is a little sad that the Leader of the Opposition has once again demonstrated today that he is prepared to use an issue to score what he considers to be a cheap political shot, thereby totally overriding any sense of state leadership and responsibility. There has only been one issue on which the Leader of the Opposition has indicated a policy position, and that was on freeing up the use of drugs in our community! On all other issues the Leader of the Opposition has not once joined with the government and said, 'Look, this is an issue'. He should consider some of the imbalances that exist between Victoria and the other states as Victoria continues to pay \$700 million a year to subsidise other states. There can be common ground on that issue.

Even if the Leader of the Opposition does not agree entirely with the government's approach, one would have thought he would have said something like, 'Look, we agree in principle but some of these issues need to be sorted out'.

Unfortunately, the Leader of the Opposition is seen to be a loser because he does not do anything. He does not believe in Victoria; he has no vision; he is not prepared to strike out and try for a change that will better enhance the opportunities of this community.

Premiers of all political persuasions will meet on Friday to consider a whole range of issues which, I hope, will advance the position of the states. I will do so on behalf of this community. It is to be hoped that we create a range of better relationships with the federal government because constructive federalism for the 21st century is desperately needed. It is different from what we have today.

The federal government now has access to a number of powers which put the states at substantial risk, whether that be in terms of fiscal imbalances, external powers, or on such issues as competition policy where the states may want to use section 51.

I assure the Leader of the Opposition that while he continues to think with his head in the sand he will never ever be given the opportunity of leading this state at forums where there are people who believe, who actually have a vision and who are prepared to work for the states they represent.

Mental health: funding

Mr TURNER (Bendigo West) — Will be Minister for Health inform the house of the amount of funding the government contributes to mental health services in this state in the light of recent comments made by the federal minister, and explain how that money is being spent to improve services for the mentally ill?

Mrs TEHAN (Minister for Health) — It is interesting to note that the amount of money provided by the Victorian government for services to the mentally ill in this state is close to \$300 million a year compared with \$7.2 million provided by the commonwealth government, yet the federal health minister is seeking to make political mileage out of the services that Victoria provides. She has written letters to me suggesting that we had not maintained our remuneration and our revenue for services to the mentally ill.

She wrote to me on 18 October and the letter arrived on 19 October. Before the letter arrived in Victoria a copy of it was sent to 3AW in an attempt to use our services for the mentally ill in Victoria as a basis for

criticism of the effort in maintaining services for the mentally ill.

Similarly, last Sunday we saw the same letter leaked to the *Sunday Age* for political purposes. It is abominable that the minister in Canberra should play politics with the mentally ill in any state, but when one examines the reforms that have been brought about in this state and what has been achieved with the \$300 million that is provided by Victoria — remember that the federal minister promised \$134 million 18 months ago and none of it has come to Victoria — one can conclude that Carmen Lawrence is attempting to play base politics with mental health services in this state. She is hypocritical because \$7.2 million is just a token amount. She has no credibility or integrity. It is a base form of politics to indicate to this state that we had taken away services from the mentally ill, especially in view of the 1989 report into the former Lakeside psychiatric hospital and the institutional care for the mentally ill that was undertaken by the Labor government. In 1990 the Aradale psychiatric hospital inquiry found that the Labor government was spending \$70 000 per patient in that institution, yet the patients did not have enough food or sufficient services. There were only three staff to every patient at Aradale.

What the government has done for the mentally ill in Victoria is probably as profound a reform as has occurred anywhere in Australia. It is part of a five-year strategy to put services to the mentally ill on a par with services generally in this state.

I repeat: for Carmen Lawrence to send in advance copies of letters she has sent me and to criticise the Victorian government, which is contributing \$300 million while she is putting in only \$7.2 million out of a promised \$134 million, is hypocrisy in the extreme.

City Link: traffic management

Mr BRUMBY (Leader of the Opposition) — I refer the Treasurer to the City Link project and ask: will he give an undertaking to make available to the house all details of traffic measures that have been agreed between Transurban and the government, including which existing roads are to be closed or modified, what changes will be made to traffic light sequences on existing roads and what changes will be made to other traffic management mechanisms?

Mr STOCKDALE (Treasurer) — This is an extraordinary question because last week the Leader

of the Opposition was in this place telling everybody what the answers to these questions were. I actually think that when he gets over here, if he ever does, he will understand the processes whence the question and then the answer come. It is not the other way around.

This week a bill will be introduced to facilitate the City Link project. I am not the minister with direct responsibility for the bill, but in this house I take the responsibility for it. As I understand the process, the bill will be introduced into the house, together with the concession deed, and other relevant documents will be made available to the Parliament by being tabled in the library.

Those documents contain various traffic management measures. There has never been any secret about that. Indeed, the traffic management measures, as I am advised, had the approval of Vicroads as being prudent in the interests of traffic management. They do not accord with the assertions made by the Leader of the Opposition in the house last week, but when he examines the documents he will see that reasonable traffic management initiatives are introduced as part of the project. This is another example of the hypocrisy of the Leader of the Opposition, because when the Labor Party was in government it announced the introduction of this project and the then minister, Mr White, invited submissions from proponents for traffic management initiatives.

Mr Brumby interjected.

Mr STOCKDALE — Just so that the petulant child does not get too upset today, on this occasion I suspect his wishes are about to be granted.

Public transport: safety

Mr DAVIS (Essendon) — Will the Minister for Public Transport inform the house of action the government will take to make public transport even safer than it is today?

Mr BROWN (Minister for Public Transport) — Honourable members would be aware that one of the first actions and initiatives I undertook as a new minister was to make the Victoria Police responsible for security on our public transport service. It has always been my view, and that of the government, that fully trained Victoria Police officers command far greater respect than any other form of security. The proof of the pudding is in the eating. Since the Victoria Police have taken over security on public

transport it has vindicated the government's decision as a wise one that was long overdue.

Statistics show that the crime rate on public transport fell by an unprecedented 13.9 per cent, or more than 1000 fewer recorded crimes, in 1994-95. This rate of decrease in crime is almost five times higher than the overall fall, being 2.9 per cent in total reported crimes throughout the state. In particular, there has been a spectacular 50 per cent drop in reports of criminal damage, such as graffiti and vandalism, on our public transport service.

I am sure all honourable members will join with me in congratulating the Victoria Police on that outstanding result. This is reflected in commuters feeling more secure and has contributed to the 4 per cent rise in public transport patronage in the last financial year. That patronage continues to rise, with an amazing 6 per cent jump in the number of Met passengers in the first quarter of the current financial year. The Labor Party could only have dreamt of such increases.

To build on this outstanding success, I have decided to toughen penalties in selected areas to further discourage misconduct around our public transport service. These new and increased on-the-spot penalties for offensive behaviour include a new \$100 on-the-spot fine for the riding of bicycles and skateboards and the use of rollerblades on public transport property.

There is some mirth among opposition members. They just let young louts run riot on the public transport service, and that is why people deserted the system in droves. There will be a new \$200 on-the-spot fine —

Honourable members interjecting.

The SPEAKER — Order! The level of interjection is far too high. I ask that the minister be heard in silence.

Mr BROWN — If opposition members behaved on my transport service like they do in Parliament they would be subject to on-the-spot fines for their outrageous, larrikin, ratbag behaviour!

There will be a new \$200 on-the-spot fine for the unauthorised crossing of rail tracks or the rail pit between platforms. We will quadruple the existing \$50 on-the-spot fine for drinking intoxicating liquor on public transport property to \$200. There will be a new on-the-spot fine for unauthorised hawking,

selling, hiring, soliciting and touting on public transport property. We will also increase to \$100 the existing on-the-spot fines for smoking on public transport and putting feet on the seats of trains or trams.

These tough new penalties — and they are tough compared with other states — will send a very clear message to troublemakers that the public transport service is a no-go area for louts. All our train stations are being equipped with closed-circuit television, which means that misconduct will be caught on film and offenders will be readily identified by the police. The amazing turnaround in patronage with people voting with their feet and flocking back to public transport under the policies of this government stands in stark contrast to what the former Labor government had in place.

The government is also committed to upgrading 51 of the busiest railway stations in Melbourne to premium stations. Overall I am sure that all honourable members will support the government's efforts to make our excellent public transport service even better and safer.

City Link: port relocation

Mr BRUMBY (Leader of the Opposition) — As a result of the government's decision to build a low-level bridge over the Yarra River as part of the City Link project it will be necessary to close Victoria Dock and relocate at least four berths to Webb Dock at a potential cost of \$200 million. I ask the Premier who will be required to pay for that — Transurban, port users or the Victorian taxpayer?

Mr KENNETT (Premier) — In addition to the docks being part of the largest container terminal in the southern hemisphere, the government has put into place a long-range program to turn them into a more efficient port. That program has been in place for a long time. I am sure all honourable members will recognise that what this country is consistently bad at is the way it is able to process cargo —

Mr Thwaites interjected.

Mr KENNETT — What was that? The old puppet is speaking again!

The reality is that governments around Australia have been trying to ensure they can get greater efficiencies from their ports. The Victorian government is also doing that. There will be a redevelopment of much of our port area over the

next 10 years, particularly the area to the south of West Gate Bridge. As you come over the bridge from Geelong you see the redevelopment near Williamstown, and that will be further developed. It is all part of the plan we have had in place for some time.

It is true that the plan has been accelerated slightly because of the City Link project being put into place and we have had to make decisions about the western and eastern alignments. The eastern alignment would be Footscray Road or a tunnel or new road further east of Footscray Road. We have decided in the long-term interests of the community that the development of the Docklands is better served by having the bridge on the western alignment put in place. The cost of the port changes will all be borne by government as part of the normal process of revitalising the ports here between now and 2001.

Regional development: industries

Mr SPRY (Continuing) — Will the Minister for Regional Development inform the house of the government's latest efforts in bringing new industries to regional Victoria?

Mr GUDE (Minister for Industry and Employment) — I thank the honourable member for Bellarine for the question and his considerable interest in the development of business in regional Victoria. I am able to bring yet more good news on behalf of the Kennett government, particularly for the citizens of Geelong.

Doosan, the 13th largest company in the Republic of Korea, has chosen to invest \$20 million in the establishment of the first phase of a new malting plant at Geelong. That is a very significant investment not just for Geelong and Victoria but for Australia. It is difficult to get that sort of quality Korean investment outside of that country, and it has not happened by accident.

About two years ago the Kennett government decided to appoint an agent in Korea, John Kominski, who has been working very hard with officers of the Department of Business and Employment and a number of communities of interest in Victoria to bring investment to this state. The arrival of this industry will deliver 20 jobs in construction immediately in the first phase and something like 50 quality jobs for the people of Geelong. Importantly, the jobs are likely to be long and lasting because this company will be producing

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goods in Geelong, Victoria, Australia for export to the Asia-Pacific area and it is that guaranteed export marketplace that will secure the permanency of the jobs in that area.

There is more good news. There has been, for example, in the food industry alone \$1 billion of investment in new plant and equipment since the Kennett government came to office. Companies such as Kraft Foods, Bonlac, Peters Ice Cream, Yakult, Itoen, Sakata Baka and Murray Goulburn, just to name a few —

Mr Hamilton interjected.

Mr GUDE — The honourable member for Morwell asks what is happening down in the Latrobe Valley. A deputation from the Latrobe Valley came to see me today. But it is interesting that it didn't come from the honourable member. They have given you up as a lost cause!

Mr Hamilton interjected.

Mr GUDE — I thank you for the interjection. The honourable member wants to know what I gave them. We have already given \$100 000 to support the engineering industry in your patch to try to make it more marketable in the international marketplace. Do you want the government to take that back? We have given thousands and thousands of dollars to community-based employment programs in your electorate. Do you want me to take that back too?

There is no shortage of good news so far as the Kennett government is concerned in terms of investment opportunities. But there is more good news. I am happy to inform the house that the government has approved \$1.9 million to be redistributed among local government authorities and regional Victoria to support endeavours to attract industry to regional Victoria.

One of the advantageous features of the reduction in the number of municipalities is the creation of larger economic units. The government is pleased to support those units through a grant of \$1.9 million. There is more good news. That money is over and above the more than \$2 million the government has already distributed to businesses in regional Victoria under the Ausindustry program.

As you, Mr Speaker, and all members on this side would know — I am not sure how many members on the other side would know — those programs are

designed to assist businesses to increase their skills so that they can achieve world-best practice, meet ISO standards and access international market places.

Since the Kennett government has been in office Victoria has been reinvigorated. Country Victoria has had attention like it has never had before. It will go from strength to strength.

Mr Leigh interjected.

The SPEAKER — Order! I warn the honourable member for Mordialloc. He may not interject in that fashion.

City Link: commercial risk

Mr BATCHELOR (Thomastown) — I refer the Treasurer to the fact that a government spokesperson has confirmed that there are a number of circumstances in which, particularly if the City Link project cannot proceed, the state government would be required to repay Transurban's debt, pay the consortium break costs for debt and buy out the equity at market value. What is the maximum possible cost to Victorian taxpayers of a payout in those circumstances?

Mr STOCKDALE (Treasurer) — I have made the point before that the risk-sharing provisions of the concession deed and the other documents are extremely comprehensive. It is fair to say that they cover all circumstances likely to be conceived by any party, and then there are provisions that cover those circumstances the parties thought they could not think of. It has been an exhaustive process of definition.

This question displays an extraordinary lack of understanding of the basic nature of private enterprise development. There are circumstances in the contract where the contract terminates. In those circumstances in some cases the project reverts to the state, yet the inference of the question of the shadow Minister for Public Transport is that the state could obtain the project without actually paying for it. The measures he has described are the means for dealing with extraordinary circumstances —

Mr Batchelor — On a point of order, Mr Speaker, I asked the Treasurer a specific question relating to the maximum cost — not the whole range of potential costs. I understand there are many potential costs amounting to millions of dollars. We

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want to know what the maximum payout could be in those circumstances.

The SPEAKER — Order! The honourable member for Thomastown would be well aware that the Chair cannot direct a minister on how he should answer a question. I judge the Treasurer's answer to be relevant. There is no point of order.

Mr STOCKDALE — We are dealing with a set of situations at the extreme of possible risk. They are designed to establish the circumstances —

Mr Batchelor interjected.

Mr STOCKDALE — Have a little patience! If the extraordinary circumstances contemplated by the honourable member's question were to arise, the amount of liability would depend upon the time at which it arose, the circumstances in force at the time, the reasons for its arising and —

Mr Batchelor interjected.

Mr STOCKDALE — When the papers are tabled in the Parliament and are available in the library, the honourable member will no doubt indulge his fantasies; he can invent his own numbers. The proposition is hypothetical. I will simply refer the honourable member to the contract documents when they are available to the Parliament.

Papaya fruit fly

Mr MAUGHAN (Rodney) — Will the Minister for Agriculture outline to the house what action is being taken to prevent the introduction to Victoria of the papaya fruit fly, which has recently been discovered in Queensland?

Mr W. D. McGRATH (Minister for Agriculture) — I thank the honourable member for Rodney for the question and his undoubted interest in the subject as he, along with the honourable members for Mildura and Shepparton and many others, represents a horticultural area. There have been cases of fruit fly in previous years in the Victorian horticultural industry, but the papaya fruit fly is a new species of fruit fly and we have to take all necessary precautions to ensure we protect horticultural industries in Victoria.

Mr Batchelor interjected.

Mr W. D. McGRATH — No, we don't have papaya fruit fly in Echuca. We have a few pears, apples, peaches and a few other varieties.

Mr Batchelor — Mangoes?

Mr W. D. McGRATH — No, there are not many mangoes.

The SPEAKER — Order! As fascinating as the discussion across the table may be, I ask the honourable member for Thomastown to remain silent and the minister to ignore interjections and conclude his answer.

Mr W. D. McGRATH — Since the transfer of the quarantine services from the state to the commonwealth, which was agreed to on 11 October, Victoria has placed two full-time equivalent officers to monitor possible fruit fly outbreaks around Sunraysia.

Mr Brumby interjected.

Mr W. D. McGRATH — They cover about 15 to 20, if you want to know. The Leader of the Opposition should take a trip to somewhere other than Bendigo; he should look at some of the other countryside of Victoria.

It is interesting that we are still waiting for the New South Wales government to nominate its fruit fly control officer.

Mr Brumby interjected.

Mr W. D. McGRATH — I hope you do. When New South Wales appoints its officer, we will have three officers.

On Friday I asked the Premier to provide a Premier's certificate, which he agreed to. If additional regulations need to be put in place to complement the Vegetation and Vine Diseases Act we can move quickly. At the moment any produce coming out of the affected 60-kilometre radius in Queensland is either dipped or fumigated.

Mr Batchelor interjected.

Mr W. D. McGRATH — While on the subject of fumigation, you might line up! It might do you the world of good.

The fruit that comes out of that region is well and truly surveyed for papaya fruit fly. We have placed

additional fruit-fly traps at the Fitzroy Market, at the Tullamarine airport, in the Sunraysia and in the Goulburn Valley. It is fully monitored. Therefore, we are making sure the horticultural industry, which is worth about \$433 million to Victoria — which is a little more than the opposition is worth to Victoria! — is safeguarded. It is interesting to see the report from the horticultural division, which congratulates the action taken by Victoria in the past few days. Victoria is at the forefront in ensuring that we have under proper surveillance —

Mr Batchelor — Mr Speaker, on a point of order, I have been listening very carefully to the minister's answer. He stated that the fruit-fly infection area had a 60-kilometre range. How much of Victoria does that actually cover?

The SPEAKER — Order! I regard the point of order as a supplementary question, which I cannot allow. There is no point of order.

Mr W. D. McGRATH — I had concluded my answer, but in response to the point of order, the 60-kilometre radius — if he had been listening — applies to where the fruit is being grown in Queensland. I hope that clarifies the position for you.

PETITIONS

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

Zone 1 transport boundary

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

We, the undersigned, humbly pray that the state government of Victoria through its Ministry of Transport extend the zone 1 fare boundary to the west end of Aircraft Station, to assist disadvantaged residents, both financially and physically.

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

By Ms Marple (86 signatures)

Crown Casino expansion

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

We the undersigned from Knoxfield Church of Christ petition the house that we object to the extension of gambling facilities afforded to the Crown Casino on the

basis that there have been no studies undertaken by the casino authority to determine the extent of the social impact of this type of gambling in Victoria.

We strongly question the morality of the state economy relying on income from gambling and abhor the fact that so much wealth will be redirected to a few shareholders of Crown Casino at the expense of community values and structures which have been so important to the social fabric of Victoria.

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

By Mr Tanner (33 signatures)

Paintball or skirmish games

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

The humble petition of the undersigned citizens of the state of Victoria sheweth their total opposition to any attempt by the government to prevent them from participating in the sport of paintball also known as skirmish, either by banning the sport or not issuing Sunday shooting permits to legitimate paintball operators/clubs.

Your petitioners therefore pray that paintball or skirmish games shall not be banned in Victoria, that legal paintball operators/clubs be allowed to conduct games on Sundays and that holders of a current shooter's licence should continue to be allowed to own registered paintball markers.

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

By Mr Finn (117 signatures)

Laid on table.

PAPERS

Laid on table by Clerk:

Alexandra District Hospital — Report for the year 1994-95 (two papers)

Alfred Group of Hospitals — Report for the year 1994-95

Altona District Hospital — Report for the year 1994-95

Angliss Hospital — Report for the year 1994-95

Anne Caudle Centre — Report for the year 1994-95

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Bairnsdale Regional Health Service — Report for the year 1994-95

Benalla and District Memorial Hospital — Report for the year 1994-95

Bendigo Hospital — Report for the year 1994-95

Bethlehem Hospital Incorporated — Report for the year 1994-95

Birregurra and District Community Hospital — Report for the year 1994-95

Boort District Hospital — Report for the year 1994-95

Box Hill Hospital — Report for the year 1994-95

Bright District Hospital — Report for the year 1994-95

Bundoora Extended Care Centre — Report for the year 1994-95 (two papers)

Burwood and District Community Hospital — Report for the year 1994-95

Caritas Christi Hospice Limited — Report for the year 1994-95

Casterton Memorial Hospital — Report for the year 1994-95

Citipower Ltd — Report for the year 1994-95

Clunes District Hospital — Report for the year 1994-95

Coal Corporation — Report for the year 1994-95

Cobram District Hospital — Report for the year 1994-95

Cohuna District Hospital and Cohuna Community Nursing Home — Report for the year 1994-95

Colac District Hospital — Report for the year 1994-95

Coleraine District Hospital and Aged Care Services — Report for the year 1994-95

Donald District Hospital and District Nursing Home — Report for the year 1994-95

Eastern Energy — Report for the year 1994-95

Echuca Regional Health — Report for the year 1994-95

Energy Brix Australia Corporation — Report for the year 1994-95

Energy Victoria — Report for the year 1994-95

Fairfield Hospital — Report for the year 1994-95

GFE Resources Ltd — Report for the year 1994-95

Goulburn Valley Base Hospital — Report for the year 1994-95 (two papers)

Grace McKellar Centre — Report for the year 1994-95

Hampton Rehabilitation Hospital — Report for the year 1994-95

Hazelwood Power Corporation — Report for the year 1994-95

Healesville and District Hospital — Report for the year 1994-95

Heywood and District Memorial Hospital, Sydney and Lynne Quayle Hostels for the Aged and Fitzroy Lodge Hostel — Report for the year 1994-95

Inglewood Hospital — Report for the year 1994-95

Interpretation of Legislation Act 1984 — Notice under section 32(4) (a) in relation to Amendment No. 8 of the Building Code of Australia

Kerang and District Hospital — Report for the year 1994-95

Kilmore and District Hospital and Kilmore and District Nursing Home — Report for the year 1994-95

Kingston Centre — Report for the year 1994-95

Koroit and District Memorial Hospital — Report for the year 1994-95

Kyabram and District Memorial Community Hospital — Report for the year 1994-95

Kyneton District Health Service — Report for the year 1994-95

Latrobe Regional Hospital — Report for the year 1994-95

Lorne Community Hospital and Nursing Home — Report for the year 1994-95

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Maffra District Hospital and Maffra and District Extended Care Association — Report for the year 1994-95 (two papers)

Maldon Hospital and Community Care — Report for the year 1994-95

Manangatang and District Hospital — Report for the year 1994-95

Mansfield District Hospital and Bentley Nursing Home — Report for the year 1994-95

Maryborough District Health Service — Report for the year 1994-95

McIvor Health and Community Services — Report for the year 1994-95

Melbourne Market Authority — Report for the year 1994-95

Mercy Public Hospitals — Report for the year 1994-95 (two papers)

Mildura Base Hospital — Report for the year 1994-95

Monash Medical Centre — Report for the year 1994-95

Mordialloc-Cheltenham Community Hospital — Report for the year 1994-95

Mount Eliza Centre — Report for the year 1994-95

Mt Alexander Hospital — Report for the year 1994-95

Murray Valley Wine Grape Industry Negotiating Committee — Report for the year 1994-95

Nathalia District Hospital and Nursing Home — Report for the year 1994-95 (three papers)

North West Hospital — Report for the year 1994-95

Numurkah and District War Memorial Hospital — Report for the year 1994-95

O'Connell Family Centre (Grey Sisters) Incorporated — Report for the year 1994-95

Omeo District Hospital — Report for the year 1994-95

Ouyen and District Hospital — Report for the year 1994-95

Peter James Centre — Report for the year 1994-95

Pharmacy Board — Report for the year 1994-95

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

Flinders Planning Scheme — No. L120, L124

Greater Geelong Planning Scheme — No. L147

Healesville Planning Scheme — Nos L51, L57

Lillydale Planning Scheme — No. L140

Macedon Ranges Planning Scheme — No. L5

Melbourne Planning Scheme — No. L200

Mitchell Planning Scheme — No. L15

Stonnington Planning Scheme — Nos L1, L2

Upper Yarra Valley and Dandenong Ranges Strategy Plan — No. 58

Warmambool City Planning Scheme — No. L9

Whittlesea Planning Scheme — No. L123

Port Fairy Hospital — Report for the year 1994-95

Portland and District Hospital — Report for the year 1994-95 (two papers)

Powercor Australia Ltd — Report for the year 1994-95

Queen Elizabeth Centre — Report for the year 1994-95

Rochester and Elmore District Health Service and Rochester and District Nursing Home (Inc.) — Report for the period ended 30 June 1994

Royal Dental Hospital of Melbourne — Report for the year 1994-95

Royal Melbourne Hospital — Report for the year 1994-95 (two papers)

Royal Victorian Eye and Ear Hospital — Report for the year 1994-95 (two papers)

Royal Women's Hospital — Report for the year 1994-95

Sandringham and District Memorial Hospital — Report for the year 1994-95 (three papers)

Solaris Power — Report for the period ended 30 June 1995

South Gippsland Hospital — Report for the year 1994-95

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St Arnaud District Hospital — Report for the year 1994-95

State Electricity Commission — Report for the year 1994-95

Statutory Rules under the following Acts:

Criminal Injuries Compensation Act 1983 — S.R. No. 132

Transport Accident Act 1986 — S.R. No. 133

Subordinate Legislation Act 1994 — Minister's exemption certificate in relation to Statutory Rule No. 133

Swan Hill District Hospital — Report for the year 1994-95

Tallangatta Hospital — Report for the year 1994-95

Terang and District (Norah Cosgrove) Community Hospital — Report for the period ended 30 June 1995

Timboon and District Hospital and Timboon and District Community Health Centre — Report for the year 1994-95

Tricontinental Holdings Limited — Report for the year 1994

Tweddle Child and Family Health Service — Report for the year 1994-95 (two papers)

Upper Murray Health and Community Services — Report for the year 1994-95

Vicfleet Pty Ltd — Report for the year 1994-95

Victorian Electricity Industry Superannuation Fund — Financial Statements for the year 1994-95

Victorian Relief Committee — Report for the year 1994-95

Wangaratta District Base Hospital — Report for the year 1994-95 (two papers)

Waranga Memorial Hospital and Waranga Nursing Home Society Incorporated — Report for the year 1994-95 (three papers)

Warmambool and District Base Hospital — Report for the year 1994-95

West Gippsland Hospital — Report for the year 1994-95

Western Hospital — Report for the year 1994-95

Williamstown Hospital — Report for the year 1994-95

Wodonga District Hospital — Report for the year 1994-95

Wycheproof and District Health Service — Report for the year 1994-95

Yallourn Energy — Report for the year 1994-95

Yea and District Memorial Hospital — Report for the year 1994-95.

The following proclamation fixing an operative date was laid upon the Table by the Clerk pursuant to an Order of the House dated 27 October 1992:

Superannuation Acts (General Amendment) Act 1995 — Sections 33(4), 33(5), 33(6) and 33(7) on 1 November 1995 (*Gazette* No. S106, 24 October 1995).

ROYAL ASSENT

Message read advising royal assent to:

Building (Amendment) Bill

Appropriation (1995-96, No. 1) Bill

Appropriation (Parliament 1995-96, No. 1) Bill

BUSINESS OF THE HOUSE

Program

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

That, pursuant to sessional order no. 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 2 November 1995:

Prevention of Cruelty to Animals (Amendment) Bill

Vocational Education and Training (Amendment) Bill

Fisheries Bill (No. 2)

Zoological Parks and Gardens Bill

Gas Industry (Extension of Supply) Bill

Water (Further Amendment) Bill

State Taxation (Further Amendment) Bill

Motion agreed to.

MARCUS OLDHAM COLLEGE BILL

Introduction and first reading

Mr HAYWARD (Minister for Education) introduced a bill to provide for the transfer of certain trust property to Marcus Oldham College ACN 071 444 409, to cancel the trust created by the will of Marcus William Oldham, deceased, and for other purposes.

Read first time.

PROFESSIONAL BOXING AND MARTIAL ARTS BILL

Introduction and first reading

Mr REYNOLDS (Minister for Sport, Recreation and Racing) introduced a bill to amend and rename the Professional Boxing Control Act 1985 and to repeal the Martial Arts Control Act 1986 and for other purposes.

Read first time.

VALUATION OF LAND (FURTHER AMENDMENT) BILL

Second reading

Mr GUDE (Minister for Industry and Employment) — On behalf of the Treasurer, I move:

That this bill be now read a second time.

The main purpose of the bill is to amend the Valuation of Land Act 1960 to override the impact of a recent decision of the Supreme Court of Victoria. The Court in *The Shell Co. of Australia Limited and Another v. The City of Melbourne* held that depreciation should be regarded as a deductible expense in the calculation of estimated annual value. This decision overturns a long-held valuation practice that depreciation was not deductible.

Estimated annual value is used to enable the valuer to arrive at a net annual value (NAV) for those properties where NAV is not fixed by legislation at 5 per cent of the capital improved value. As a result of the Shell case, the owners and/or occupiers of commercial property would be eligible to claim depreciation as an expense in the calculation of NAV. Other things being equal, this would have

resulted in significant rate reductions in water rates for such property owners. In addition, where commercial properties were located in municipalities using NAV as a rate base, they would have received further rate reductions.

Throughout the state this decision would have put at risk for the 1995-96 rating year some \$40 million for water authorities and \$17.2 million for NAV based rating councils. These possible losses would have arisen because of the opportunities available to ratepayers to lodge objections claiming the depreciation deduction.

It is the government's intention to pass this bill to overcome the difficulties created by the Supreme Court decision for the 1995-96 rating year and for all subsequent rating years, by making it clear that depreciation is not an allowable deduction for any valuations, past, present or future. It should be noted that the amendments will not affect either the parties to the Shell case or pending appeals or objections actually commenced and in train as of 18 October 1995. However, even in these cases the NAV valuations will not make an allowance for depreciation in the 1995-96 rating year and for subsequent years.

I commend the bill to the house.

Debate adjourned on motion of Mr BRACKS (Williamstown).

Debate adjourned until Tuesday, 14 November.

PREVENTION OF CRUELTY TO ANIMALS (AMENDMENT) BILL

Message from Council relating to amendments considered.

Council's amendments:

1. Clause 5, page 4, lines 8 to 9, omit 'in a usual and reasonable manner and'.
2. Clause 5, page 4, line 12, omit 'in a usual and reasonable manner and'.
3. Clause 5, page 4, lines 26 to 27, omit 'conducted in a usual and reasonable manner'.

Amendments agreed to on motion of Mr GUDE (Minister for Industry and Employment).

VOCATIONAL EDUCATION AND TRAINING (AMENDMENT) BILL

Second reading

Debate resumed from 5 October; motion of Mr HAYWARD (Minister for Education).

Mr MICALLEF (Springvale) — The opposition does not support the bill. Before explaining the reasons for that I shall make some preliminary comments about apprenticeship training in general. Firstly, if you are going to change a system, you need to fully understand what you are changing it to and what parts of the old system you are retaining. That is important. At present, evolutionary changes are occurring in occupational training with the move towards competency-based training, and we need to introduce a system that responds to those changes as we approach the year 2000.

As an aside I point out that the other day I was visiting a preschool facility in the electorate I represent where they launched an immunisation program for children from non-English-speaking backgrounds. There in the preschool were three and four-year-olds actually playing with hammers and nails, and it was a wonderful experience to see kids playing with something other than computers before they can walk.

I suppose my point is that the old crafts can still be a basic instinct in many human beings, and it was good to see young kids relating to traditional play with tools instead of being introduced to computers at a very young age, as they are, and then being lost forever in that technological cycle. Having said that, I accept that computer technology is very much part and parcel of today's training.

Historically, apprenticeship has been the most important and effective formal method of training for manual and craft workers. In Australia it has survived more strongly than in many other countries, and of the industrially advanced countries Australia in particular has taken to the notion of apprenticeships.

At this point I declare my interest in that I was formerly an apprentice in the trade of fitting and turning back in the late 1950s and early 1960s. I do not regret for one moment the experience I had as an apprentice. The culture existing at the time, the skills I learned and the training I received were invaluable. I went on to become a turbine fitter in the power industry, and I certainly do not look back

on any of it with regret because I very much enjoyed my experiences in that skilled area.

Australia has stayed with the apprenticeship system longer than the United States of America or even Great Britain, which is interesting particularly given that the latter country is the place from where we gained much of our experience. The apprenticeship concept was taken on board in countries such as Germany and Austria, and Germany now leads the way in apprenticeships, which is interesting, given its highly developed skill base.

But now the apprenticeship system worldwide is undergoing severe challenge, and the key questions relating to these changes are, firstly: does the current system deliver the skills base appropriate for the year 2000 and beyond? In other words, are we training young people to the level of skills appropriate to remain competitive? That is the big issue when you talk to employers, government officials and industry — does the bill make the appropriate changes enabling us to deliver skills along those lines?

A plethora of training programs has been introduced in recent times, particularly labour market programs for unemployed people, in an attempt to get them into the labour market. Only this morning I went to the launch of a document entitled *Working Nation — Working for a Multicultural Australia*, which looked at the issue of overseas skills. It is another example of an attempt by the Labor Party to tap into the Australian skills base. Although many skills have been brought to Australia by migrants, we also have a skills base at the local level and we need to implement training programs, especially for young people entering workplaces. A plethora of training programs continues to be developed, and they will again play a major role in the development of the skills base Australia needs.

We have moved towards competency-based training, which has placed increasing pressure on the old time-based system. However, the former time-based system had some benefits. In other words, the apprentice learnt the skills and developed experience at the same time. At the time it was the most appropriate model. In earlier days apprenticeships lasted as long as seven years, but recently that has been reduced to around three years. The experience and the time-based system of apprenticeship have been phased out and competency-based apprenticeships have taken their place.

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An apprenticeship can be defined as a method of employment that has a component of on-the-job training with a reciprocal set of rights, obligations and duties that apply to both employer and trainee. A contract exists between the employer and the trainee. The employer agrees to teach or have the apprentice taught a range of skills of a broad occupational nature and the apprentice agrees to work for a time on a training wage. In the past the training wage was a percentage of the prevailing base tradesmen's rate. Although the wage was relatively low compared with that earned by a skilled worker, that was because the training component needed to be compensated for. The apprentice's rate was increased annually until the apprentice became skilled. He or she then became an accredited tradesperson.

In the past on-the-job training was complemented by off-the-job training, which in the old days was taught at technical schools. Now the training component has been moved to TAFE colleges. Up until the early 1950s much of that training was done at night. That was undesirable because it meant that apprentices worked for 40 hours — or perhaps 45 hours — and then had to attend their local technical colleges for further training.

I was proud to be associated with the union movement, which took up the cause of the day-release program. It involved people like Laurie Carmichael, John Halfpenny and Max Ogden from the Amalgamated Metal Workers Union. They were the types of people who led the campaign to remove night training and introduce day-release training. The winning of that campaign led to a generation of young, radical trade unionists, who in later years became thorns in the sides of the Phil Gudes of this world. We owe them a lot. It was a great victory.

As an apprentice I appreciated going to technical colleges. I went to the Preston Technical School and RMIT. Later I completed part of an engineering diploma at night, which I found traumatic. After working 8 hours a day I found it difficult to then have to go to school for 4 hours at night several times a week.

The demand for apprentices reflects market forces, which is only natural. The supply-and-demand concept has a weakness in that in times of high demand — such as during the building boom in the 1980s — there is a demand for apprentices to be trained. However, after their training in the 1980s boom the crash came and thousands of fully

qualified carpenters, plumbers, electricians and so forth entered the employment market in a time of declining job opportunities.

We must create strategic plans to ensure that the peaks and troughs do not result in streams of young qualified people entering the market but unable to find jobs. In many cases apprentices were not able to finish their training, and that was not good. Large firms such as Ericssons and Bosch in my area took on apprentices to cater for their needs and to allow for skills wastage. In other words they trained apprentices according to their needs and hoped to retain the cream of them. However, as with many other trades some moved on.

Apprentices have done extremely well. They have moved on to become managers, corporate leaders and so on. Their training has stood up in that regard. In the past government instrumentalities trained many thousands of skilled tradespeople. Programs run by the former SEC, the railways, the Gas and Fuel and the former Melbourne and Metropolitan Board of Works, and Telecom's former technician program — a highly successful and sought-after program — were key elements. In effect, those state and federal instrumentalities provided a subsidy to industry because they trained apprentices to become highly qualified tradespeople. Many went into private industry to take up the advantage of the booms and the high wages, and they did extremely well. The base training they were given was much in demand. I wonder what will happen in the privatised companies such as the old SEC and so on. The new owners will not be thinking along those lines. They will be thinking more of their own needs rather than the needs of the system in general. Group apprenticeship training was broadly based; although apprenticeships were centrally administered, apprentices worked throughout industry.

Historically apprenticeship training in Australia has been the main form not only of training but also skill formation. As I said, the system was introduced from Britain and in the early days apprentices lived with their masters. We have moved away from that practice, but the early craft trades included building, printing, boot and shoe making, and later on metal working, engineering, ship building, plumbing and electrical trades.

The rapid expansion of the apprenticeship system suggests that it had a lot to offer. Given the fact that the apprenticeship system stabilised the quality and the skill level of training in this country it should be

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commended. It provided a low legal training wage for employees; it provided access to school workers on the completion of their training; and in those early days it provided a cheap alternative method of training.

The apprenticeship system provided a supply of labour persons with recognisable skills — in other words, tradespersons trained with a level of skill the employer could rely on to be exhibited by a skilled tradesperson. It gave stability to the trades. As I said, the period of apprenticeship was initially 7 years, then 5 years and then down to 3 years.

The apprenticeship system in Australia has certainly survived but it is under a challenge to provide for a whole range of other training programs. One of the major reasons for its success in the early days was that the state played a key role in supporting the system. It assisted in administering the system and the development of an arbitration system serving to restore and codify the apprenticeship system for each trade.

There was the system of indentures, the recruitment of the number of apprentices going into training, conditions and wages. All those provisions were influenced by the government. Awards were binding and provided institutional support for apprentices so there was a common standard throughout industry, although various employers often paid above-award wages, as happened in every other area.

The system of technical colleges that supplied the training and later provided further education played a central part in the completion of an apprentice's training. That system came under pressure during the two world wars and the Depression when many employers failed to take on apprentices and many apprentices failed to finish their training.

After the Second World War the system came under increasing pressure from immigration. Before the war the British migration wave occurred and skilled workers were easily absorbed. After the war there were large numbers of immigrants who had different components of trade training in their range of skills. That component was more difficult to absorb and those who were in control — that is, from the government, trade unions and employers — wanted to maintain the standards they had become used to.

Because of a shortage of skills a system was introduced where wartime dilutees — namely,

semiskilled or unskilled workers — were given the opportunity to work as tradespeople and after some time they were accepted as tradespeople. In my early days I worked as an apprentice with many dilutees. Even though they were quite competent, you could always tell the difference between a dilutee and someone who had been through the old apprenticeship system. It was an amazing situation, and I believe that shows the success of the apprenticeship system in those days.

As I have said, the metal trades and manufacturing apprenticeships seem to have gone into a period of long-term decline. Figures show that since 1990 the numbers of apprentices have decreased. Although in 1994 the figures increased for one year they have now gone down again. That trend looks as though it will continue. There are probably a number of reasons for that including the challenges of all the competing training programs and the move away from the manufacturing base towards more high-tech industries and so on.

The long-term trend is showing that apprenticeships in certain industries are in a mode of decline. We must look at alternative methods of skill formation. That has been brought about by other pressures including award restructuring, enterprise bargaining, broadbanding and so on. The wages and conditions have been redesigned to provide under enterprise bargaining broader job bands to encourage multiskilling, award restructuring and new career paths. All those are putting pressure on the old apprenticeship system.

Apprenticeship training has provided a reference allowing greater multiskilling to take place. That is supplemented by traineeships and a wage relationship with the employer. Australian governments have subsidised apprenticeship systems and have not discriminated against the system — in other words, governments have historically supported the apprenticeship system. One has only to look at the Working Nation document released today, which states:

Apprenticeships are a combination of work and on and off-the-job training. Most apprenticeships are for a period of four years and, on completion, apprentices receive trade qualifications.

However, they also receive commonwealth assistance. I note that the Minister for Education is sitting opposite. I believe we must thank the federal government for this system of CRAFT rebates — that is, the Commonwealth Rebate for Apprentice

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Full-time Training — which provides payments of up to \$1500 at commencement and up to \$2500 at completion of the apprenticeship where the apprentice is employed in a CRAFT-approved establishment. A grant of \$500 is also provided to the employer who re-establishes an apprenticeship in a CRAFT-approved trade.

The federal government still provides strong support, and that is important. The Carmichael report recommended a continuing role for the apprenticeship system. It also talked about apprenticeships still being administered by tripartite bodies, which is something this government has moved away from. We still have problems concerning apprenticeship training. For example, only the other day I was called at my office by a man who gave his name as Tom. He talked about his son, who was working as a second-year apprentice. He said that the company where his son worked was only a small concern — that is, only two or three people worked there — and the person running it had decided to close shop. His son had not been paid for 13 weeks.

He went to the State Training Board and was directed to Wageline but still did not get anywhere. There are problems with people getting the run-around. What is the current role of the training and development officers in looking after apprentices, because each of the bodies moves them on? The boy is now at Job Watch. The father did not want to give his name because he was frightened of the repercussions. The apprentice, a 20-year-old carpenter, said that the boss was closing down the business and leaving him without pay for 15 weeks.

Are the changes in the bill better than the status quo because the bill opens up the potential to privatise the delivery of apprenticeship systems? Does the bill deliver protection, quality and uniformity of training?

What is the role of the training and development officers, because their area has been downsized over the years? The unions were not impressed with the consultation process in the move away from tripartite negotiations. The government has left the unions out in the cold. It is important that the unions be consulted, because they have a lot to contribute. As a former member of the Engineering Skills Training Board I know that until the current government took over the unions played an important role, especially in the metals and other industries, where the board was chaired jointly by industry and union members. I sat on that board,

initially with Bob Herbert and John Halfperny and later with Geoff Larkins and Bob Herbert. The training board was able to put aside traditional differences in the spirit of trying to get the best type of training for the industry. That is important.

The apprenticeship system is still strongly supported by industry, especially in the manufacturing and engineering areas. Can the benefits be identified, and what will those benefits be when the bill is passed? These are some of the reasons why the opposition does not support the bill. It is not a bloody-minded opposition; it is an opposition based on the fact that we are not sure what the changes will bring about.

Unions have strongly supported a database being maintained by the training board and do not believe in devolving record keeping to non-government and private organisations that may be liquidated in the future. These are questions to which the government must respond. The requirement for employees under the age of 20 years to be signatories to training contracts is opposed by the unions. Manufacturing businesses now have access to a range of entry level programs, and currently entry level skills can be assessed under the apprenticeship system for dual recognition for vocational programs, traineeships and production courses. We must be aware of what is being provided under this proposed new system. Does it protect those groups I have talked about?

The bill also raises serious questions about the supervision and support of training systems in this state. It is an example of the government's philosophy of outsourcing many of its activities. Is the government getting out of this business and saying that private enterprise can do it better, or is it moving out of the area for other reasons? We must know what the benefits are. Officers from the Office of Training and Further Education, who provided a briefing on this bill, have indicated that the government would prefer to purchase services rather than provide them. Is that the concept behind this bill — does the government believe it is easier not to be in the business of running the system and is prepared to purchase these services?

The government has an obligation to explain and justify its proposed actions and approach to training. Is this another form of privatisation? The fundamental issue is: what is the proposed benefit to young trainees undertaking apprenticeships and traineeships in this state? Why has the government chosen to run down the support for apprenticeship training and traineeships? I believe this proposal has

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been in the wind for some time because the government has been running down its support, administration and monitoring base.

Two years ago there were 47 training and development officers supporting the training system but now there are only 12. As I mentioned earlier, because of the government running down the system parents and apprentices are getting the run-around. The department certainly does not have the personnel to examine these issues and refer them elsewhere. The government is flick-passing its responsibilities. Will there be residual services left in the Office of Training and Further Education when the bill is passed, or will it be only a shell with no real teeth? If some of the questions I have asked are responded to we may be able to get together and examine the matters when the bill is between here and another place.

Another issue is how the government will deal with the outsourcing of this function, because that raises questions of privacy, confidentiality, security of information and conflict of interest. We must be assured that such issues will be examined.

Why is the government proceeding with this bill before the work on the issues being examined by consultants Coopers and Lybrand have been completed? It seems in this case that the bill has been introduced before all the work that needed to be done to explore some of the issues and consult and explain to the community has been completed. Again I ask the minister to tell us why the bill has been introduced before the consultants' work has been completed.

We need to know what the selection criteria for the approved training agents will be. Who will develop those criteria? Will it be the lowest bid? What quality assurance will be put in place to monitor the performance of the approved training agents? We want to be assured that there is some standard that is almost level across the whole system so that some agents are not performing at a lower level than others in the delivery of the training programs. We want a uniform standard to which apprentices or trainees will be retrained.

Also in this debate the opposition wants to know what arrangements are in place to support people who will lose their jobs as a result of these measures. In other words, what will happen to the training and development officers and other support staff? Are they just being put off or displaced, or are they to be retrained? What is their future?

The second-reading speech was certainly very short on detail. It was not comprehensive. From memory I think it was only a two-page document and did not give us a lot of information. For such an important bill one would have thought the government would put a lot more detail about it into the second-reading speech. Second-reading speeches are important in that they allow the community to understand the nature of the bill that is being debated and certainly are taken into account when any interpretation of provisions in the bill is required. For those reasons it is sad that more background detail was not provided in the minister's second-reading speech.

The Office of Training and Further Education is responsible for the provision of vocational education and training in Victoria, including the administration of apprenticeships and traineeships. It is the training of apprentices and trainees that is regulated by the Vocational Education and Training Act 1990. The act requires that apprentices and trainees be employed under a contract of training or training agreement for the duration of the vocational training program. All contracts and agreements are lodged with OTFE for approval and administration. The contract administration function is performed with the aid of a computerised database and management system which is managed by the training operations bureau.

The Office of Training and Further Education also employs field officers known as training development officers who are located at TAFE colleges in the metropolitan area and in some country regions. These officers facilitate vocational education and training by providing services to employers, TAFE colleges, trainees and apprentices and their parents and guardians. The training operations bureau and training development officers are managed by the regulated training branch of OTFE.

The bill is relatively straightforward. It amends the Vocational Education and Training Act to enable the State Training Board to delegate certain powers to what are termed approved training agents. We need to know more about the role and function of those agents, the training operations bureau and the training development officers. We need to know more about what the government proposes in this new role.

The objective of the Office of Training and Further Education is to establish a regionally based network of approved training agents. How big are the regions? How many training agents will there be?

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How will the agents be selected? Is there a tender process? Will they eventually be appointed by the Governor in Council? According to the project brief for the selection of the outsourcing consultant, OTFE envisages that there will be 13 approved training agents — 4 in the metropolitan area and 9 in country regions. The sorts of bodies expected to be training agents are industry training companies, group training companies and TAFE colleges. I understand unions can also be part of that process.

The functions to be outsourced — and this is our real concern — as set out in the discussion paper on the reform of regulated training administration are as follows: registration of contracts of training and training agreements; authority to issue certificates of completion for approved training programs; authority to issue certificates to persons who have gained skills in a declared vocation other than through apprenticeships — in other words, a form of skills recognition which makes them fairly prominent and powerful in that sense; ability to approve employers to employ persons under a contract of training or training agreement and approving the contracts of training entered into between employers and trainees, which again gives them a wide-ranging set of duties; and determining exemptions, within OTFE guidelines, to the prescribed ratios of apprenticeships to trainees in declared vocations — that is, the required ratio of trainees to trainer. In the old days it was three to one — I don't know what it is now — so that you could not have too many trainees and apprentices in an organisation being used as cheap labour and not allowed to develop their own skills or to learn skills from a skilled trainer. It should be made clear how that will operate.

Other functions relate to the execution of contracts of training in specific circumstances, subject to OTFE guidelines; and determining cancellation, suspension and variation of individual contracts of training within OTFE guidelines. It is important to address how those issues will be resolved.

How those issues are to be resolved must be established. If there is a dispute within the system is there a first-line resolution mechanism? What sort of advice and assistance is to be provided? Will the trainee have recourse to proper support if there is a problem, unlike the run around they currently face? The son of one person who rang me had certainly got the run around. The current administration is very run down. Will one run-down administration be replaced with another run-down administration, or will the administration be brought up to standard?

The opposition seeks confirmation on what functions are to be outsourced. Are the following the functions the government plans to hand over to private providers? Is the key function of the evaluation of an employer's capacity to employ and train an apprentice or trainee to be handed over? Is the monitoring of the performance of the employer and apprentice or trainee regarding training agreements to be handed over? Agreements must be monitored. In what way is the performance of the employer in delivering skills monitored to ensure apprentices and trainees are trained to a proper standard and not just used as cheap labour?

Many employers will take advantage of the situation. One need only look at the abuse of labour market programs by unscrupulous employers to see that. Having had two Jobskills personnel in my office, I think labour market and training programs can be tremendously successful, provided that apprentices and trainees are given the right support, the right skills development and the right environment in which to work.

The performance of the employer and apprentice in meeting training agreements must be monitored. An assessment of the training and educational standard attained by trainees should be made. There must be recording of statutory notifications to employers. In that way apprentices will know exactly where they stand. Those roles are pivotal to trainee positions.

On the subject of consultants, confidentiality and conflict of interest, the government thrives on the advice of consultants. It has not been backwards in employing a plethora of consultants and setting up taxpayer-funded consultancies to deliver advice to the government. Why does the Kennett government want to sell and outsource whatever it can? In this case why is it necessary to outsource the apprenticeship training system?

Central to outsourcing — the fatal flaw in most contracting-out proposals — is whether it is possible to specify in a contract the exact nature of the service required and whether, in the desire to get the cheapest output, the social outcome and the training scheme will be compromised. The opposition needs to be assured that that will not be the case.

It is all very well to pass legislation stating what shall be done, but people need to be assured that the issues raised by the bill are dealt with. The issues are being considered by the consultant Coopers and Lybrand. The opposition has a copy of the project

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brief. The brief states that the consultants will provide six so-called outputs.

Output 1 is a profile of the services provided by training development officers and the training operations bureau. Output 2 is a paper setting out alternative methods of service delivery and recommending a preferred option. The paper will identify mechanisms for ensuring privacy, confidentiality and security of information; identify areas of possible conflict of interest that may be experienced by approved training agents and mechanisms for the resolution of a dispute; and identify mechanisms whereby the quality assurance function of the Office of Training and Further Education may be performed.

Output 3 is a paper comparing the current model with the proposed model and establishing the case for the proposed model. I asked before: what are we buying; are we buying a pig in a poke; do we know exactly what the outcomes will be; has the government done its homework on the outputs?

The opposition needs to understand the contract selection criteria. How will a decision be arrived at and how are the assessments to be made? What advice and guidance will the project manager receive? What sort of backup will there be? Will the private providers be subsidised from the government purse or will they stand on their own? Do they have to perform according to the proper criteria?

The brief makes it clear that outputs will proceed when the case for outsourcing is established to the satisfaction of the steering committee. The opposition understands that the work by the consultant is continuing and the focus group's discussions are still being organised. It would have been more prudent to introduce the legislation after the consultants had finished their work, after their recommendations had been distributed and after there had been full consultation on their recommendations and the input of the consultancy.

Why is the bill being introduced when those issues have not been resolved? What is the hurry? Why do we not wait for the consultants to finish their work? Then we would all be wiser and decisions could be appropriately based on the recommendations of the consultant. If the government is to spend big bucks on consultancies, why does it not effectively use the information it is collating?

That is one of the key reasons why we are opposing the bill at this stage. We will continue to oppose the bill until these arrangements have been resolved. The advice from the consultants should be made available during the debate. We need that information before us so that we can debate the bill effectively. The opposition and the Parliament would welcome copies of that advice. We hope it will be given to us. It would have helped us to assess whether the proposed changes are good or not so good.

I refer to the database, which raises the issue of privacy. Again, the unions are very concerned about this. The database for apprentices, trainees and employees is the authoritative record of the completion of training. Is it to be used by the Department of Education to monitor traineeships? Does it contain personal information? If it does, what personal information does it contain? Is it a catalogue of employers engaged in training? We need to have information about the proposed contents of the database. This Parliament needs to be absolutely clear about the rules governing access to the database and of the rules that will apply in the future. Can changes be made without recourse to Parliament or without recourse to the minister? We need to know exactly what is going on.

Outsourcing of functions means that approved training agents will require access to the database. We understand that large enterprises that undertake contract management for their own apprentices will also have access to it. What rights will private companies have to access the database? The opposition is looking for details on how the database will be used and what data such companies will be able to access.

Who can access the database? Will the database be used to generate lists of apprentices, trainees and employees for market purposes? Will apprentices be subjected to unwanted salespeople trying to sell them all sorts of goods and services, tools, trips overseas or whatever? Will they be annoyed by or subjected to that sort of intervention?

Will approved training agents be able to charge employees, apprentices or their parents for access to the database? Will there be a cost associated with it? In what sense will there continue to be a central database, and how will that central database be managed? What happens to the current database, and what is its role?

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I refer to the training and development officers. Their numbers have been whittled down over time. In the past when they numbered around 47, their key role was important to the success of the training system. Now that the number is down to 12, they cannot function effectively because of a sheer lack of resources and a sheer lack of numbers. This government has reduced support for the training system.

What is the government's thinking on the role of these people? Although trying hard to increase the number of young people in quality training this government has reduced staff. It seems to be a contradiction. The government is trying to increase the number of young people in training programs but is cutting the number of training and development officers from 47 to 12. That seems to be in conflict with the government's objective. We need to get an answer to that question.

There seems to be a major advantage in keeping training and development officers within the public sector. Their impartiality, their accumulated expertise, their security of employment and their stability of advice are important issues. They help to deliver quality training. They are the people on the ground who have contact with the problems. Over the years they develop rapport with employers, industry and trainees.

Are we introducing a new set of training and development officers who may not be fully equipped to carry out those roles? The current training and development officers have experience in and have had contact with the problems. They can disseminate information on trainees and resolve disputes. On the basis of their experience they have done so very efficiently and properly on many occasions. They do so in some cases without being patronising. They may need to have discussions with employers who are not doing the right thing in delivering quality apprenticeship training and in relation to other issues such as awards and conditions.

Will the approved training agents be encouraged to take on the officers displaced by this move? Will displaced officers be encouraged to gain employment with the outsourced agents who will take over? Will they be eligible to take redundancy packages? Will packages be made available? We need to look at those issues.

In conclusion I return to my first comments. Victoria's training system has developed over a long

period; it has a lot of experience associated with it. In the past it has developed a high standard of training. We understand that in a modern world everything has to change; everything has to evolve. We ask that when looking at the evolution of the apprenticeship system the government examines whether the system it delivers will be relevant. Will it deliver a system of training that suits the skills base that is necessary for Australia to compete effectively in the year 2000 and beyond? One has only to travel overseas to countries like Malaysia, Korea and Taiwan to see that the pressure is on. There is competition to develop high-grade technology and we need the people to service that technology. We live in a very competitive world. Tariff reductions are increasing the pressure on us to compete on an international level playing field. We need to look very closely at all these issues to see whether the changes proposed deliver a better system.

If the government can look us in the eye and supply answers and criteria on how this system will deliver better levels of training than currently exist to take us into the next century, we will have another look at it. Currently we are not satisfied that that is so. We need answers to the questions I asked.

The speakers from our side who follow will support me. If the government responds to those queries positively and supplies the appropriate information, we may change our mind while the bill is between here and the other place. At this stage, we are not prepared to support the bill on the basis that we do not fully understand its implications. We do not have absolute guarantees that it will deliver a higher standard of training for those who take on apprenticeships and traineeships in the future.

Mr KILGOUR (Shepparton) — I support the bill because it is high time we reformed the process for training apprentices. The apprenticeship scheme has served the state well since the 1920s, but the workplace environment has changed, just as every other facet of life has changed.

We have seen a trend away from the tightly regulated and centralised environment where every action and application was examined by inspectors. A more deregulated system has been introduced involving local delivery, with clients taking responsibility for the self-assessment programs that have been introduced.

We have also seen a change in the types of people entering apprenticeship schemes. We now find

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older, more mature people applying, some of whom have completed years 11 and 12. Back in the 1950s and 1960s, once students gained the ripe old age of 14, which was when they were legally able to leave school, it was common for them to opt for apprenticeships as opposed to staying on at school. The 18 and 19-year-olds entering apprenticeship schemes now have a different outlook on life and therefore need to be treated in a different way from those younger people of the past. We need a greater understanding of their work requirements. The old centralised public sector service delivery does not necessarily provide the flexibility and responsiveness required in today's workplace.

It does not surprise me that the opposition does not agree with the bill, because it does not agree with any change in the workplace and moving away from a centralised system is against the philosophy the opposition supports. We need a system that allows for greater participation by industry in the training process, and many of our industries are already working in that area. The bill removes the excessive regulation of the apprenticeship scheme and removes impediments to employment. When you talk to people employing apprentices — and we know our system should have provided for the employment of a lot more apprentices, particularly in recent years and through the recession — the first thing they say is, 'Can we afford to put more on?' There should be no impediments to, say, an electrician wanting to employ a couple of apprentices. The bill decentralises the administration of training and provides the delivery of services right through the region, particularly in country Victoria where we need to employ more people.

These reforms have been brought forward after extensive consultation, and have wide support. The honourable member for Springvale suggested that the unions had been left out in the cold, but this is how left out in the cold they were: in the initial stages they were provided with the discussion paper on the issue, but it got lost on somebody's desk in trades hall! That is how interested the people at trades hall were in working with government to provide something for the future employment of apprentices. When someone from trades hall rang up the department, the departmental officer said, 'We are happy to come down and have a meeting', and that is what happened. So much for the misinformation that comes from the honourable member for Springvale! The union movement was consulted on the issue and meetings were held to ensure that the union understood what was intended by the bill.

If we are to remain competitive in these industries and on the global market we must have a skilled work force, and to have that we must ensure that we have a training system that encourages industry to become involved.

The government's regional development committee has had many visits to regional Victoria, and on those visits I have been extremely impressed with the training programs and apprenticeship schemes I have seen. Nowhere was I more impressed than at the Ford plant in Geelong. For a whole afternoon we had the opportunity of examining its range of training programs and apprenticeship schemes in which school leavers, many of them having been recommended by educational institutions, are brought in and put through a pre-apprenticeship program. If they prove their worth in the industry and show that they have the ability to knuckle down and become important workers in that industry and be part of the training program, they become apprentices or take on traineeships, and I believe the Ford Motor Company is leading the way in that area. Other companies would do well to look at that program.

The committee also looked at the aluminium plant operating just out of Geelong which had taken notice of what Ford was doing. It is good to see industries working with the unions and that the union people within the company have a vital role to play in the traineeship and apprenticeship programs. The committee visited the Uncle Toby's factory near Rutherglen and saw the wonderful training program undertaken there.

Now is the right time to introduce the type of program covered in the bill, because the apprenticeship system that has been in existence since the 1920s needed to be reformed. Traineeships have been an extension of the apprenticeship program; new industries that formerly were not involved in traineeships and apprenticeships are now becoming involved, and these programs are catering not just for the traditional trades but for some of the new industries coming into vogue.

The group apprenticeship schemes have been excellent and have provided some portability in the scheme. The problems mentioned by the honourable member for Springvale — such as the case where somebody could no longer continue in business and the apprentices were laid off — can be alleviated by that person going into a group apprenticeship scheme and continuing the apprenticeship with a number of different employers. It is most important

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for the apprentice and for the industry that we retain those people, who can then go on and become business people in their own right or continue working in the industry in which they want to work.

The bill provides for the State Training Board to approve training agents and, after a rigorous selection program, those agents will be involved in working with apprentices throughout country Victoria and the metropolitan area. They will be responsible for the quality control of the apprenticeship program and for the training system at the local level. I see tremendous support for country people with this system because organisations will become agents in their areas rather than being in Melbourne or on the other side of the state. They will be able to deal with people on a local basis and this will be a great advantage.

Agents will have expertise to train. They will be appointed by the Governor in Council after a tender process has sifted through program applicants. They will be appointed on a regional basis under the control of the State Training Board, which will continue to monitor the whole program to ensure that standards are maintained. Although I know the honourable member for Springvale was concerned about the program, I believe the State Training Board will provide the necessary monitoring to ensure that the apprenticeship programs are of a high quality.

Who will become a training agent? It could be a TAFE college, such as the TAFE college in my electorate of Shepparton. It has tremendous expertise and I am sure it will be interested in becoming a training agent. It is now working with local industry. Shepparton is leading the way in Victoria. We have introduced the Northern Industry Education Board, which provides not only for the TAFE college but also for the secondary college to work with industry to ensure that apprentices and trainees receive relevant education so that they know what is required of them.

TAFE colleges in the Shepparton area are likely to apply to become training agents. They will sign performance agreements to ensure that they understand what is required and they will provide a local industry link. People on the ground will be able to deal with industry. They will know what the requirements are, and this will be a great advantage to apprentices coming through the scheme. We will have on-the-ground participation with industry and we will have industry involvement. This will

provide what is necessary for apprentices in the future.

If apprentices or other people are unhappy with decisions made by training agents they may apply to the State Training Board for decision reviews. This process will be publicised and the board will make this clear to the apprentices. I am sure apprentices will understand that they have the opportunity to appeal to the board if necessary.

The core regulatory function will be retained by the State Training Board. It will include such things as quality control over apprenticeships and trainee systems, the approval of trainee schemes and so forth. If agents or industry come up with something new in which they believe apprentices can be involved, cases can be put to the State Training Board for changes to be made. This will provide the required flexibility rather than having the rigid programs of the past.

The State Training Board must approve all contracts entered into with apprentices and, importantly, provision is made for dispute resolution. The board also maintains a register of apprentices and a register of qualifications as apprentices come through the system. There will always be an opportunity to check with the State Training Board on the qualifications that a certain person has after he or she has gone through the system.

The system will be improved by greater participation by industry, decentralisation and, most importantly, a multi-point service delivery system. It will enhance the quality of the system and apprentices. It will remove the excessive regulations that have previously inhibited employment, particularly by small business.

I look forward to the passage of the bill through both houses and to seeing the advertisements for training agents. I also look forward to people and organisations coming forward to apply to become agents. I am sure we will see the appointment of some excellent agents throughout Victoria who will ensure that future apprentices achieve high levels of training and maintain the success of the industry. I support the bill and I wish it a speedy passage through the house.

Sitting suspended 6.26 p.m. until 8.03 p.m.

Mr SANDON (Carrum) — The bill amends the Vocational Education and Training Act 1990 to enable most of the functions relating to the

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management of apprenticeships and traineeships to be carried out by approved training agents. Therefore, the bill is relatively simple and straightforward.

The bill will not have an impact on the ability of young people to gain apprenticeships, nor will it have an impact on the training of young people in apprenticeships and traineeships. Those functions will still be carried out by TAFE colleges. Through this legislation the management of apprenticeships will be undertaken by approved agents. Instead of public servants being responsible for the monitoring and resolving of disputes that will be done by the agents. The training agents are to be selected through a tender process and will be appointed on a regional basis. I expect that we will see employer organisations such as VECCI and other organisations such as TAFE colleges and perhaps even municipalities undertaking the role of approved training agents.

The bill raises serious questions about the supervision and support for training in this state. It is an example of the government's philosophy of outsourcing as much government activity as possible. That has been seen in the areas of education, human services, industrial relations, legal studies, postal studies and postal communications. Those areas have all been outsourced as a result of the government's ideology.

One of the functions I certainly will be carrying out when I am Minister for Education will be the reviewing of those areas to see if there are effective and efficient ways of moving away from the narrow, ideological perspective this government has now become infamous for. This legislation is about outsourcing and privatising an essential role that hitherto has been conducted by public servants. If you wanted to see an example of the government's ideology, this is it. Rather than waiting for an objective review by Coopers and Lybrand — a review that is currently in train — before considering the whole subject matter the government has simply introduced its legislation.

This government sees education as a cost rather than an investment, which is essentially what education should be seen as. If we want to be the lucky state and the lucky country, if we want to enhance our business community and increase the productivity of both the private and public sectors, it is absolutely essential that we see education as an investment and not a cost. That is what the bill reflects: a view that training agents — that is, public servants — are a

cost and therefore should be removed from the system. There has been no objective review of the role and function they are performing.

Rather than asking up front about the function of the training agent and how that enhances the management and supervision of apprentices, the government takes the view that because it is the public sector it must be disposed of. The government's view is, 'We'll outsource it; we'll privatise it and therefore save more dollars and cents'. I do not believe that is a logical process. It may be, but let us see the objective review before adopting that approach. Let us have the Coopers and Lybrand material available to us. Let us see what its report says so that we are then able to debate the legislation with the full knowledge of the contents of the review.

As I have outlined, the opposition has serious concerns about the management of apprentices. A number of issues raise concerns and the fundamental question that must be asked is whether the bill will enhance our ability to ensure that young apprentices and trainees get the best training available and whether it will enhance their position within the system. That must be the *raison d'être* of the legislation. Nothing else — not ideology and not cost cutting.

How will the legislation improve the support for apprentices in this state? The government takes the view that apprentices are older now, they have done their VCEs and they are more sophisticated than they used to be. I happen to have a young man in my household — my son — who will be undertaking an apprenticeship next year. I shall use him as a yardstick in terms of his completing his VCE and doing his pre-apprenticeship training. How would he go in the event of dealing with an unscrupulous employer? How would he be able to handle some of the complexities concerning his relationship with his employer? I suggest he would not be in a circumstance where he could stand up to his employer.

I know the minister has talked about safeguards in the legislation that provide for a review and an appeal process to the State Training Board, but it is the opposition's view that in the absence of a proper apparatus on the ground — that was formerly provided by field officers — the legislation is sadly lacking.

The second concern we have relates to the run-down in support for apprenticeships and training. In 1989

there were some 48 field officers and now that number has been reduced to 21 — 12 in the metropolitan area and 9 in rural Victoria. What residual services, if any, will be left in the Office of Training and Further Education?

There are three components in the existing public service structure: firstly, we see the reduction in the number of field officers as another example of the lack of government commitment to support for apprenticeships; secondly, we ask what role and function the office will have; and, thirdly, there are issues that relate to privacy, confidentiality and security of information. We need to know what the selection criteria will be for the approved training agents: will the lowest bid be accepted? What sort of quality assurance will be put in place to monitor the performance of the approved training agents? They are realistic questions that must be answered before anyone can support the legislation.

What sort of quality assurance will be made available and what guarantees are there to this most vulnerable group — the young men and women of this state — who undertake apprenticeships? The government is silent on the assurances that will be given to those important questions. Finally, what arrangements are in place to support people who will lose their jobs as a result of this measure? They are serious questions that need to be answered before we support this legislation.

This is putting the cart before the horse. As we speak the government has undertaken a major review that includes field officers and looks at alternative methods of service delivery. It is a review that is looking at the important and vexed question of privacy and the potential conflict of interest of the said agents. It is also looking at quality assurance and the residual functions of the Office of Training and Further Education.

Any person charged with ministerial responsibility who undertakes a major review should wait for the outcome of that review before introducing legislation. It is commonsense, but the legislation is being introduced while the issues to which we want answers are not being addressed. We should await the outcome of the review and then these issues can be examined in an objective way. Why else would one spend enormous amounts on consultancy fees for a review if no notice is taken of it? It does not make sense; it is not good ministerial authority and it is not good management to do so.

I expressed concern about the criteria for approved agents because we do not know what they are. The Parliament and the people of this state do not know how the agents will be selected. The government has not thought it through. Changing from choosing agents from the public service to choosing them from the private sector without having developed the criteria is inappropriate. What sort of responsible minister do we have who does not determine the appropriate criteria? We do not know. Therefore the legislation is unsound. We do not even know, once the material has been established at some stage in the future, whether it will be published. Will it be an open process? Will it be a separate process, like so much of this government's activity, or will we all know what the rules are? Clearly at this stage we do not.

The legislation suggests that this measure is not about cost savings. I suspect that is because when we look at what is going on we see that dreadful term 'downsizing', which means getting rid of people. The number of field agents has been reduced from 48 to 21: these people are under review and have the axe over their heads. They do not know whether they have a future because their positions are under review.

There are also the administrative functions, which are under review at both central and non-central levels. The government is looking at streamlining administration which, if I could look into a crystal ball, I would predict will lead to further downsizing if this government's record is any indication. It is a further example of the lack of support it provides for apprentices and trainees in this state. This is a government that does not see education as an investment but as a cost. It is our view that part of the agenda of the legislation being introduced before the major review is undertaken is to reduce costs to government.

I expressed concern about conflict of interest. As a member of Parliament — and many honourable members have experienced the same circumstances — over the years one has had contact with apprentices in cases when employers for one reason or another have gone out of business and there is the question of what happens to those young persons. Imagine the situation that one of the agents happens to be in an employer organisation that has affiliated to it a business that is in trouble. When the apprentices get to their third and fourth years and start to earn more money the employer decides to get rid of them by some device, legal or otherwise. I have known of such examples, especially in the

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building industry. We all know of cases where unscrupulous employers can and do behave in that fashion. There is a direct conflict of interest when an agent is supposedly acting on behalf of an apprentice yet is also receiving remuneration from the apprentice's employer. This legislation does not allow us to ascertain what will happen with issues such as that. That is another reason why the opposition has difficulty in supporting the bill.

I now turn to the privacy issue. As we now know, there is a current database within the Office of Training and Further Education that lists apprentices, trainees and employers. It is an authoritative record of the completion of their training and is used by the department to monitor their development. It contains much personal information and is a catalogue of employers engaged in training. Parliament must be given the information about what rules will govern access to that data now and what rules will apply and access be given to the privileged information in the future. At this stage we do not know what the rules governing access to the database will be. How can any fair-minded person support the legislation when we do not know who will have access to the database?

It would be foolish to support this legislation when we don't know the rules governing the privacy issues, yet that is what we are asked to do.

The functions to be outsourced require the approved training agents to access the database. We understand that large enterprises which undertake contract management for their own apprentices will also get access to it. The opposition requires details on how the database will be used. What data will the agents be able to access? Will they be able to use the database to generate lists of apprentices, trainees and employers for marketing purposes? Will approved training agents be able to charge employers or apprentices or their parents for access to it? Will we be charged yet again by this infamous user-pays government? Is this another example of people having to put their hands in their pockets and be charged for information to which they are entitled to have access? We don't know. It is yet another reason why no fair-minded person could support a piece of legislation such as this.

The opposition wants answers to those questions, and that is why the opposition cannot support the proposed legislation.

Mr JENKINS (Ballarat West) — I support the Vocational Education and Training (Amendment) Bill, and in doing so I am proud to say I was an apprentice in my earlier days.

Mr Perrin — And a good apprentice, too!

Mr JENKINS — Yes, I was. In 1952 after four years of high school I was lucky enough to get a job and become an apprentice electrician. I was very proud of that. It was interesting to hear the honourable member for Springvale refer to the conditions for apprentices in those days. I must say they were good days for training apprentices because the employer took the time during his 40-hour week to train the apprentice. It was something the employers took pride in doing, and I believe they still do. At that time we attended night school instead of day school, and I can tell you that pushing the bike to the then Ballarat School of Mines at night in the winter was incentive enough to pass your exams because you didn't want to do it again the next year! There was a very high pass rate for apprentices during those years.

During most of my more than 30 years as an electrical contractor I had the privilege of training apprentices, and I must say I have observed closely the apprenticeship structure. I have experienced it and know the pitfalls and the benefits of apprenticeship. The benefits are that you create tradesmen, or tradespersons as they are known these days. An apprenticeship system gives young people the opportunity of learning many skills that might not otherwise be available to them. However, we must not be complacent about the way we look at the system.

During the 1950s and early 1960s the day release system for apprentices was introduced. It included a full day of school each week, much to the chagrin of the employer because it was always an inconvenience to lose an apprentice from the work force for a full day. An interesting pattern developed with that style of training. I believe apprentices became lazy in studying the theory of their trades because they had no challenge to go to school after hours and they were being paid. There was a dramatic drop in the pass rate at that time.

Another change came with the block release program for specialised trades where the local trade centre was not available. Printing industry apprentices from Ballarat had to travel to Melbourne to attend school for several weeks under the block release program. The apprentices in bakeries did

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that too. The problem was that employers had no apprentices on the job, which meant they either had to put somebody on temporarily or work twice as hard themselves to keep up production levels.

Times are changing. We are into the 1990s and moving to the year 2000. The pattern of today brings forth the fact that small businesses cannot afford to, or does not want to, train apprentices for a trade. It is an interesting pattern of change in the building industry, especially where employers and contractors don't have time to train apprentices or show them the details of what is required. I know I was lucky that the boss took the time to show me some skill or explain something to me. These days with the high wages available to young people that can't happen.

In the building trade the subbies, as tradesmen are now known, might be just a couple of guys who have a panel van, a trailer and a kit of tools and equipment. The subcontract work that takes place on building sites involves subbies moving in with compressors and pneumatic tools and they don't have many apprentices around the sites. That is a sad thing which has happened in the 1980s and 1990s because it has caused a shortage of good-quality tradesmen.

Of course skills change. If you challenge a young apprentice these days to hit a nail with a hammer he will find it rather difficult. They do it with automatic air-hammers, and a brace and bit and handsaw are things of the past. You have to work hard to find one. That is rather sad because there is nothing like banging a nail in straight!

In the plumbing industry you rarely see a plumber threading a pipe. In the past it was the apprentice's job to run the threads on the pipe, but those skills have changed because now a plumber uses a plastic pipe with a bit of glue and away he goes. The skills and demands have changed.

Employment conditions have also changed. We are now into the era of high-speed efficiency on the job: get onto the job, get it done and get out to the next one. Tradesmen cannot afford to stand around and explain everything to an apprentice because it costs \$20 or \$30 an hour to have that apprentice on site. It is hard to say to a client, 'I'm sorry the bill is so high but I had to explain to the apprentice what he needed to do next'. The client is not happy with that explanation, so the contractor must wear it. More expenses, more time, less work! Instead the contractor says, 'Hang apprentices'.

We have to be modern in our thinking about the way apprenticeship training is going, and this bill certainly encourages that. I turn to the skills apprentices require these days and the training that will be covered by the programs brought in by this bill. In the electrical trade the skills of an apprentice these days are almost equal to those of a computer operator because there is equipment such as program logic controllers, commonly known as PLCs, calculators and other highly technical equipment. Apprentices can learn to do the everyday wiring through practical work, but the learning of the other skills requires specialised training.

Nowadays in the plumbing industry laser levels and so forth are used. Apprentice plumbers would not know what a dumpy level is! Certain skills are required to use expensive and modern equipment. Apprentices require training prior to being taken on in the work force.

An opposition member said earlier that the government is bailing out of training; the situation is quite the opposite. The bill is a progressive move. It helps make available to apprentices modern training equipment, enabling them to learn the necessary skills. Group apprenticeship schemes are the in thing.

Mr Bracks interjected.

Mr JENKINS — The honourable member can have his say later. I will tell him about the good things going on in the world, not the bad things. The modern way of training is through group training programs and industry training centres.

I must compliment one operation in particular. It staggered me to learn that the National Electrical Contractors Association and the Electrical Trades Union have a combined education centre at Carlton — and a good, modern centre it is. It is an excellent training venue for young apprentices learning the skills of the modern day tradesman. I was very impressed with the manner in which that venue conducts its education programs.

I had the privilege of visiting a similar training centre in Los Angeles some time back. It was a private operation available to apprentices who wanted to train in a trade and to tradesmen who wanted to improve their skills. Although it was a private training operation, it was endorsed by the United States government. The skills required in

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dealing with fibre optics and modern computer cabling are taught in courses at that centre.

I am pleased to see that Victoria is following the approach being taken in that case. Apprentices these days require better training facilities. Employees have better opportunities, giving a better result and greater customer satisfaction all round.

I must compliment a local apprentice training college, the School of Mines and Industries Ballarat. Last week it celebrated 125 years of training in the Ballarat area. Thousands of apprentices have been through that great college, myself included. I was proud to be a student at the SMB. It has set a great example and is planning excellent programs for the future. No doubt it will be a training agent under the bill. I have spoken to its director and he is looking forward to the opportunity to continue to train apprentices into the future.

The honourable member for Carrum mentioned unscrupulous employers taking advantage of apprentices. There have been some such types around, but there have also been a number of unscrupulous apprentices; it is a two-way street. Such behaviour is of concern to everybody. The apprenticeship system has protections in place for the benefit of those apprentices who are not being treated well by their employers, and it is right that such protections exist. There are similar controls over apprentices who have done the wrong thing. I could talk for hours on the wrong things some apprentices have done. Unscrupulous behaviour is in the minority in both cases.

I am pleased to be confident in saying that the future of the apprenticeship system looks good so long as we move with the times and train those mostly young people in the skills required to ensure we have good tradespersons up to and beyond the year 2000. I support the bill and wish it a speedy passage.

Mr BRACKS (Williamstown) — I join the honourable members for Springvale and Carrum in opposing the bill. Before I discuss specific aspects of it I point out that the bill is inappropriate, badly timed and will not achieve what the government hopes — that is, better supervision of the apprenticeship and training system.

I think the honourable member for Ballarat West supported the opposition's position. He spoke of his experience as an apprentice and employer and said that it was a great system, providing the support of apprenticeship supervisors both on the job and off

the job through training. Other than in his conclusion, he said his experience as an apprentice and an employer was rewarding.

One of the rewards of the apprenticeship system is proper supervision, scrutiny and protection, not just for the apprentice but also for the employer. The independent training development officer, or apprenticeship supervisor, acts as a broker between — —

Mr Jenkins — I saw two in 30 years. That is how much those blokes did.

Mr BRACKS — The honourable member for Ballarat West complains about the level of supervision. Under the bill — a bill he purports to support although his arguments do not — at best the current shoddy level of supervision will be maintained. There have been 20-odd training development officers in the state for approximately 31 477 apprentices — the number of apprentices for the years 1993-95.

The honourable member for Ballarat West complains of a lack of supervision when he was in the apprenticeship scheme, with only two officers visiting. Under this bill there will be a ratio of approximately one apprenticeship supervisor to 1500-odd apprentices under the run-down administration of the government. Surely that is an indictment of the system the honourable member supports and would like to see come into place. It is an indictment of the government that it has let the apprenticeship supervision system reduce to such an extent that for the 31 477 apprentices currently in the system there are about 20 training development officers. The functions of those officers has broadened to include not just the supervision of apprentices but also the performance of a range of other tasks within the Office of Training and Further Education, preventing them from fulfilling the role of scrutinising arrangements and protecting apprentices as has previously been the case.

The honourable member for Ballarat West should look carefully at the bill and reflect on his own experience. If he does that, he will come up with the same conclusion as the opposition — that is, the best way to protect employers, apprentices and trainees is to have a government sponsored, owned and controlled supervision system that is brokered independently and that does not entail an inherent potential for conflict of interest. That is what the opposition is seeking in opposing this unnecessary bill which, as the honourable member for Carrum

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rightly said, will be in place before the government receives in November a review of the current system.

In opposing the bill we need to reflect on the current functions of training and development officers. They have a statutory supervisory role in respect of employers, apprentices and trainees as well as a promotional and encouragement role. They should encourage new apprenticeships and new traineeships. They should promote them to other employers and to employers of apprentices and trainees. They should say, 'When that apprentice or trainee finishes, you should think about taking on another one. Your experience, I hope, has been good'. They should be encouraged to take on more apprentices and trainees. That is part of their role. It should not be just a static supervisory role; they should also support the system and encourage further intakes.

It is disturbing to see the rundown of the system under this government. It has been allowed to run down to a minimum system of supervision. It is not possible for the 31 000-odd apprentices and the couple of thousand trainees to be supervised by only 20 people. Let us look at the figures for first-year intakes. In 1995-96 there was a 26 per cent drop in first-year female apprentices and a more than 16 per cent drop in first-year male apprentices. That is a disturbing figure.

Part of the reason is the lack of advocates selling the training system. It is not good enough for the state government to say, 'That is a federal responsibility'. Apprenticeships have traditionally been the responsibility of states individually and the commonwealth. Look how the Queensland government has encouraged new apprenticeships and traineeships by offering subsidies that can be added to commonwealth subsidies.

Mr Jenkins — How many have you trained?

Mr BRACKS — It may be useful for the honourable member for Ballarat West to know that Victoria is unique: it is the only state that does not have traineeships or apprenticeships in the public sector. Although the commonwealth is offering generous subsidies for trainees, this government does not have a youth recruitment policy. It is not seeking to have new people come in. That is the system the honourable member for Ballarat West supports. If he bothered to investigate the matter rather than to reflect anecdotally on his experience as an apprentice and as an employer and if he looked at what is happening out there with the

reduced intakes and the fact that the public service has not appointed any trainees, he would realise there is something wrong with the system. As the member for Ballarat West, which has extraordinarily high unemployment, he is obligated to take on the responsibility of pressuring the government to turn around its policies. He should encourage the government to appoint trainees and take up the subsidies on offer from the federal government.

Mr Jenkins — You are on the wrong tram.

Mr BRACKS — You are not on any tram. That is your problem.

Mr Jenkins — I did more than you.

Mr BRACKS — Judging from your contribution to the debate, I doubt that very much. The fundamental issue in the bill is the outsourcing of the residual 20-odd training and development officers to the new brokers or new organisations that will tender for the functions of the training and development officers — the functions of supervision.

The potential in that system for both conflict of interest and contravention of privacy and confidentiality arrangements is significant. Let us reflect on the organisations that can sponsor the new training supervision arrangements. There are not that many. They include employer groups, and the honourable member for Ballarat West mentioned some of them. They may include the National Electrical Contractors Association, the MTIA, VECCEI and a range of employer groups.

An employer group might seek to be independent in any arrangement which involves one of its constituent members in conflict with an apprentice. Even though it might not wish to favour the employer over the apprentice, by definition, there is a potential conflict of interest when an employer association, which might be the recipient of funds under this arrangement, has to scrutinise a complaint by an apprentice against an employer.

Another area is group training companies, and I support their development across the country. What are group training companies? Their function is to employ apprentices and trainees. They employ the spare capacity that employers cannot pick up, or they employ full apprentices or full trainees if employers cannot do so. They take on the bits. The group training company has an aggregate function; it seeks out three or four employers and acts as an employer on their behalf.

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If the government gives the training supervision role to group training companies, conflicts of interest could arise. The arrangement builds in the potential for conflict of interest because the group training companies may be scrutinising and supervising their own employees — people employed by the group training companies.

Let us look at the government's other options. TAFE colleges have been mentioned. TAFE may be one of the better choices in the available menu. TAFE colleges are part of the training system and undertake the off-the-job training component. They are not an innocent party or an impartial party in this process; they have a vested interest. The other option is trade unions.

Mr Jenkins — What a disaster!

Mr BRACKS — If you listen you will find out that what I have said about employer groups will hold true for trade unions as well. If the government chose to farm this out to employer or trade union groups there would be an in-built bias. There is really only one way of having proper and independent scrutiny of disputes, ensuring that the on-the-job component is working well and that apprentices are achieving the work output they should be and ensuring that employers are good employers — and that is by way of the independent scrutiny that exists at the moment.

To appreciate the difficulties that might arise, one has only to look at some of the problems that can occur. One happened in my electorate. The mother of an apprentice to a Williamstown cabinet-maker wrote to me because of bullying and pressure by supervisors at the apprentice's workplace. The apprentice was victimised in the cabinet-maker's shop by having paint thinners and paint thrown on him to such an extent that he was set alight. He was taken to hospital and criminal actions ensued.

I wrote to the Minister for Tertiary Education and Training seeking that the apprenticeship supervisor investigate. If those sorts of situations are occurring, the government has an obligation to investigate. In that case it should find out what went wrong with the supervision arrangements between the employer, the supervisor and the apprentice to cause such bullying tactics. What they thought was a prank ended up becoming a serious incident. That was not an isolated case; these things happen.

Nothing in the bill gives me or any other member of the opposition any security or assurance that the

scrutiny arrangements will be enhanced by, the farming out of a resource that, over time, has been reduced to about 20 apprenticeship supervisors and 20 training and development officers. Any scrutiny or supervision arrangement that has a ratio of 1 training and development officer or 1 apprenticeship supervisor to about 1500 people in their charge is a system that is not working.

There is a notional rule for employment programs that one can take on a case load of about 60 people. One can work with 60 people in one's charge. One can look at their destinations and supervise how they are working. One can deal with both the employer and the employee. When the ratio is 1 to 1500, as with this government — only 20 apprenticeship supervisors for the whole of the state to administer 31 500 apprentices — we are setting up a system that is designed to fail. Such a system, which is not scrutinised properly, causes the type of incident to which I referred previously.

It is worth noting that the minister's support for the apprenticeship and traineeship system is not obvious because, as the minister knows, no apprentices or trainees are currently being recruited into the state public sector, which is one of the biggest employers in the state.

The real issue in the bill is not the outsourcing — which the opposition opposes because it does not achieve any improvement in conditions or employment options for young people — but rather the lack of scrutiny and support given by the government to apprentices and trainees. The bill has merely highlighted what is being mismanaged in the state. It has been brought in too early because, as the honourable member for Carrum asked, how can such a measure be introduced when a review is still being undertaken by Coopers and Lybrand under the direction of the government to examine the system and how it is working now?

When the review committee reports in November it may suggest that the current system is all right and merely needs an injection of new people or better resources. What will the government do then? It has already committed itself to a course of outsourcing, whether or not the report says it is appropriate.

The bill is not required. What is required is support and resources to expand the apprenticeship and trainee system already in existence and, clearly, by its actions, the government is not committing itself to that end. It is simply fiddling around with what is currently an inappropriate arrangement.

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Mr HAYWARD (Minister for Education) — I am most grateful for the interest shown in this bill by members on both sides of the house. The bill reforms the nature of apprenticeship and traineeship administration in this state: it does not alter the essential nature of apprenticeships; these remain the same.

An important point that nobody seems to have mentioned, especially not opposition members, is that these changes flow from reforms agreed to by the commonwealth and state governments as part of the national training reform agenda, and that agenda and these reforms have been very much driven by the discussions in the Ministerial Council on Employment, Education, Training and Youth Affairs and by the commonwealth department and ministers. These reforms include the introduction of the Australian vocational training system and the new framework for administering training agreements for apprentices and trainees.

The other important point not made by anyone in the debate so far is that these reforms have the support of employer bodies and the ACTU. The bill will improve the administration of training because the agents will have local knowledge and expertise, and a closer appreciation of industry apprenticeship needs.

On the question of consultation, as I said previously, these reforms essentially came out of the ministerial council of federal and state ministers and the framework was settled at the meeting in May this year. In July a discussion paper was prepared, published and circulated to 300 groups and individuals. Three discussion forums were held and responses were invited. All groups, including the unions, had the opportunity of responding. Forty-eight written responses were received, and those responses were generally supportive. I was fascinated by the issue of the reduction in the number of training development officers. It is quite clear that those who raised it unfortunately did not take the trouble to check the history. There was a reduction in the number of training officers from 60 to 29, as has been mentioned. When did that occur? It was between 1986 and October 1992. Of course, the government of the day was a Labor Party government. During its time in office the Labor Party reduced the number of training officers from 60 to 29, which is very interesting.

As far as the existing support services in this area are concerned the consultation showed that there was general satisfaction with the level of support

services. In fact, in recent years there has been a streamlining of procedures which people recognised in their responses as generally improving, facilitating and simplifying a whole series of matters.

For example, the processing times have been reduced and the number of complaints about the service has also been reduced significantly. Performance agreements will be drawn up with the approved training agents and will hold them responsible for the monitoring of apprentices.

The question of the rights of apprentices is, of course, a fundamental and important one. Again, this has been set out in the national framework, and these provisions will be incorporated in the contracts of training used in Victoria.

So far as resolving disputes between any of the parties, including the apprentices, is concerned, they will have recourse to the State Training Board if they are unhappy with a decision of an approved training agent. In such a case they can ask the board to conduct an inquiry and review the decision.

The issue of current staff was raised, and again I agree that this is important. Extensive discussions have occurred with current staff, and the approved training agents will be encouraged to engage the existing staff to make use of their expertise. There is an indication that those staff members will be in demand, and if they are not taken up, of course procedures are in place under the redeployment and work force management processes to cater for them.

The issue of ratio was raised. Ratios are and will continue to be determined by the industry training boards. Agents will deal only with applications by individual employers to vary the ratios in specific circumstances, so this will be very well defined, with a high degree of protection.

The integrity of the database was raised. It contains details of apprentice and employer contracts, and a range of other matters which will be assured through maintaining it centrally and redeveloping it. In fact, there are plans for enhanced security provisions.

The question of the Coopers and Lybrand consultancy has been raised by a number of speakers. The bill has already been subject to extensive consultation with all the key stakeholders including the Trades Hall Council. Many of the issues raised tonight have already been raised by the Trades Hall Council, with responses already given.

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However, additional responses will be given where necessary.

The rationale behind the engagement of Coopers and Lybrand consultancy was not to develop a new system because the new system essentially flows from the national framework set up by the ministerial council but to finetune the issues relating to the implementation, particularly the procedures on the selection of agents. It does not pertain to the essential issues in the bill that flow from the national frameworks or from consultation. That was not its purpose.

This is enabling legislation to allow the process to go ahead at the earliest possible date because of the government's commitment to the national council and to matters developed and set out by the federal government agencies and ministers.

An important issue was raised about the appointment of approved training agents. Essentially, they will be persons or bodies with an interest or expertise in training. They will be selected through a tender process that deals not only with the question of price but also with their expertise and what they can add to the process. They will be appointed by the Governor in Council and the instrument of the appointment will be published in the *Government Gazette*. It is a proper process.

The names of the approved training agents will also be published in the *Government Gazette*. Approved training agents will be required to operate under the guidelines set out by the State Training Board, which will continue to have a strong supervisory role. Agents will be required to meet set performance standards and they will be required to provide periodic reports to the board.

At the heart of all the matters is the ability of the State Training Board to monitor the performance of approved training agents and to hold them accountable for their performance. As honourable members have indicated, a range of organisations will be interested in applying to be approved training agents, including TAFE colleges, councils, key employer associations, industry training boards, group training companies, a range of other groups and, as was mentioned earlier, trade unions. That is a proper and appropriate approach.

A question was raised about the functions to be delegated to approved training agents. They are set out in sections 52 to 63 of the act and are referred to in proposed section 20B. It will not serve any

purpose to go over them because they were explained clearly in the briefings given to the Trades Hall Council and were referred to in the additional briefing material.

Fundamental core functions to be retained by the minister, the State Training Board and the department include the setting of policy, standards and directions and quality control over of the apprenticeship system — that responsibility continues to remain with the State Training Board. In my earlier comments I outlined the various mechanisms for quality control and the fact that performance standards will be part of the agreements or contracts with approved training agents. The ability of the State Training Board to monitor the performance of the approved training agents in terms of their achievements in meeting those standards — the quality control element — is an important function that will be retained by the board. Other core functions to be retained are: the declaration of the apprenticeship trades, the forms of contracts of training and the determination of approved training schemes for apprenticeships; the setting of conditions and guidelines under which approved training agents may exercise discretion; dispute resolution, inquiries and the hearing of appeals; maintenance of central apprentice records and register of qualifications; and prosecutions for breaches of the act.

Good safeguards are in place with regard to the important issue of conflict of interest. Approved training agents will be required to keep confidential information provided by employers and apprentices. The computerised data base will be used by approved training agents to record information and it will also restrict access to such information. Confidentiality will also be observed in the tender process in the appointment of approved training agents.

In conclusion, this is something that flows from and is part of the reform process of vocational education and training. It was initiated at ministerial meetings and by working parties after that. It was driven by the federal government, ministers, agencies and departments. It has come out of their work and it is something in which they have a strong interest. Our government is moving ahead with this, and it is for that reason that this enabling legislation has been introduced. It will streamline and improve the administration of apprenticeships, but it does not have anything to do with the fundamental nature of apprenticeships system.

FISHERIES BILL (No. 2)

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The approved training agents will bring the administration closer to industry, local areas and the needs of apprentices. The interests of apprentices in all of this seem to have been forgotten by the opposition.

House divided on motion:

Ayes, 53

Ashley, Mr
Bildstien, Mr
Brown, Mr
Coleman, Mr
Cooper, Mr
Davis, Mr
Dean, Dr
Doyle, Mr
Elder, Mr
Elliott, Mrs
Finn, Mr
Gude, Mr
Hayward, Mr
Honeywood, Mr
Hyams, Mr
Jasper, Mr
Jenkins, Mr
John, Mr
Kilgour, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McGill, Mrs
McGrath, Mr J.F.
McGrath, Mr W.D.
McLellan, Mr
Maciellan, Mr

Noes, 21

Andrianopoulos, Mr
Baker, Mr
Batchelor, Mr
Bracks, Mr
Brumby, Mr
Carli, Mr (*Teller*)
Cole, Mr
Cunningham, Mr (*Teller*)
Garbutt, Ms
Hamilton, Mr
Leighton, Mr

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

FISHERIES BILL (No. 2)

Second reading

Debate resumed from 12 October; motion of Mr COLEMAN (Minister for Natural Resources).

The SPEAKER — Order! Because a statement has been made under section 85(5)(c) of the Constitution Act, I am of the opinion that the second reading of this bill requires to be passed by an absolute majority.

Ms MARPLE (Altona) — It is important that I mention that the bill has been a long time in coming. The opposition moved an amendment to the original Fisheries Bill which unfortunately was not taken up by the government. When the opposition was considering the original bill earlier this year — in fact, in April — it moved a reasoned amendment that the bill should be put aside. The opposition moved:

That all the words after 'that' be omitted with the view of inserting in place thereof the words 'this house refuses to read this bill a second time until there has been adequate consultation with the various interest groups involved with the fishing industry.'

The house did not agree, but at that time it would have been a great coup on my part if it had. It should be noted that I am congratulating the government. Members on the opposition side of the house are often told that we do nothing but criticise, but although the government did not have the courage to vote in favour of the reasoned amendment to the original bill, it did do what the opposition suggested — that is, put the bill aside, consult with the various bodies involved and then rectify the problems. It was only after long consultation with the relevant bodies that we now have the Fisheries Bill (No. 2). I congratulate the minister on setting aside the first bill and introducing a clean bill on this occasion. The opposition does not oppose the bill but has a number of concerns about it.

I thank all those who took the opportunity given to them by the minister to consult with the relevant people. Many submissions were received from various industry groups including the wholesalers and others involved with the industry, as was the

Australian Taxation Office. There were six workshops with peak groups, and many smaller meetings were held with individual groups. I believe there were four meetings with Aboriginal communities. During debate on the first bill I read a letter about the bill addressed to the federal Minister for Aboriginal and Torres Strait Islander Affairs from the Aboriginal community. I asked the Minister for Natural Resources to consult widely with the various Aboriginal groups because of that letter sent to the federal minister. Concern was expressed that the Aboriginal groups were being ignored in regard to their relationship to fisheries and their interest in coastal zone management because of their long attachment to the area. I am pleased that the matter was taken up by the minister and his department, which put many hours into ensuring that consultations were satisfactory to all involved.

Ten public meetings were held throughout Victoria at Portland, Warrnambool, Geelong, Mornington, Lakes Entrance, Yarram, Horsham, Wodonga, Bendigo and Mildura. Anybody who has been involved in arranging that type of open public meeting knows how much work is involved, let alone working out the changes that are required in the bill. The people involved should be congratulated. I also thank the public servants who worked so hard, particularly on the first bill, for briefing the opposition, especially the shadow minister in another place. They gave a clear outline of the bill and were willing to answer questions.

There is no doubt that fishing is an important industry. The former government did a lot of work in this area, and this government has also found the need to do so because of the diversity of the industry. As the minister mentioned in his second-reading speech, it has been agreed by everybody that there is a need for the sustainable management of our fisheries. There must be rules and regulations for the future viability of the industry.

There is no reason to query the time it took in consultation and the work that had to be done in producing the bill. The fishing industry is important not only in providing fish for markets but as an enormous recreational industry. When I contributed to the debate on the first bill I spoke of the fishing rods in the backs of garages that some people take out daily, others weekly and some once a year if they are lucky, but there would hardly be a family in Victoria without at least someone who has attempted recreational fishing at some time.

Recreational fishing can take place from either a boat, from one of Victoria's many piers or simply from the banks of rivers and waterways.

Various people have tried to put a dollar estimate on the value of the recreational fishing industry. It would include not only the money spent on the goods but also quality time, the need for relaxation in our modern life and so on. The importance of fish in our diet has been realised in recent times, and perhaps was known by other groups thousands of years ago. While there are various religious connotations about the eating of fish on certain days, often those special religious rules and regulations are based on good dietary measures. It has been shown that including a certain amount of fish in the diet is conducive to a healthy life. Fishing is important to society, and we must ensure that the use of that asset is sustainable for future generations.

I turn to some of the changes that have been made in this bill as opposed to the first bill. Various groups said that they should have been consulted, particularly the conservation groups, which were strongly led by the Victorian National Parks Association. The association worked with the minister and other people in bringing the bill together to ensure that the peak bodies and conservation groups were to be consulted in relation to management.

In addition to the peak bodies that deal with fisheries directly the conservation groups are also keen to ensure that we look after our great fishery assets. The new changes cover the fishery committees, the Fisheries Co-management Council and the ministerial guidelines, so there will be a significant degree of involvement by members of the community. Of course, as the minister said, that is very much dependent on interest, skills and knowledge. Although some may argue about that and say it depends on getting the right information, I suppose it is about making decisions on the information you have before you at the time. I believe the bill attempts to make sure that the minister will be getting the very best of information and guidance from the groups that have been put together. The opposition certainly hopes that is of assistance.

The various Victorian recreational fishing groups have supported the bill, especially now that it includes a process to extend fishing licences into marine waters, which they believe will generate financial support for their organisations and provide additional funds for recreational management. One

outstanding concern they have is that they believe recreational fishers are underrepresented on the Fisheries Co-management Council and fishery committees. I flag at this time the point that when the bill is in the other place the opposition will most likely move an amendment to increase their representation. I hope the government will take that matter on board rather than rejecting it; but I will not hold my breath waiting for that to happen.

Although opposition members believe the bill is a step in the right direction, it is of great concern to us and to others we have spoken to that there is no commitment of resources to research, monitoring and policing; in fact the reverse is happening. The figures I have clearly show that to be so. Millions of dollars have been spent on downgrading the department. What it really means is sacking people or encouraging them to take packages. That has meant a loss of 162 people working in the flora and fauna and fisheries areas — the three Fs. This loss of skills is a matter of concern when the government is introducing a new bill which it is hoped will provide guidance on the way we look after the fisheries and provide sustainable management of that asset. I call on the government to reverse that trend and ensure that the resources needed to put this bill into practice are available.

Another criticism of interested parties concerns the introduction of access licences. Although some people are very happy about that and have nothing against the licences, the opposition suggests there is a possibility the licences might attract an increase in the number of financial players who invest and speculate in various fishing industries and that perhaps they would be people without the necessary background and commitment to the industry.

In response the minister might say we have in place on the various committees people with the skills and knowledge who would not allow that to happen, but it is important that this issue be kept in mind. The opposition would like to see something in writing to ensure there is no excessive trading and that inflationary values are not placed on those licences. We do not want to encourage futures gambling in the area of access licences, especially when there is pressure to have people involved who do not necessarily have the best interests of the industry at heart.

The bill sets out safeguards to protect and encourage the fisheries industry, but those are the sorts of things that may occur. The opposition would like to be sure that would not be the case.

We are also concerned that there are no third-party appeal rights if the codes of practice that will be developed are not enforced. There is every indication that unless the resources are increased that could happen. They are just some of the concerns that have been put to the opposition. As I said, in the other house, the opposition, led by the shadow minister, may put forward some amendments along those lines. One amendment would certainly apply to an increase in the representation on various committees in the conservation and recreational areas.

Another area of concern raised by some people who indulge in recreational fishing is that although there has been consultation with recreational groups and clubs it should be remembered that they represent only 5 per cent of those who indulge in recreational fishing. Although I do not expect the government to talk to every person who goes fishing, that fact should be kept in mind. One problem is that there is no indication in the bill about whether people who go fishing occasionally will always have to ensure they have licences.

In what way will the fisheries be managed? Will the elderly and members of other generations who fish off the pier — many do in my electorate — also have to have licences? That would put much strain on the department.

I have mentioned some of the opposition's concerns and the amendments it will move when the bill is considered in committee. I reinforce the importance of the industry to people's lifestyles. I have previously mentioned when debating other fisheries legislation the health and safety record of those in the industry. It is not necessarily a good record, and that should be taken into account. Too often we hear of loss of life, although we do not hear so often about the injuries sustained on fishing vessels in the processing of fish and even at the marketplace.

Mr Steggall interjected.

Ms MARPLE — I am sorry this important bill is being debated at this hour. My colleague has obviously been under much stress. I know he is extremely interested and committed to ensuring we have in place an act that will protect our assets and ensure sustainable management.

Representatives of recreational and conservation groups should be included on committees. Opposition members do not oppose the bill but a few points need to be considered before it is put in

place. We will ask that the government take our concerns into account. Members of the opposition wish the bill well despite our reservations. We will keep an eye on it, and we ask that everybody else does, too.

People who fish are well informed; and fishing is a part of their lifestyle they wish to retain. They realise legislation is needed to ensure there are fish to be fished, and that is why the opposition is not opposing the bill. Like those who fish, the opposition will be watching carefully the actions arising out of this bill.

Mr THOMPSON (Sandringham) — The fundamental objective of the bill is to develop a fisheries stock in Victoria and maintain it on a sustainable basis. I join with the honourable member for Altona in congratulating the government and the minister on the ongoing dialogue with a range of commercial and recreational angling interests to ensure a bill is developed that has a prospect of achieving the principal objective — that is, the maintenance of fisheries in this state on an ongoing basis.

Within the past month on Victorian television there was a documentary on the fishing industry in Newfoundland. Once there was a thriving cod industry that employed many hundreds of people and maintained a fleet of at least 16 vessels full time and there was a thriving fish population. Regrettably, as a consequence of the 365-day-a-year fishing practice, of there being no strategic management plan in place and of the fishing and the depletion of the spawning grounds, there is no longer a fishing industry in Newfoundland. That is a tragedy for the local community and of major concern with regard to the long-term supply of an important food resource.

The honourable member for Altona alluded to the expertise within the recreational and angling group of enthusiasts. Within my electorate of Sandringham, which has a coastline of some 12 kilometres, many people residing in the area launch their vessels locally as they move on to Port Phillip Bay to pursue their recreational pursuit and hobby of fishing. A number of those keen fishermen have written to me expressing their concerns about angling in Victoria.

Mr David Milne of Tennyson Street, Sandringham, has alluded to his concerns about netting and dredging practices over a number of years before their restriction. He has a background as an amateur

diver and has seen first hand the despoliation of the bay floor. He has compared it to bulldozers operating in alpine parks. In addition he has noted that netting has less environmental impact than dredging, however, it has the long-term effect of wiping out areas of fish habitat and catching undersized fish, which die and are dumped. He has referred, in support of his beliefs, to the empirical evidence of members of the Beaumaris Motor Yacht Squadron.

A local fishing shop is managed and owned by John Wright and his son Wayne, keen fishermen and purveyors of fishing lines, weights and paraphernalia over many years. They have the day-to-day experience of speaking to fishermen and recreational anglers as they return from a day out on the bay, reporting on how their fishing has gone. Over the past three years as issues relating to Port Phillip Bay water quality and fish stocks have been raised they have been able to discuss and analyse with a fair degree of objectivity and a high level of acumen their concerns regarding the depletion of a limited resource within the bay.

One gentleman, an architect, a man of great precision, has been fishing in Gippsland over the past 12 to 15 years. He has maintained a detailed log with tracing paper, charting variations in his catch from one year to the next. He has formed a view on what measures can be developed to assist in the maintenance of fish stock in the state in the longer term.

Max Trist is another local fisherman who has taken an active interest in the promotion of the development and implementation of policies that will assist the sustainable development of fish resources. He noted in a recent letter to me that it will take years, perhaps generations, to allow Victoria's bays to recover from the devastation scallop dredging and netting have caused over hundreds of square kilometres. He writes:

We, like many thousands of Victorians, love these bays and participate in all types of recreational activities on them every year. It is tragic to see the natural life forms of all types being killed off.

Earlier today I dropped by the local angling shop of John Wright and had a discussion with Barney Friend and John's son, Wayne. I came across a gentleman who described the breeding pattern of the southern bluefin tuna that breeds off the north-west of Australia, south of Indonesia. The bluefin tuna travels around the coast of Australia

following the pilchard stock. If the pilchard stock is interfered with, the food chain is disrupted and the southern bluefin tuna has nothing to feed on. This species travels at speeds of up to 30 miles an hour in ocean currents, and fish tagged off Portland have been found off the east coast of South Africa. Amateur anglers have detailed knowledge about the breeding cycles of fish in Victorian coastal waters.

I have delineated a number of problems perceived by recreational anglers. What are the objectives of the Fisheries Bill? The principal objectives are to develop a sustainable aquatic biological resource; to develop an efficient and practical co-management plan; and to develop an efficient fishing industry in this state.

The minister is to be congratulated on the ongoing dialogue that has taken place between a number of representative bodies such as the Victorian Fishing Industry Federation, the Victorian recreational fishing peak body; the Australian Finance Conference, which had a number of issues that dealt with the financing of commercial fishermen in this state; the aquaculture industry conservation organisations; and recreational anglers. The original bill introduced last session and this bill are products of that extensive dialogue.

The bill holds out some hope to the recreational angling industry, and I refer to a couple of specific provisions which amplify the policy intent. One of the great achievements of this legislation is the establishment of the Fisheries Co-Management Council. When making appointments the minister has the responsibility to appoint people with experience in and knowledge of commercial fishing, fish processing, fish marketing, recreational fishing, traditional fishing uses, aquaculture conservation and fisheries science. Together with the honourable member for Bellarine I had the opportunity of inspecting some fish aquaculture operations on Port Phillip Bay and other areas.

A gentleman by the name of Fred Glassbrenner has a keen interest in the development of abalone farming in Victorian waters. Having seen at first hand the experiments he has conducted and knowing his belief in the possibility of developing sustainable abalone aquaculture indicates that these are important issues to be considered in the longer term. I anticipate that the new management council will have responsibility for evaluating, considering and reporting to the minister, so there may be constructive longer term policies implemented for the benefit of Victorian fisheries.

The functions of the Fisheries Co-Management Council outlined in clause 28 include promoting the co-management of fisheries, overseeing the preparation of management plans and advising the minister on proposed management plans. I refer to clause 29, which details the contents of a fishery management plan. Subclause (1) states that the plan is to apply on an:

ecologically sustainable basis having regard to relevant commercial, recreational, traditional and non-consumptive uses.

The key words relate to fishery management plans being developed on an ecologically sustainable basis. To achieve those objectives, according to clause 28(6) management plans must:

- (d) include guidelines for the criteria to be used in respect of the issue of licences and permits and in respect of the renewal, variation or transfer of licences;
- (e) as far as is known, identify critical components of the ecosystem relevant to the plan and current or potential threats to those components and existing or proposed preventative measures;
- (f) specify performance indicators, targets and monitoring methods;
- (g) as far as relevant and practicable, identify in respect of the fishery, declared noxious aquatic species or fisheries reserve, the biological, ecological, social and economic factors relevant to its management ...

They are very important objectives. By implementing that policy on a consultative basis the council will have the opportunity of giving the best possible advice to the minister so that he can set appropriate parameters and appropriate guidelines for Victorian fisheries.

Historically, under the 1968 legislation, the regulation of fishing and fishing quotas was principally on a proscriptive basis. According to modern fisheries management and practice, and in the light of scientific knowledge and changes to fishing methods and equipment, in future enabling legislative principles will facilitate the development and adoption of policy to meet the specific needs of the moment.

In terms of the economic resource and contribution to economic development in Victoria, according to a survey undertaken a number of years ago, the annual fish catch landed commercially in Victoria had an estimated value of some \$107 million. It

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included scale fish, abalone, scallop, other shellfish, rock lobster, other crustaceans and sharks.

In addition, according to the Land Conservation Council, adjustment to the State Boating Council figures involved estimates that up to \$655 million was spent in relation to the use and ownership of recreational boats. I wish to convey to the house the extensive investment in fishing in Victoria, in tourism and in boating products and fishing equipment. It is a significant industry. I also emphasise the importance of the commercial fishing industry to Victoria. There are more than 1000 registered fishing boats, and some 1890 people are directly employed in the industry.

Problems in the past in relation to fishing have related to the effective enforcement of existing laws. I am aware that the inter-tidal zone at Ricketts Point has some unique features. In recent times depletion of and diminution in the shellfish stock and in the food chain within the inter-tidal zone has occurred as a result of people not observing specific prohibitions and specific shellfish limits. The problems that relate to enforcement include the lack of effective measures for detection, deterrence and prosecution. I hasten to add that the local police in Sandringham have been most diligent in issuing penalty infringement notices to people who have been breaching the legal obligations along the foreshore.

I finish where I commenced: the most important issue in the Fisheries Bill is the maintenance and development of a fish stock that will serve the interests of Victorians on a sustainable basis. The electorate of Sandringham has a number of recreational fishing clubs that support the recreational interests of many people. The Beaumaris Motor Yacht Squadron would be one of the best angling clubs in Victoria. It is based on the foreshore of Port Phillip Bay. The Sandringham Angling Club has been established for many years and has offered a marvellous opportunity to people with interests in recreational fishing to pursue their hobby. The Hampton RSL has an angling club and, in addition, there are three launching ramps within the 12-kilometre coastline of the electorate.

Debate interrupted pursuant to sessional orders.

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The SPEAKER — Order! Under sessional orders the time for the adjournment of the house has arrived.

Port Phillip: South Melbourne roads

Mr THWAITES (Albert Park) — I raise a matter for the attention of the Minister for Roads and Ports in another place, but perhaps it could be dealt with by the Minister for Tourism in this place. It is a matter on which I agree with my parliamentary colleague, one of the honourable members representing Monash Province, Ms Asher, and it concerns the declaration of certain roads in the municipality of Port Phillip as main roads.

These roads are Montague Street, City Road, Clarendon Street, Ferrars Street, Albert Road, Canterbury Road, Grey Street and St Kilda Road. They were declared as main roads on 17 August this year, and I seek from the minister a rescission of that declaration.

Ms Asher's and my concern is that the declaration will in the long term lead to a lowering of council involvement in those roads and an increase in traffic. Ms Asher has indicated that the implication of the designation of these roads will be severe traffic congestion in the area. She has a great deal of sympathy, as do I, for people using the roads as they are already carrying heavy traffic loads.

Unfortunately it seems that the minister has been badly advised as to the circumstances of this declaration because he indicated that the council in question, the City of Port Phillip, had been asked for its views on the declaration but had not bothered to respond. As a result Vicroads assumed that the council did not object and went ahead and declared the roads. That is in fact wrong, and the council had objected and was involved in negotiations at the time. The council officers had advised Vicroads that the council was opposed to the declaration of the roads as main roads. As the council has indicated, it was extremely disappointed that the minister and Vicroads chose to declare the roads during the negotiation process. As I understand it, there is to be a deputation to the minister this Thursday so it is a matter of some urgency, and I ask that the minister not come to the meeting with a closed mind, as I fear he may well have.

This is a matter of the utmost importance to the residents of South Melbourne and St Kilda. The minister has been misadvised, and the matter can be fixed simply by a rescission.

ALP: gaming machine policy

Mr LEIGH (Mordialloc) — The matter I raise for the attention of the Minister for Gaming in the other place concerns what has happened to the gaming industry since this government has been in office. In the *Oakleigh-Springvale Times* last week the honourable member for Springvale is reported as having said that:

the former Labor government planned the casino, but it was never intended to be attractive to the ordinary person in the community. It was also meant to be a tourist attraction to siphon off some of the international tourist trade dollars that come to this country.

My understanding of the situation is that only 10 per cent of the casino revenue was ever supposedly coming from tourism. Indeed, the then minister responsible for gaming, Mr Kennan, said that he expected 40 000 people to turn up at the casino on a Saturday. I didn't realise there were 40 000 tourists in Melbourne on that particular Saturday! Former Premier Mrs Kirner said at the time:

It must be emphasised that the economic benefits to flow from this exciting new industry are not confined to the manufacture of gaming machines.

She went on to say:

The workers of Victoria and particularly the workers at Kambrook (gaming machine factory) are delighted to know that not only are their jobs safe but their jobs will be increasing.

So quite clearly the honourable member for Springvale, who is a senior factional colleague of the former honourable member for Williamstown, Mrs Kirner, rang her up and said boo to her, and she did what he wanted! The fact is that they put the casino into Melbourne in the way that it is — —

The SPEAKER — Order! The honourable member will come to the point of his question to the minister.

Mr LEIGH — I want an investigation from the minister into the difference between what is going on now and what the honourable member for Springvale suggested.

What was so different that Mrs Kirner was involved in a \$700 000 advertising campaign at the beginning of this process in which the *Herald Sun* reported the following:

Speaking on 3AW, Mrs Kirner admitted she felt uncomfortable doing the ad.

That was because she realised that this was going to ensure that many workers would be disadvantaged by the way the Labor government set up the pokies in Victoria. People who were powerful figures behind the scenes such as the honourable member for Thomastown, along with the honourable member for Springvale, put the system in place and now they have a guilt complex about what is happening, because where are the machines? They put them in Springvale; they put them in Dandenong; they put them around — —

The SPEAKER — Order! The honourable member should be careful about reflections on other members of the house.

Mr LEIGH — Absolutely, Sir. They put in place this system which has left the state in a mess once again, and I ask the minister to investigate the ridiculous comments of the honourable member for Springvale.

Martin Dawes project

Mr BRACKS (Williamstown) — I raise a matter for the attention of the Minister for Industry and Employment concerning his significant announcement in February this year, in Footscray, of the establishment of the Martin Dawes project at the Quay West site. The minister announced the establishment of the Martin Dawes Telecommunications Company as part of what he saw as the answer to the chronic unemployment situation in the west and north west of Melbourne.

At that time there was enormous discussion about how high unemployment was in the western suburbs, which had the highest unemployment rate in Australia at 14 per cent, while Footscray itself had an unemployment rate of 24 per cent. The minister said the project would mean about 600 new jobs for Footscray and that he would have an incentive package for the Martin Dawes project to come to Footscray which included forgone payroll tax; free land on the Quay West site; a rate holiday; and other unspecified benefits.

My question to the minister concerns the future of the Martin Dawes project, which he trumpeted in his February announcement as one of the key examples of how this government was producing jobs for the west. I refer particularly to reports about the project not going ahead in Melbourne's west and being

relocated to the other side of the city in St Kilda. I seek from the minister an assurance that, following his announcement, the Martin Dawes project and 600 jobs going to Footscray will occur. I also seek an assurance that the majority of those 600 jobs will be for local people from Melbourne's west, as that was the assurance the minister gave when he announced the project this year.

Clearly there is doubt about the project. In October this year an article in the *Western Times* under the headline 'Martin Dawes project doubt' states:

Footscray's multimillion dollar Martin Dawes telecommunications building project is in jeopardy.

The minister needs to clear this up. This was to be one of the most significant developments in the area, and it was also to mean a regeneration of the Quay West site, a good site in Footscray and appropriate for this venture.

What we need from the minister is an assurance that if the project is not to go ahead in Footscray but goes ahead elsewhere in Melbourne, the people from Melbourne's west will get the majority of jobs in this new 600-job development.

That is what he said his department would deliver through the employment division to ensure that a matching process would be in place.

Calicivirus: release program

Dr NAPHTHINE (Portland) — I direct to the attention of the Minister for Natural Resources the rabbit calicivirus disease. I seek the minister's action, in conjunction with that of his good friend and colleague the Minister for Agriculture, to ensure that, if the federal authorities are proposing to release the virus on the Australian mainland following its escape from the Wardang Island test area, Victoria be included in the program.

Rabbits are a major pest in this state and this country. They have caused major environmental damage. They have been a major contributor to erosion and the destruction of native vegetation and the habitat of native fauna. They are the major cause of loss of young trees planted under Landcare programs around the state and are a significant cause of the loss of pasture and lost productivity of the farming community. Action is clearly needed to control the rabbit pest, which was introduced to this country over a century ago.

The emergence of the rabbit calicivirus disease overseas seemed to offer a good biological control mechanism for our rabbit population. Evidence from overseas and local research shows that the virus affects only rabbits. Indeed, the CSIRO's own work states:

The safety testing has already been completed. It involves tests to confirm that RCD would only infect rabbits. Animals and birds including farmed livestock, companion and feral animals and native fauna were inoculated with the virus and were intensely monitored for signs of any illness. They were then tested by specific and sensitive tests to ensure they were not infected with the virus in any way.

Clearly, this disease affects only rabbits. The CSIRO was in the process of testing when the disease escaped from Wardang Island off South Australia. It has now escaped from that area and has become widespread in South Australia. The federal authorities are considering releasing the virus across Australia, and it is important that Victoria be represented in that release program.

As I have said, rabbits are a major pest in this state, and if RCD is to be released I ask the Minister for Natural Resources and his colleague the Minister for Agriculture to work with their federal counterparts to ensure that the virus is released in Victoria so that farmers and the environment benefit from the control of the rabbit population that can be effected with this rabbit-specific virus. At the same time it should ensure protection for pet rabbits.

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

Dandenong Hospital

Mr PANDAZOPOULOS (Dandenong) — I direct to the attention of the Minister for Health the depressing situation that is affecting Dandenong Hospital, which is suffering a financial crisis because of the government's lack of care for the Dandenong region and the south-east growth corridor and the cutbacks it has imposed on the hospital.

On Thursday, 26 October, I had the honour of attending the last annual general meeting of this once-proud hospital. I noticed that no government members were present at the meeting but after I heard the reports given on that day and read the annual report I understood why they did not dare turn up to hear about the crisis the hospital is facing because of the government.

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Honourable members interjecting.

The SPEAKER — Order! The adjournment debate cannot continue with the present level of conversation and interjection. I ask the house to come to order.

Mr PANDAZOPOULOS — In 1993-94 the hospital, through good management, had a budget surplus of \$1.2 million but the 1994-95 annual report showed that the hospital faced a deficit of \$3.7 million. In other words, in one financial year there was a \$4.9 million decline in its financial position. The hospital has now been told by the board of the Southern Health Care Network that it must balance its books.

It has a crisis because the government refuses to fund the hospital properly. It has already closed 22 beds with a resultant 55 per cent increase in the waiting list. The population of the south-east growth area is increasing at the rate of 7 per cent per annum — that is about 15 000 people a year — but at the same time the government is reducing funding to the hospital. The hospital has acted responsibly and has tried to ensure that it continues to provide the same level of service to the region. That is why it has a deficit.

If the hospital does not receive appropriate funding from the government — in effect a \$3.7 million saving is being asked of them — 1000 fewer in-patients will be treated in the next financial year when the population in the region is growing by 15 per cent per annum.

I ask the minister to give serious consideration to the lack of funding being provided to the Dandenong Hospital. The government's failure to provide funding is doing a lot of damage in the south-east growth corridor and the community is most concerned about what the government is doing. Dandenong Hospital has provided excellent services and has been well managed over the years.

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

Dam construction

Mr A. F. PLOWMAN (Benambra) — I direct to the attention of the Minister for Natural Resources the building of dams in country areas. Currently dams over a certain size have to be designed and monitored and the construction has to be overseen by an engineer. It strikes me that on many occasions

the people who are experienced in dam building know a damn sight more about it — excuse the pun — than engineers who are asked to oversee the construction! I suggest that that is the case with Mr Alan Lehman from north-eastern Victoria, who has been building dams most of his life. He has built dams with approximately 50 foot banks, and to ask him to employ an engineer to determine how he should build a dam is not proper or sensible.

I ask the minister to examine the current legislative requirement for an engineer to determine the way a dam is to be designed and built and to oversee its construction. When a person has had a great deal of experience in building dams the number of dams he has built and their success rate should be acknowledged. Mr Lehman has been building dams for probably 40 to 50 years, and to my knowledge only one has failed.

Despite the frivolity of the members around me, this is a serious issue. There has been a failure to recognise that local knowledge has greater importance in the construction of dams than any other single factor, and you cannot get local knowledge without experience. Experience should be recognised. We should not rely on those who might have a few letters after their names and who have received an education that suggests they know a lot about these things — in these circumstances local knowledge should prevail.

Hospitals: beds

Mr MILDENHALL (Footscray) — I raise for the attention of the Minister for Health another sad and disgraceful indictment of the vicious cost cutting in the ambulance and hospital systems. Some three weeks ago Mrs McLean of Wilson Street, Moonee Ponds, was taken to hospital in an ambulance for the third time in three weeks due to acute heart problems. The medical staff at St Vincent's Hospital sought to discharge her for the third time without treatment. Luckily her family were there and remonstrated with the staff. It was only after a verbal altercation that the decision was reviewed, but a bed could not be found. Finally, a bed was located at St George's Hospital in Kew. Mrs McLean was taken there but upon arriving was informed that St George's did not perform pacemaker operations. On Monday, 16 October she was conveyed back to St Vincent's Hospital not in an ambulance but in a taxi.

In a nightgown and without her glasses she was put out in the street. She was told that taxis were not

allowed in the ambulance section so she had to make her way from the street into the reception area and find her way around. At 79 years of age this woman, who was in need of a pacemaker and who had been conveyed to hospital in an ambulance three times as a cardiac emergency, was left to make her way along the street to the hospital reception, stand in the queue and wait to explain her case to the staff when her turn came up.

She was given directions to find her way up a few floors, around a few corners and then told to follow the signs. Mrs McLean did not find the right place because she had not brought her glasses and it took her quite a long time to navigate her way around the hospital. She finally found her way to the right place but by that stage it was 5.30 p.m. and she had not eaten since 8.00 p.m. the night before.

Mrs McLean described the internal features of the hospital as being very plush but she could not find staff who were able to direct her or provide her with any assistance at all. It is another case of the impact of staff cuts. The ambulance service was not able to help in any satisfactory way at all. The staffing at the hospital was obviously deficient and service for the frail aged —

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

Fitzsimons Lane and Porter Street, Templestowe

Mr PERRIN (Bulleen) — I ask the Minister for Natural Resources to direct a matter to the attention of the Minister for Roads and Ports in another place. I have been fortunate in my electorate to have the Minister for Roads and Ports allocate some \$530 000 to upgrade a clogged intersection at the corner of Fitzsimons Lane and Porter Street in Templestowe. It is proposed that the \$530 000 will upgrade the present intersection from a two-lane roundabout to a three-lane roundabout. One would think a 50 per cent increase in the capacity of the roundabout would overcome the peak-hour congestion that occurs both in the morning and the evening, however, the upgrade having recently been announced, a number of my constituents have approached me to ask whether it would be better to have traffic lights at that intersection rather than an expanded roundabout.

According to information I have the placing of traffic lights at that intersection would cost some \$750 000 compared to the \$530 000 the minister has allocated

to upgrade the intersection. I am not a traffic engineer so I am not in a position to advise my constituents whether a set of traffic lights would be more effective than increasing the number of lanes of the roundabout from two to three. I understand that the increased capacity will relieve the congestion at that intersection but I am not able to work out whether it is more cost effective to have a set of traffic lights.

There are many disadvantages in having traffic lights, particularly given that they stop traffic when there is no need to do so. The problems of the intersection are mainly during morning and evening peak periods. I ask the minister to ask his people at Vicroads to provide me with a detailed analysis of whether the increase in the number of lanes at the roundabout will be more cost effective than traffic lights.

Public transport: standards

Mr BATCHELOR (Thomastown) — I ask the Minister for Public Transport to promptly respond to a letter dated 2 October sent by a Heathmont resident Mr Ern Darbyshire to the Premier who subsequently forwarded the correspondence to the Minister for Public Transport for a detailed response. It is obvious that the transport issues raised by Mr Darbyshire were too hot for the Premier to handle and the Premier wanted nothing to do with them. He dropped this dead cat right in the lap of the embattled transport minister!

In his letter Mr Darbyshire details a series of experiences on public transport that show from the point of view of a regular commuter that public transport in Victoria is in a state of disarray. It is a shambles and it is a disgrace. The Premier knows all that, so he has left it to his minister to respond to Mr Darbyshire and the thousands of other commuters who want some action and not platitudes. Mr Darbyshire would like a detailed response.

In some senses Mr Darbyshire's letter is a report card on public transport in Melbourne, and he gives the public system a capital F for monumental failure, because that is the record of the Minister for Public Transport. It is a great tragedy because this city once had a great public transport system. Some of the issues Mr Darbyshire raised included doors not closing on trains, an issue the minister promised to resolve long ago.

Honourable members interjecting.

The SPEAKER — Order! Some honourable members on the government benches are incessantly interjecting. The honourable member for Mordialloc and the honourable member Mornington, who is interjecting out of his place, should cease interjecting.

Mr BATCHELOR — I can understand the anxiety and agitation of members of the government at this disgraceful performance in public transport. As I said, Mr Darbyshire referred to doors on trains not closing, an issue the minister promised to fix some months ago. He referred to the danger of the banking up of trams in the shunting position near Melbourne University where cars leaving the university travel up the wrong side of Swanston Street into Faraday Street. I wondered how long it will be before someone is hurt or killed in that location.

We have seen in that location trams to Moreland and East Coburg being delayed by up to 10 minutes. The letter reports unruly and antisocial behaviour of people at the destaffed Heathmont station where Mr Darbyshire saw people urinating in the waiting room —

The SPEAKER — Order! The Chair has some trouble with what the honourable member is saying. Standing orders require that the honourable member raise only one issue at a time.

Mr BATCHELOR — I am doing that; I am asking for a detailed response from the Minister for Public Transport covering all the issues raised in the letter from Mr Darbyshire.

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

Paterson's curse

Mr KILGOUR (Shepparton) — I raise for the attention of the Minister for Natural Resources the Paterson's curse weed, which is growing prolifically in my area. In the past Paterson's curse has been sprayed, particularly on roadsides, to stop it reaching farming areas but that does not seem to be happening now.

I am sure the honourable member for South Barwon, Mr Paterson, appreciates the look of Paterson's curse because it has a lovely purple flower. However, I advise Mr Paterson that his curse is not good so far as farmers are concerned, and particularly so far as stock are concerned because they do not like to eat it.

I ask the minister to look into the situation to see what can be done about Paterson's curse, which is raging throughout country Victoria. Because we have had a lot of rain and good sunshine the weed is coming up on private properties.

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

Responses

Mr COLEMAN (Minister for Natural Resources) — The honourable member for Portland referred to the rabbit calicivirus that has escaped from Wardang Island in South Australia. A commonwealth management program was set up to test among other things the capacity of the virus to rid Australia of its wild rabbit population. Through a series of events the virus escaped from Wardang Island and has now become established among the rabbit population at Yunta in South Australia some 260 kilometres from Adelaide, and it is reasonable to assume that it has now spread further. The honourable member for Portland wants the urgent programmed release of the virus. He believes the wild rabbit population should be exposed to the virus as part of a sort of common front so that there is no build-up of immunity through a sequential release.

A number of issues are involved, not the least of which is ensuring that sufficient vaccine is available for captive-bred rabbit populations around Australia. It is important to ensure that the vaccine is made available not only for commercial breeders but also for pet breeders, particularly in New South Wales now that that state has introduced a captive-bred rabbit industry. I understand arrangements are being made with the commonwealth to have the vaccine made available through private vets and other reputable authorities so that people can get access to it.

We now have available a virus which has been field tested in the proper sense in Europe and China and which has proved effective in eradicating rabbit populations in those two continental regions. It seems it will be equally effective in Australia, given that the rabbit population of Wardang Island, where it has been tested, has been essentially eliminated. It is important that there is a collective outcome on this issue, through the states and the commonwealth not only recognising that the virus has escaped but ensuring that they capture the best of the program.

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Discussions are continuing this week to ensure the programmed release of the virus, the distribution of the vaccine and the putting in place of a program to draw those things together. Essentially it seems the quarantine process has broken down. That ought to be recognised and the situation freed from liability in the fullest sense. If action is required in Victoria, we need to put in place the necessary legislation to enable the release to occur. The Victorian government is attempting to do whatever is required. I am sure the rural communities that are being affected by escalating rabbit populations will welcome that.

The honourable member for Benambra referred to the requirement in the Water Act for engineers to be present at the construction of dams of significant size. He mentioned in particular the experience of Alan Lehman, who is well known as a reliable constructor of farm storages. The honourable member has previously raised the need to have engineering advice on construction sites. The matter should be responded to after some consideration, particularly given the liability issues concerned.

The honourable member for Shepparton referred to Paterson's curse, which is growing in and around roadsides in his electorate. A similar matter was also raised by the member for Geelong North last week. Given the very favourable seasonal conditions there has clearly been an explosion of Paterson's curse. The process that needs to be followed is set out in the Catchment and Land Protection Act. Dealing with Paterson's curse on private land is the responsibility of the landowners. In most other instances it is the responsibility of the municipalities. We hope that, with the cooperation of the catchment and land protection regional boards and the municipalities, spraying programs will be put in place to treat the weeds on roads and other boundaries. The issue has been the focus of a targeted campaign particularly in the north-east and in the Goulburn Valley over the past few years. It has involved the VFF under what is known as the Blue Hills campaign, which has been very effective. Given the favourable seasonal conditions, the campaign needs to be reinforced. I will take up the matter with the area manager of the department in the north-east of Victoria.

The honourable members for Dandenong and Footscray raised issues for the Minister for Health, and I will ensure those matters are referred to her for her response. The honourable member for Bulleen raised a matter for the attention of the Minister for Roads and Ports about the expansion of the

roundabout at the corner of Fitzsimons Lane and Porter Street, and I will refer that to the minister.

The honourable member for Albert Park also raised a matter for the Minister for Roads and Ports about the classification of roads, and I will refer that to him. The honourable member for Mordialloc raised a matter for the Minister for Gaming in the other place and the honourable member for Thomastown raised a matter for the Minister for Public Transport. I will refer those matters to the respective ministers for their response.

Mr GUDE (Minister for Industry and Employment) — The honourable member for Williamstown asked whether the Martin Dawes company will continue to operate in Footscray or wherever it might be located. He raised matters specifically relating to the number of people who might be given employment opportunities, particularly those living in the Footscray area.

I inform the house that I have received more good news for Victoria, although not necessarily for the entire Footscray area. I understand the company has run into some difficulties constructing the facility it wanted to build on the site, which had been made available as a result of good collaborative work between the City of Maribyrnong and the Victorian government. However, that has necessitated the company looking for alternative premises, and I understand it has secured or is in the process of securing additional premises in South Melbourne.

The good news for the state is that it is likely that considerably more than 600 jobs will be relocated. One would hope that honourable members on both sides of the house would see that as a positive development.

I acknowledge the work of Barbara Champion, Chief Commissioner of the City of Maribyrnong and the commissioners for the work they did in identifying and locating the particular piece of land. Her work and the work of the commissioners must be appreciated. If the honourable member for Williamstown will close his mouth and give his ears a chance, he will learn that the government is keen to continue to work with the City of Maribyrnong to try to attract further investment to that particular piece of land, given that the city is still prepared to continue with the generous arrangements it applied to the previous operation.

It should be acknowledged by the honourable member that the company is currently operating in

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temporary premises in the Footscray area, and that the people who have been employed were employed by CBE when the original project was announced. Several hundred — certainly a significant number — of people have been employed through the government's community-based employment program. As I understand it, all the people currently employed are from the area. They are being given every opportunity, indeed the first opportunity, to continue employment in South Melbourne which, as the honourable member would acknowledge, is not as far as many people must travel to their places of employment.

The company has been keen to employ people from the Footscray area. I understand that the company is supporting the government's community-based employment program and is pleased with the quality of people employed. I have every reason to be encouraged that the company will continue that association. It may well be that the vast majority, if not all, of the people the company recruits in the future — it is their business, not the government's — will come from that area.

The community-based employment program the government put in place to try to assist the

recruitment of people from that area remains at the disposal of the company. I am certainly encouraged to the view that there is likely to be considerably more employment for people from Footscray and the western suburbs area through British telecommunications giant Martin Dawes. I am encouraged by the prospect of considerably more jobs coming to Victoria as a consequence of the development that has already taken place in this state. In all those circumstances, honourable members should feel somewhat relieved at the situation.

Every now and then there are difficulties with programs. However, what never changes is the commitment of the Kennett government to secure jobs and opportunities for decent Victorians, no matter what area of the state they come from.

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

House adjourned 10.45 p.m.

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

PARLIAMENTARY REPORTS

Mr J. F. McGRATH (Warmambool) presented reports for 1994-95 of:

- Department of the Legislative Assembly;
- Department of the Parliamentary Library;
- Department of Parliamentary Debates; and
- Department of the House Committee.

Laid on table.

PAPERS

Laid on table by Clerk:

- City West Water Limited — Report for the period ended 30 June 1995
- South East Water Limited — Report for the period ended 30 June 1995
- Vistel Limited — Report for the year 1994-95
- Yarra Valley Water Limited — Report for the period ended 30 June 1995
- Yarra Bend Park Trust — Report for the year 1994-95.

COMPETITION POLICY REFORM (VICTORIA) BILL

Returned from Council with message relating to amendment.

Ordered to be considered next day.

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Mr **HAERMEYER** (Yan Yean) — I wish to move the adjournment of the house for the purpose of discussing a definite matter of urgent public importance — namely, the inadequacy of the government's procedure for dealing with disciplinary and criminal charges against police and

the inadequacy of protection for informants and whistleblowers as a result of the recent dismissal on 25 October 1995 of charges relating to breach of bail conditions against Mr Antonio Rossi, an informant and key witness in disciplinary and corruption investigations against former Daylesford police sergeant, David Beardsley.

Required number of members rose indicating approval of motion being put.

Mr **HAERMEYER** (Yan Yean) — I move:

That the house do now adjourn.

On 21 April 1993 the government introduced the Police Regulation (Discipline) Bill. I find myself able to agree with basically one comment in the minister's second-reading speech. He quoted from the 1985 Neesham commission of inquiry:

Confidence in the police is influenced by the public perception of how police powers are exercised, how complaints are investigated, and the credibility of police disciplinary mechanisms.

Beyond that point, I part totally with the minister. The police disciplinary legislation the government introduced in 1993 has brought the sentiments of the Neesham commission of inquiry into disrepute; the legislation is clearly not functioning. The government has removed to a great extent the police disciplinary external accountability mechanisms.

Under the former system disciplinary charges against police had to be heard by the Police Discipline Board. Police then had the right of appeal to an independent authority — namely, the Police Service Board. The President and Deputy President of the Police Service Board had to have judicial status and other members of the board had to have five years experience in the legal profession. The decisions of the Police Service Board carried some weight and could not be overruled by the Chief Commissioner of Police, as is the case under the new arrangements the government has put in place.

Mr **Gude** — On a point of order, Mr Speaker, I seek some guidance. I do not wish to take a strong point of order; I simply wish to identify the facts.

Mr **Sercombe** — That's because you're a lightweight.

Mr **Gude** — Talking about lightweights, I am referring to your motion. The motion refers to a

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corruption investigation against a former Daylesford police sergeant and then names the person. I request you, Sir, to advise the house whether the matter is still sub judice. If that is the case, the matter should not be debated in this form, or at least the honourable member should exercise due care.

Mr HAERMEYER — On the point of order, Mr Speaker, the motion raises the general issue of the procedures for dealing with disciplinary and criminal charges. The charges relating to breach of bail by Mr Antonio Rossi were dealt with in the Ballarat Magistrates Court last week and they were dismissed. I assure the house that the substantive matters still outstanding — that is, the principal charges relating to the initial bail — will not be the subject of the debate; the additional charges relating to breach of bail will simply be touched upon.

The SPEAKER — Order! The Chair accepts the explanation of the honourable member for Yan Yean. It is apparent to the Chair that the honourable member for Yan Yean is aware of the sub judice rule. I ask him to exercise care and judgment in presenting the facts to the house.

Mr HAERMEYER — Nobody to date has indicated why it is thought the process previously in place did not work; it appeared to me to have been working satisfactorily. It has been replaced by a process whereby serious police disciplinary matters can be dealt with out of sight of the public with there being no right of appeal.

There is a right of review, but there is a critical distinction between a right of review and a right of appeal. In the case of a right of review, a situation may be examined, but in the end the chief commissioner may simply dismiss the review. In the case of a right of appeal, the appeal is to a body outside the police force. The legislation removes the right of legal representation and appeal by police to the courts. That is yet another example of the government removing common-law rights, in this instance affecting police officers.

The legislation the government has put in place has a number of consequences. Firstly, it denies police natural justice, the right to appeal to an independent authority and the right to have charges overturned. Secondly, it has led to a concentration of unchecked power and control in the office of the Chief Commissioner of Police. I do not intend to reflect in any way on the character of the chief commissioner; I am referring to the process.

There is a concentration of control over the lives and careers of police officers in the office of the Chief Commissioner of Police. Such control has henceforth been exercised in only one other state — that is, Queensland. I would hate to see Victoria go down that path. I do not wish to draw a comparison between our current chief commissioner and the disgraced former commissioner in Queensland, Terry Lewis, but the government has put in place the sort of legislative regime by which a Queensland-type situation might come about.

Thirdly, the legislation has led to the tendency for corruption charges relating to criminal matters to be dealt with through police disciplinary processes rather than the courts, which is where they should be dealt with. That has led to corrupt officers being expediently bundled out of the force with a minimum of scrutiny by the public or the criminal justice system. Such officers are spared the penalties the criminal justice system would normally demand they incur. In addition, officers may be charged on criminal matters, disciplined and possibly dismissed and forced from their jobs without the opportunity to have their day in court to prove their innocence.

Criminal charges are being heard through the police disciplinary process but they never see the light of day in court. Police are being bundled out of the police force because of criminal matters without having to confront the courts. That is problematic in two senses: firstly it means that corrupt police officers may not serve the penalties they should be serving under the criminal justice system; and secondly innocent police officers might be thrown out of the force without having the opportunity to vindicate themselves under the Evidence Act.

It appears there is now a preference to deal with corruption allegations and charges against police through the closed police disciplinary system. The public will not know what is going on and may never learn of charges and allegations, and the officers concerned do not have the rights they would normally have if the matter were dealt with through the criminal justice system.

There are obvious advantages to the police command and the government. The first matter is lower cost, and we know that is all important to this government. Anything is justifiable in the name of lower costs. Secondly, it protects the so-called good name of the force from public embarrassment. I believe we have the cleanest police force in the country. The arrangements that are being put in place put that in jeopardy. Those two objectives are

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being met at a very serious cost, because they override a very important concern. That concern is justice: justice for the police officers accused of criminal misconduct and justice for the victims of corrupt police officers.

Tony Rossi's bail breach hearing was concluded last Wednesday, 25 October, at Ballarat Magistrates Court. He was facing breach of bail conditions imposed in relation to charges of threatening to kill and threatening to cause serious injury. I will not touch upon those charges because they will be heard in the court shortly.

This could be seen as a somewhat unremarkable occurrence, except for the fact that Mr Rossi was an informant who had cooperated with the police internal investigations department into allegations of misconduct and corruption against former Daylesford police sergeant, David Beardsley. There is a long history of allegations against Mr Beardsley, and they are not confined to Tony Rossi. I read in Monday's *Age* about similar allegations made by a former mayor of Daylesford, Ms Meg Elliott. The allegations include soliciting and accepting bribes, extortion, assault and involvement in drug deals. The allegations made against Mr Beardsley were made by numerous townspeople in Daylesford. They came to a head with the complaint to IID by Tony Rossi. Mr Rossi confesses that he is no angel and that he has two prior convictions. I would like to read an extract from — —

Mr Rowe — On a point of order, Mr Deputy Speaker, the honourable member for Yan Yean is straying into dangerous areas by introducing evidence of a person's prior convictions when that person has yet to appear before the Magistrates Court. I put it to you that the matter is sub judice, because evidence of prior convictions cannot be introduced before the hearing of a criminal charge against an accused person. I suggest that the honourable member is straying into dangerous ground and should cease to do so. He should acquaint himself with the law and police procedures before he makes an absolute ass of himself.

The DEPUTY SPEAKER — Order! The final comment is out of order. I do not uphold the point of order, but I acknowledge that when ruling on an earlier point of order the previous occupant of the Chair offered some rules and guidance to the honourable member for Yan Yean, particularly on the sensitivity and the importance of issues relating to sub judice. I was listening intently to the path down which the honourable member for Yan Yean

was going when the honourable member for Cranbourne raised his point of order. I, too, was becoming concerned. I do not uphold the point of order at this stage, but I reinforce the advice or guidance Mr Speaker offered to the honourable member for Yan Yean and inform him again of his obligation to be very mindful of the sub judice rule as it applies to the debate.

Mr HAERMAYER — Thank you for your guidance, Mr Deputy Speaker. I was about to quote from a letter from Miss Jenny Fiorillio, who is the partner of Tony Rossi. She wrote to me in November last year in these terms:

I would like to bring to your attention the situation that myself and my partner Tony Rossi have found ourselves in. On 27 September 1994, Tony was taped up and sent in by the Internal Investigation Department to set up — —

The DEPUTY SPEAKER — Order! Will the honourable member for Yan Yean advise the Chair whether the detail he is about to reveal to the house in this letter pertains in any way to the charges that Mr Rossi will face in court?

Mr HAERMAYER — No, it does not. It continues:

On 27 September 1994, Tony was taped up and sent in by the Internal Investigation Department to set up Sergeant David Beardsley of the Daylesford Police to accept a bribe, which he did. The Daylesford Police Station was then raided, the money found, and David Beardsley was suspended from duty. He is still under suspension pending charges.

In January 1992 David Beardsley was stationed at Daylesford. Soon after this he befriended Tony. Between then and September 1994 Beardsley had accepted numerous bribes from Tony. Also during this time Beardsley harassed our family, which includes a teenage son, and made life difficult for us on a social and community level. Due to this harassment Tony agreed to cooperate with IID, Tony did not make any deals with them and gained in no way by setting up Sergeant David Beardsley.

At the time of Beardsley's suspension, Tony was on bail for offences which he committed in April 1994. This matter was due to be heard on 2 November 1994.

Following the suspension of Beardsley we and friends of ours were harassed by members of the police force, known police informers and people related to police officers. This has continued at a steady flow rate with

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people conspiring to burn our house down and harm us physically. A friend of ours who the police were harassing had his car burnt. The police were also trying to get allegations made against Tony for the purpose of breaking his bail.

These are very serious allegations. They go to the heart of the issue of how people who cooperate with police, who are witnesses against police and who are informants against police, are dealt with. They need to be investigated seriously. They also go to the heart of the issue of the charges against former Sergeant Beardsley.

I cannot comment on the nature of the charges against Mr Rossi. He has been charged on two occasions subsequent to his acting as an informant and as a witness for the police internal investigations department. There appears to be some prima facie suggestion of harassment of Mr Rossi. He was alleged to have been in breach of his bail conditions by being present at Daylesford. Last week the magistrate ruled that the weight of the evidence clearly showed this not to be the case and that Mr Rossi was in Melbourne. There is the appearance of a bit of a pay back in this.

I know that earlier this year Mr Rossi's partner fled to Queensland because of the intense fear she had about these matters. At the time I sought witness protection for Mr Rossi and his partner so that they would not come to any harm and would not be susceptible to harassment or to any charges and the complicating issues that come into it. I was told that Mr Rossi would not even get to square one as far as witness protection is concerned because witness protection is available only to people who are giving evidence in criminal cases. I said, 'Hold on! We are talking here about charges of bribery, corruption and extortion. These are quite clearly breaches of the criminal code. Why is Mr Beardsley facing disciplinary charges?'. I was told that it was more expedient to do it that way because it would be very hard to make criminal charges against David Beardsley stand up in court because of the unreliability of Mr Rossi as a witness.

Be that as it may, the issue is not the reliability of Mr Rossi as a witness, because the evidence against Mr Beardsley is based on the tape that was attached to Mr Rossi. The evidence against Mr Beardsley comes out of his own mouth. He was stained by his own hands by virtue of the dyes that were placed on the money given to him.

This raises a couple of issues. Firstly, witnesses, whistleblowers and informants deserve protection in such serious matters. If they are not protected it will be impossible to get anybody to cooperate with police in exposing official corruption and misconduct. Secondly, why do we have to go through a closed internal disciplinary procedure when dealing with criminal charges such as bribery, extortion and other breaches of the Crimes Act? Such situations should be dealt with through the criminal justice process — the courts.

Subsequent to the disciplinary charges being laid, Mr Beardsley went on sick leave and after a period of time left the force without the charges being dealt with. An *Age* article of 10 days ago by Gerard Ryle and Gary Hughes states:

Former sergeant David Beardsley is the recently resigned policeman at the centre of the original corruption investigation. He left on 28 July after three scheduled disciplinary tribunal hearings into the bribery charges. Each hearing was adjourned on medical grounds.

Mr Beardsley has now left the force. The charges were never heard and no criminal charges have been laid against him. One might argue that at least we got rid of him from the force, but there is still the question of whether criminal charges should be laid. The article also states:

The assistant commissioner for internal investigations, Mr Gavin Brown, said the disciplinary charges against Mr Beardsley were 'very serious and tantamount to dismissal' if proved.

They were not proved and he was not dismissed because the matter never got to that point. The article continues:

He said serious consideration had also been given to laying criminal charges against Mr Beardsley, who was then officer in charge of Daylesford police.

Mr Brown said the disciplinary charges had to be dropped when Mr Beardsley's resignation took effect.

It really begs the question of why criminal charges were not pursued in this instance. As I said, I was told that was simply because it was easier to put the process through a disciplinary procedure, where there is no accountability and there are no rules of evidence in play.

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For better or worse, I believe such matters should be dealt with through the criminal justice process. If a judgment has to be made about the likely success or failure of the criminal charges, that judgment should be made not by police but by the Director of Public Prosecutions. As I said, the charges against Mr Beardsley did not really depend on Mr Rossi. Criminal acts should be dealt with through the criminal justice system. Basically there is an advantage to police and government in dealing with such matters internally — it saves money and embarrassment — but the casualty of it all is justice. The Minister for Police and Emergency Services was warned about this prior to his putting the legislation through in 1993. On 21 April 1993 Mr Danny Walsh, the Secretary of the Police Association of Victoria, wrote to the minister, saying:

We are disappointed that you are unable to meet with us —

that is nothing new —

this evening on this crucial matter. It was our intention to raise with you the alarm that has been running through the membership as they wonder exactly what you are going to present to Parliament. Hence this letter faxed to you this evening.

Prior to your address to Parliament on any proposed changes we would remind you that:

He makes a couple of points, the last of which are:

The promulgation of legislation which allows for disciplinary sanctions without a true appeal right could lead to institutionalised bastardisation or corruption.

As you and your committee have already been informed, should you enact legislation which carries no independent binding appeal right to an independent body you will be in breach of Convention 158 — Termination of Employment Convention 1982, International Labour Organisation, Geneva, 2 June, 1982, as ratified by the Australian government on 26 February 1993.

Mr Walsh also gave evidence to the Scrutiny of Acts and Regulations Committee when that committee dealt with the legislation. He had some interesting things to say, such as:

If you take an open independent system and close it in, with no public input, everything will be done internally and you are really building the foundations for corruption.

He also said in that evidence:

If I go to an internal system and I have friends up and through the system, because we all made friends in our day-to-day work life — and police are no different — I can influence the outcome of that hearing, given the same set of circumstances, to a far greater degree if it is internal, if it goes to the chief superintendent, provided I know him and I can approach him ... I can paint a very, very black picture. He does not get a chance to cross-examine or to test the allegations. Once that system is in place it is there for corruption to feed off rather than to deter it.

Similar comments were made in the formal submission to the committee.

I have also been advised of a number of instances where charges relating to criminal matters that were laid against police officers were heard internally. The police officers vehemently denied those charges, but no-one was prepared to lay criminal charges against them. They were shoved out of the police force amid allegations of criminal activity, but the charges were dealt with through a closed internal process and there is no opportunity for them to appeal. They can seek a review, which ultimately the chief commissioner has the right to accept or reject.

I note that in this year's report the Police Review Commission complains that its recommendations have been overturned in four instances. Again, I stress this is an attack on the system and not the chief commissioner himself, but as a result of this legislation the chief commissioner becomes a law unto himself. That is a very dangerous system that sets Victoria on the path that Queensland embarked on some years ago, with very dangerous consequences. We are talking about police officers whose livelihoods are in their careers. They can be deprived of their livelihoods and of the opportunity for transfer or promotion, all on the basis of a system under which they have no right of appeal.

I shall refer briefly to one incident. I will not mention the police officer involved because it is not my intention to embarrass him, but in regard to a disciplinary charge, the officer actually sought to have the admonishment decision against him reviewed. It was a minor charge, but admonishment is something that stands on his record. Subsequent to that review, which actually found in the police officer's favour, the deputy commissioner overruled the decision of the review.

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The deputy commissioner was pointed to the rules that actually state the decision of the reviewing officer is final. But the deputy commissioner said no, it is not quite as final as that because in reality he outranked the reviewing officer; that it is final only to the extent that one cannot appeal beyond that point, but it is not final to the extent that he has to accept the reviewing officer's decision. That is a pretty appalling rewriting of the English language! The force's own internal rules are being flagrantly tossed around in this way.

Although no system is perfect and ultimately some outcomes may not be desirable, in the interest of fairness to all, to the rights of police officers to have their cases heard fairly, and to stamp out corruption, we must provide a system that has a right of appeal outside those processes. I ask for a full public investigation of the existing processes for dealing with disciplinary and criminal charges against police. I also ask for a full public investigation of the processes to protect witnesses, informants and whistleblowers in relation to such changes.

Mr McNAMARA (Minister for Police and Emergency Services) — I shall respond firstly to the honourable member for Yan Yean. Given what we have seen in New South Wales and Queensland, I found his criticism of the existing system extraordinary. I direct to the attention of the honourable member the need to introduce this system in the first place. This system is the envy of every other police command group in the country. A request was made by the former Chief Commissioner of Police, Kel Glare, for such legislation to be introduced, and it was supported equally by the current Chief Commissioner of Police, Neil Comrie.

We do not have to go back far to look at the days of the old Police Discipline Board and its operation. There were obvious failings in the system. One of the most notable was Detective Sergeant Higgins, who I believe is now serving approximately 12 years in prison.

Mr Cole — Seven!

Mr McNAMARA — That may be the case, with paroles. He might get down to a minimum of seven years but he was sentenced to more than 10 years. He was a notorious character within the Victoria Police Force. Although he had been through the old Police Discipline Board system, there was no way he could be removed using that system. He was clearly a corrupt officer. Victoria needed a system that gave

police officers a higher level of accountability. I have heard comments made by the honourable member for Yan Yean and I see the honourable member for Melbourne sitting opposite as well as several other opposition members who have a great deal of sympathy with the legislation I introduced. They were keen to introduce a system that provided greater accountability for police officers.

I have always said that accountability for members of the police force must be higher than it is for the general public. Under the previous system it was almost the case that to remove a member from the police force you effectively needed enough evidence for a criminal conviction. That was totally unsatisfactory. I am sorry that the honourable member for Yan Yean has walked out of the chamber because it would be useful for him to hear this for the purpose of his own education.

If Queensland had had this legislation in place it would never have had Terry Lewis as chief commissioner of the Queensland Police Force. The police command did everything it could to try to get him out of the police force. In fact, it sent him to the backblocks of Queensland, but he came back at a later stage as a result of some political patronage — which we can all criticise with hindsight. However, at the end of the day if Queensland had had a similar system to that in Victoria, Terry Lewis would never have been chief commissioner of the Queensland Police Force.

We have set high standards in Victoria. Members of the house have served in the Victoria Police Force, and all members who have served in the police force have good reason to be proud of that. There has been a tradition of higher standards in Victoria than anywhere else in the country and in most police forces in the world.

The legislation has built on that good reputation. The new disciplinary system has the support of the Chief Commissioner of Police and it was requested by the former Chief Commissioner of Police, Kel Glare. It is desired by every chief commissioner and it is the envy of every police force across Australia.

I hope opposition members, who from time to time talk with passion about civil liberties, the balance of authority as against the right to free speech and other issues, will counsel the shadow spokesman for police and tell him that he is on the wrong track. His comments do not seem to fit in with traditional Labor Party views. If he tried to run that line at an ALP state conference I can imagine the response he

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would get. I am grateful for the quiet support we have received from the more sensible members of the opposition. When Labor was in government it did not have the gumption to introduce the legislation, but those opposition members support what the government has done.

The honourable member for Yan Yean made a number of suggestions: that Mr Rossi was victimised as a result of the assistance he gave police in identifying a corrupt officer and that perhaps we were too tough or not tough enough with Sergeant David Beardsley — it was hard to follow his comments.

In summary, Rossi made allegations that Beardsley had been taking bribes. At the time Rossi was on bail for other offences. The police arranged for Rossi to take money to Beardsley, and they wired him so that the conversation could be taped. Beardsley accepted \$150. Beardsley was then put on leave with pay and the investigation went on. He was interviewed. It is interesting that we were advised by the Victoria Police Association in January this year that Beardsley would not be attending interviews as directed due to illness. There is a period of three months after officers tender a resignation in which these matters must be resolved. We found, on the advice of Beardsley and the association, that he had a nervous complaint that made him unavailable for interview for those three months. Surprise, surprise!

The intention of the police internal investigations was to pursue the issue and to lay charges. We are grateful that Beardsley is no longer in the force. He did no credit to the force or to any member of it. However, on the issue of criminal proceedings, I have been advised by internal investigations that we had Rossi running hot and cold about whether he would give evidence or not, and there was also some doubt about Rossi's credibility — irrespective of the fact that we had the tape — given his criminal background in a range of areas. A suggestion was made that somehow the subsequent charges for breach of bail laid against Rossi were a payback by officers because of Rossi's assistance in the investigation of Beardsley. In the Ballarat Magistrates Court on 25 October a magistrate commented on this matter. He makes the following observation:

In my view, there has been, in this proceeding, absolutely no evidence suggestive of any kind of improper commission or omission by any police officer who played any part in the report or investigation of

the alleged breach of bail condition — the subject of this application.

On the contrary, the evidence suggests that each of them who participated in that investigation did so with absolute propriety, sensitive to the importance of the integrity of the investigation and to the rights of the respondent.

Mr Rossi is remanded to appear in this court on 31 October and his bail fixed on 2 October will be extended to that date.

I believe there is now a question regarding his application of an order to vary the conditions of the bail. The magistrate clearly stated on the public record that he found no fault in the actions taken by police, and that is the whole basis of today's motion.

As I said, at the end of the day we need to have an opposition that supports this type of legislation, which is not only an effective measure of dealing with discovered corruption within the force but also a great deterrent for any potential offences occurring in the first place.

I shall elucidate for the honourable member for Yan Yean the fact that, as I mentioned before, every other state in Australia would love this type of legislation; every other chief commissioner in Australia would love this type of legislation. If they had this sort of legislation New South Wales and Queensland would not have had the problems they have had with police over recent decades.

The opposition has to sort out where its coming from; it has to decide whether it wants to ensure we have proper accountability for the justice system. The strong view has been put to me by the last two chief commissioners that there needs to be a higher level of accountability of those who uphold the law — and I note opposition members nodding in agreement.

As I said, if the chief commissioner of the Victoria Police Force has doubts about officers not upholding the high standards that have been set in place for the force, as the final employer he must have the right to determine whether it is appropriate for those officers to continue to serve in the police force rather than the ridiculous situation of the past where one had to have evidence of a criminal conviction before an officer could be removed from the force.

The government has provided a range of sanctions to apply to police officers, not just removal from the

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force but lesser sanctions such as power to demote in rank, power to compulsorily transfer an officer to another location and, in many cases where a young officer is under a cloud, power to transfer an officer to a better environment. There is an existing power to fine officers.

The system in place will ensure not only greater accountability to the community of Victoria but will also maintain the high standard the government has always demanded for the Victoria Police Force.

I reject the motion put forward by the shadow minister as one that does not take into account what needs to be taken into account. The motion is totally against the standards that every member of this Parliament should be encouraging in the Victoria Police Force.

Mr MILDENHALL (Footscray) — Part of the process of today's debate is to use issues to hold accountable the system, the minister and the government. I was a little stunned by some of the minister's remarks. He said that the system introduced is the envy of every other state; that it puts Victoria way out in front of the pack. Perhaps he should have consulted his own second-reading speech when he introduced the Police Regulation (Discipline) Bill when he said that the proposed new powers:

... will bring the Victoria Police Force into line with most other state police forces of Australia.

I would not have thought that he would be able to come to both of those conclusions simultaneously and still have any authority or credibility as a commentator on the matter.

The matters I shall refer to are slightly broader than those referred to by the honourable member for Yan Yean and will pick up the part of the motion that refers to the government's procedures for dealing with disciplinary and complaint procedures against police as well as the broader policy and structural issues entailed.

It is instructive to look at trends in these matters and to draw some conclusions. If we are to believe the minister, if we are to accept his assurances about the rosy state of the police complaints processes, I am afraid the formal reports that have been produced in recent years present us with a dramatically different picture.

The 1993-94 report of the Ombudsman and Deputy Ombudsman (Police Complaints), which is the most recent report available and which was tabled in this place in March, points to some rather disturbing trends. It refers to the cases of complaints against police increasing by more than 50 per cent over the past six years. That is a disproportionately high increase if one considers the background conditions — that is, the number of police, the population, the legislation, the number of offences and the range of police activities. Given those conditions the complaints against police should have decreased by 50 per cent.

The other equally disturbing characteristic is that people are preferring to complain to the Deputy Ombudsman (Police Complaints) rather than trust the police with their complaints. There has been a dramatic turnaround in the destination of complaints. Back in 1988 some 75 per cent of all complaints were lodged directly to police, but by 1994 that had dropped to 38 per cent. Now some 62 per cent of all complaints are lodged directly with the deputy ombudsman. That is a dramatic structural shift. From my discussions with legal practitioners in the criminal justice system it appears that one reason for that is the increasing incidence of serious misgivings among certain members of the community as to whether the police complaints system has the integrity and reliability that can compare in any way to the police ombudsman system.

I assisted a constituent with the lodging of a complaint through the internal system, and I must say I received an ominous response from the police force. It was not a letter saying, 'Thank's for your complaint, we'll have a good look at it and we'll be in touch with you and let you know the outcome'. It was along the lines of:

Having made a complaint against a member(s) of the Victoria Police, you are advised that, depending on the nature of the complaint it will be allocated either to an investigator attached to this department or to a commissioned officer from the police district where the incident occurred for a thorough investigation.

Then there is a series of obligations put back on the person who makes the complaints and a series of conditions and warnings. The ominous last line of the letter from the acting assistant commissioner, internal investigations department, states:

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Allegations made in your statement will, by necessity, have to be put to the police member(s) complained against.

A government member interjected.

Mr MILDENHALL — As part of that process that is justifiable, but the complaints we receive are the Caesar judging Caesar syndrome. This has led to misgivings in the community about police investigating complaints made against their own officers. The system opens itself up to a lack of integrity and rigour. For many years there have been allegations that the complainant would be put under some sort of pressure to withdraw or water down the complaint.

A number of outstanding issues must be addressed when examining why there is a vulnerability about in-confidence questions about the police complaints system. One is the typical government reaction to an increased throughput, demand and, if you like, dependence by the community on a system such as this.

There has been a 50 per cent increase in the number of complaints and a greater reliance by the community on the police ombudsman. What response should one expect from this government? The sort of response we received: the government refusing staffing and resources. The number of staff available to the Deputy Ombudsman (Police Complaints) has been reduced by a factor of about 13 per cent — by 4 out of the 25 officers. The pressure that that places on the deputy ombudsman to dispose of cases more quickly, to prioritise and to refer back to the internal investigations department of the police force is obvious. It is inappropriate and unfair and belies the minister's statements in this place that he is taking the system seriously.

The independence of the deputy ombudsman should be enhanced. The Ombudsman in his final report suggested that the Ombudsman should be appointed by a committee of Parliament. The government has not taken up that suggestion. Legislation is mooted but has not been introduced. It is the independence and integrity of officers and the structure of the system that are in question. That level of independence should be guaranteed.

Other issues were raised by the Ombudsman going to the heart of this matter, such as the integrity of the complaint system. Serious allegations have been made by the deputy ombudsman, also referred to at a corresponding time just before the production of

the *Federation of Community Legal Centres Report into Mistreatment by Police 1991-92*. The police force went to lengths to criticise the legal centres. The same complaints were picked up by the deputy ombudsman in his 1993-94 report. One of those was, as reported at page 29 of the report:

One of the difficulties highlighted arises from the practice of police complaint investigators monitoring relevant court proceedings where there has been a complaint investigation and it is believed that monitoring may assist the investigation.

There have been incidences of police complaints investigators sitting through long court hearings in an attempt to compare court proceedings with the complainant's allegations. That has caused complaint by the police ombudsman and adverse comment on the integrity of that practice.

The second matter of concern in the report states:

... police have disclosed their complaint statements to the police prosecutor, thus possibly prejudicing their defence against charges arising from the same set of circumstances as give rise to their complaints.

That is a serious breach of the integrity of the system. The honourable member for Yan Yean has raised serious structural difficulties, and in his contribution argues for greater exposure, greater accountability and greater independence for the complaint system. Those comments have been echoed by the deputy ombudsman in his annual reports. He has pointed to a number of difficulties with the processing of information and the integrity of the complaints system. He also raised a number of other matters, such as conflict of interest and unethical or unlawful disclosure of police information. It is such allegations that bring into disrepute what is regarded as one of the best police forces in Australia. It is incumbent on the minister — —

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

Mr TRAYNOR (Ballarat East) — The motion moved by the honourable member for Yan Yean is a serious matter and one that government members treat seriously. With some indulgence I should like to read from my notes in relation to the briefing paper from the internal investigations department into the David Beardsley and Antonio Rossi matter.

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On 19 July 1994 the internal security unit was asked by M District, which covers Ballarat, to inquire into allegations that Sergeant David Beardsley was involved in corrupt activity. On 12 September information had come to the notice of the police at Daylesford and they identified Antonio Rossi as possibly having been involved in corrupt payments to Beardsley. Two days later Rossi was interviewed. He alleged three previous bribes to Beardsley and said it was his intention to speak to Beardsley about gaining a pistol licence for a female. Rossi then agreed to assist in the operation to test Beardsley's integrity.

On 27 September the operation was conducted at the Daylesford police station. Beardsley accepted a payment of \$150 after telling Rossi to leave the money in a correspondence tray. Beardsley was interviewed and at first denied all knowledge of the money. After the money was located in a tray Beardsley was advised that the conversation between him and Rossi had been recorded. Beardsley admitted to the discussion about the money but denied telling Rossi to leave the money in the tray. Beardsley was cautioned at the interview and made no comment. On the same day Beardsley was suspended with pay pending investigation of criminal allegations.

On 21 October a criminal brief against Beardsley for three counts of common-law bribery was submitted with the recommendation that the charges not be authorised. The criminal brief against Beardsley was not authorised by Acting Assistant Commissioner Lambert on 1 November.

Between 1 November and 21 December attempts were made to interview Beardsley over disciplinary allegations. Beardsley had a period of illness which involved a short stay in hospital. He then refused to answer requests to make contact with either M District Command or the internal security unit. On 21 December Acting Assistant Commissioner Lambert signed a letter directing Beardsley to attend a discipline interview. On the same day he also signed a suspension notice.

On 22 December Beardsley was given the opportunity to be interviewed but refused. He was then handed a letter directing him to attend a discipline interview on 17 January 1995. He said that he was sick and would be seeking the advice of the Police Association. Beardsley was served with a suspension notice and further suspended with pay.

On 16 January the Police Association advised that Beardsley would not be attending the interview as directed due to illness and provided a certificate. On 8 February Beardsley was again given the opportunity to be interviewed but he refused. Preliminary discipline notices were served on him on medical grounds.

On 15 February the Police Association wrote seeking an extension of the reply date and further particulars. On 13 March a report was submitted recommending three discipline charges, two relating to improper conduct in accepting money from Rossi and one for failing to comply with an instruction to report a police matter. On 15 March the discipline charges were approved by Assistant Commissioner Brown, and Deputy Commissioner Hyde was appointed as hearing officer. On the next day Deputy Commissioner Hyde set 28 April as the hearing date. On the same day Beardsley was advised of the charges and requested service on the Police Association. The charges were then served on Danny Walsh, the secretary of the association.

On 17 March the Police Association accepted the charges, requested a copy of the brief of evidence and advised of a possible adjournment due to Beardsley being ill. On 28 April a discipline hearing was held but Beardsley did not attend. He was represented by the Police Association. It was indicated then that Beardsley was intending to resign. On 19 June Beardsley tendered his resignation, requesting same to take effect from 21 July 1995.

A discipline hearing took place on 7 July but Beardsley was not in attendance. He was again represented by the Police Association. The medical report was not accepted and there was a further adjournment to enable Beardsley to appear. On 14 July Beardsley was personally served with a letter from Deputy Commissioner Hyde setting out the charges.

On 20 July the discipline hearing was held and again Beardsley was not in attendance. He had placed his resignation with the police department but it was not accepted. Finally, on 28 July the discipline charges were adjourned and Beardsley's resignation was accepted and processed immediately.

The motion that has been moved by the honourable member for Yan Yean relates to exactly what the government and the Police Association have done in tackling the problems of corrupt policemen. The motion calls for action that has already been taken

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by the government to rid the police force of corruption.

Mr COLE (Melbourne) — I support the motion. At the outset I say I do not wish to be critical of the police. Recently I had a very good experience when I accidentally pressed the alarm button at my electorate office and the police turned up in less than 2 minutes. They thought an armed robbery was taking place, but I told them it was just the normal proceedings at my office!

The motion raises a number of important points. I recall Jack Galbally saying that the only way to deal with the police force is to announce a new inquiry just prior to its finishing one. That is probably a bit extreme, but it is important that members of Parliament are constantly questioning or reviewing what goes on in the police force.

Over a number of years when the Labor Party was in government and since the conservative forces have been in government we have found that that is not an unusual thing to occur. Today is another good example of that where the opposition is asking questions about the procedures relating to discipline.

Firstly, I should point out that the summary powers that were given to the chief commissioner are indeed swift — some would say too swift — and officers can be summarily dismissed from the police force. As I recall it, the opposition opposed the powers when they were first introduced into the legislation by the Minister for Police and Emergency Services — one reason was that they were too summary. In response today the minister made a very good statement about how difficult it was under the other procedures to get someone to resign from the police force. He said you almost had to prove criminality.

The irony of this — and the honourable member for Ballarat East has just given us a wonderful dissertation on what went on — is that with the use of a tape-recorder the officer had been entrapped taking a bribe and the summary powers were still not good enough to get him to resign. The police had to go through some bartering system by saying if he resigned maybe they would do something, but the department would not accept the resignation at first and on it went. What utter nonsense!

No other member of the community if entrapped in that way would be given such opportunity. If it were a member of Parliament taking a bribe the police would not think twice about charging that

member. That is what should have happened in this case, not this nonsense about summary procedures.

The matters raised by the honourable member for Yan Yean are absolutely correct. The procedures are hopeless in their application. A person who has gone out of his way to act as a whistleblower has been treated like absolute dirt because the officer has not been charged. All that has happened is that the police officer has lost his job. We are talking about bribery, not some mindless little offence like taking a slab of beer from the corner pub in South Street, Ballarat. We are talking about somebody taking \$150 so as not to be at a certain location at a certain time to charge somebody. When the honourable member for Yan Yean suggests that the procedures of the police force are inadequate in that area he is totally correct.

Charges should be laid forthwith instead of the police force mucking around with dismissal procedures. We could go through case after case as a result of the information given to the honourable members for Yan Yean and Footscray by whistleblowers on the police force.

The standard joke at the moment is that if a person wants to get the police to attend on time he should not ring 000 but should break a window instead! They will turn up straight away and get the kickback from the shutter service. It is worse still that police officers are out breaking the windows.

A whistleblower in the police force came forward for whatever reason and has been given absolutely no support on the allegations he has made; the highest echelons of the police force have condemned him. That is because the procedures for dealing with such problems are totally inadequate, which is the very reason the motion has been moved.

There have been four inquiries into police getting kickbacks for breaking windows, yet not one police officer has been charged with any offence. That undermines the authority of the police force. The summary procedures introduced by the Minister for Police and Emergency Services in 1993 are not working. If they were, those police would no longer be in the police force. They would be out on their ears straight away.

That is not happening. The culture of the police force seems to be to protect your own and quieten it down. The police force does not want anybody to know about Sergeant Beardsley or anybody else. Such matters will be kept quiet unless there is a

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really bad offence, in which case the officer will be denounced and moved out.

In the case of Sergeant Beardsley there was the evidence of a key witness and there were tape-recordings. Attempts were made to get the officer's resignation. Excuses were given as to why he was not interviewed. He was said to be sick; all sorts of things were said. At the initial interview he refused to make any comment. It was not necessary for this person to make a confession to put him out of the police force because there was such serious evidence. There was certainly no denial of what was going on.

I draw the attention of honourable members to the motion. For all the government's attempts to introduce wonderful summary procedures to tighten police discipline, a person has been caught out badly but it still takes ages to get rid of him from the police force and no charges are laid. Have we arrived at the situation where a police officer can commit a crime but that is not the primary concern; all that is of concern is ensuring that the person is out of the police force? That seems to be the case; if so, it is a disgrace.

That police officers are receiving kickbacks from security services is of grave concern. Some 42 police stations in Victoria have been raided by those looking for evidence regarding such offences or actions — I think Assistant Commissioner Church suggested it may not be an offence to get a kickback from a security firm for ringing them up first! Smashing a window would have to be considered an offence. People believe police officers are doing that. What do we have to do to get some action and to protect the whistleblower who happens to be a police officer. There is no doubt whatsoever that such offences are occurring. Nobody has suggested that that is not the case, yet after four inquiries no charges have been laid to date.

Probably due to my former roles and occasional speeches in Parliament and outside about police shootings and other matters, people regularly come to my office with complaints about the police. The honourable member for Footscray mentioned the same occurrence. Of those complaints, 95 per cent are not valid. They could not be brought against a police officer, nor would I encourage people to do so. Of the remaining 5 per cent, whether the police are doing their job often falls into a grey area.

It is very rare to come upon an overt act that brings upon a complaint. The case of Sergeant Beardsley is

clearly one such matter. As the honourable member for Yan Yean has said, the wonderful, summary dismissal procedures have failed and no charges have been laid. Nobody else in the community other than a police officer would get that privilege I am sure, and that is the opposition's concern.

Some examples of police conduct really get me down. The shop of a friend was burgled. The burglar was caught, and those involved went to the police station. While the police were conducting the interview a police officer walked in and said, 'What do you want for tea tonight?'. One officer said, 'I want pizza'. The other officer said, 'I'd have to go to North Carlton to get that'. My friend said, 'No you don't. Just go around the corner'. The officer said, 'No, I don't want to go there. We'd have to pay for it'. That is the sort of action that concerns me. I am not overly concerned about whether police officers get free pizzas, but when they start looking for it that is dangerous; that is when corruption sets in.

Somebody has been charged with bribery, yet the police minister defends the system that allows him to walk! Is that what we want? Someone can be found to have accepted a \$50 bribe and all that happens is that that officer loses his job. That is nonsense. The police minister cannot walk in here and say that the summary procedures for dismissing police have worked; they have not. The most tortuous process was engaged in. I know that because I have just listened to a member take us through the process. That is what has to be done to kick out a bad apple, and that is not good enough. The procedures are not working. The police force has to get its act together. Whether it is free pizzas or bribery, the principle is the same. We will end up with a corrupt police force like that of Queensland in spite of the so-called wonderful summary procedures.

I support the motion of the honourable member for Yan Yean. The police force must be constantly reviewed. If ever there were a case for review, this is it. If I were ever to take a bribe of \$150 I hope the investigating police officers would treat me in the way they have treated this police officer. If that is what is going to go on within our society and our police force we are in big trouble.

Mr E. R. SMITH (Glen Waverley) — The comments of the honourable member for Melbourne are in some ways very concerning. I am sure he does not realise that in this case the system was hamstrung in its inability to throw out Sergeant Beardsley. His resignation had to be reluctantly

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accepted because he had worked the system. The Chief Commissioner of Police in his letter of 24 October — —

Honourable members interjecting.

Mr E. R. SMITH — The chief commissioner himself said that under the present legislation the force cannot stop a resignation beyond a three-month period. The last thing the police force wanted to do was to let him resign; it wanted to dismiss him. There is no doubt about that.

Mr Mildenhall interjected.

Mr E. R. SMITH — Just listen and I will pick up that point. The honourable member for Ballarat East mentioned that at a crucial stage of the investigation on 28 July at a police disciplinary hearing a report was supplied and evidence given by a doctor of psychology, Cheryl Smith, that Beardsley was too ill to attend the hearing and give instructions and had no prospect of recovery.

This is the key to the whole issue. The three-month rule was being exploited to the nth degree. As the commissioner said, the legislation in that area is deficient. Any government has the right to amend legislation when a case such as this highlights a slight flaw. It is not that the legislation itself is wrong; there is a flaw in it. The three-month rule has been exploited. The IID had to recommend that Beardsley's resignation be reluctantly accepted. IID did not want to accept it. IID felt it had enough on him to kick him out.

I come back to the question of why he was not charged with a criminal offence. The whole case against him was based on the evidence of Rossi. The point the honourable member for Yan Yean brought up originally was why Beardsley was not charged with a criminal offence. The whole case would have relied upon Rossi. The unreliability of Rossi as a witness was the main reason why Beardsley was not charged. The honourable member does not understand that charges cannot be brought before a court unless there is evidence.

The IID did not have enough evidence, because the whole case would have been based upon the evidence of Rossi. That is what we are on about. The honourable member does not seem to be able to understand that. It is a matter of evidence. The police must have reliable evidence to take to the Magistrates Court. As the honourable member for Melbourne would agree — and I see him nodding in

agreement — the prosecution has to have hard evidence. It cannot act purely on suspicion. There was insufficient evidence. That is what it is all about.

Therefore, the police had to proceed on an administrative basis. They wanted to get rid of Beardsley, but they did not have sufficient evidence. They then proceeded administratively to get him out. He then played the three-month rule.

Mr Micallef interjected.

Mr E. R. SMITH — If the honourable member for Springvale listens, he might learn something. As the commissioner himself said, under the legislation, the force cannot accept a resignation beyond the three-month period. This had been worked very cleverly. After the submission was made by psychologist Cheryl Smith, the deputy commissioner reluctantly accepted Beardsley's resignation.

The key is that the police had insufficient evidence originally on which to lay charges. To my way of thinking, that area has to be fixed. The honourable member for Yan Yean said in his opening remarks that under the current system the common-law right had been removed. Since the subject has been raised, I point out that in cases of breaches of natural justice members of the police force still have the right to take matters to the Supreme Court or to a similar tribunal. There has not been one case of a police officer claiming a breach of the law of natural justice and not being able to take that case to the Supreme Court.

Those are the facts I am trying to get across. The honourable member for Yan Yean quoted from a letter about Rossi. I heard that part. I believe that matter should not have been introduced because Rossi is currently before the court. Therefore, the sub judice rule should have been invoked. The minister quoted from Magistrate Rowan McIndoe's decision of 25 October in the Ballarat Magistrates Court. This comes back to the motion, which is what we will be voting on today. McIndoe said:

I make this observation —

I stress this point —

in my view, there has been in this proceeding —

that is, the bail application —

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absolutely no evidence suggestive of any kind of improper commission or omission by any police officer who played any part in the report or investigation of the alleged breach of bail condition — the subject of this application.

On the contrary, the evidence suggests that each of them —

the two police officers —

who participated in that investigation did so with absolute propriety, sensitive to the importance and the integrity of the investigation and to the rights of the respondent.

That is the key to this matter. The honourable member for Yan Yean came in here today and tried to beat up cheap publicity without getting his facts right. He was acting only on suspicion. I suppose that most of his motivation for doing so today was the editorial in the *Age* of 23 October. If he had bothered to read the letter of rebuttal from the chief commissioner he would have seen that the editorial was lacking in substance.

No-one pretends that all legislation passed by this house is perfect. As the chief commissioner said in his letter, under the present legislation, the force cannot stop a resignation. That is the position under the present legislation. No government is going to be so silly as to not take that on board. It has been exploited very well and very cleverly by former Sergeant Beardsley. The police force cannot take any further action against him under the rules. I would like to see action taken. The honourable member for Melbourne and other honourable members would also like to see that.

The government will be making sure that that sort of thing cannot happen again. The whole nub of the problem is that the evidence was insufficient. Rossi was unreliable. These prosecution people are making judgments every day on whether to proceed with cases. The office of the DPP and the office of police prosecutions do that every day. That is their job. They have to recommend whether a case should proceed in the Magistrates or County courts. That is what the justice system is all about. They have to be sure that they do not take cases to court and have them thrown out. That was the reason why a criminal case could not be proceeded with. The recommendation was that there was a lack of evidence. That message has to be understood.

The motion of the honourable member for Yan Yean does not have any credibility because the whole issue relates to the charges of breaching bail conditions. He talked about whistleblowers and key witnesses being investigated. The whole process has to be gone through. We were extremely fortunate that the member for Ballarat East was able to give us a blow-by-blow description of the IID inquiry. The point that I make again is that had it not been —

Honourable members interjecting.

Mr E. R. SMITH — Just listen! Had it not been for the psychologist's report, which was made in good faith, things might have been different. We have to go along with the reports of doctors, psychologists and trained people. They are experts in their particular fields. They give expert evidence and we have to rely on it. In this disciplinary hearing, Deputy Commissioner Hyde relied on the report of Cheryl Smith. The report stated that Beardsley was unable to give instructions and there was no prospect of recovery in the foreseeable future.

What are you meant to do with the evidence of expert witnesses? You have to run along with it. I can assure the house that in this case the police wanted to get rid of Beardsley with a dishonourable discharge, but they were unable to do so because the system had been worked. I stress to the honourable member for Melbourne — who, unlike many of his colleagues, has a full understanding of these things and understands that we have to fix the legislation — that no sensible government will leave on the books legislation that says you have this three-month rule that can be exploited by other people.

I also stress to the honourable member for Yan Yean, who said other people are being denied the right to natural justice because of the system, that there has not been a case under the system where any member or former member has felt he or she has had cause to say there has been a breach of natural justice. If there had been such a case, I am sure it would have been taken up assiduously by the Victoria Police Association to the Supreme Court or a similar tribunal to be heard, and it would be a beacon case. The fact that there has not been such a case in the past two and a half years since the law was implemented proves the system is working well.

This has been a glitch, and I can assure the house that this matter is one that the chief commissioner will be recommending to the government to fix. It

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will be examined at the first available opportunity, when the government will be able to rectify it.

Of course people can exploit this provision, if they are so motivated. In this case they are so motivated. It is very sad when a motion like this is moved in the house because the honourable member for Yan Yean has raised the issue without a full knowledge of what is going on in the system. I am sure that initially he was motivated by the best of intentions. He must have read the letter by the chief commissioner, and only after that would he have realised the ability to attract a cheap headline.

It must be stressed in the media that the three-month rule has been completely and utterly exploited. The government is considering action to stop this occurring. But there have not been any breaches of the law of natural justice in respect of police being dismissed from the force or being improperly treated. If there had been, such cases would have been heard in the highest possible court in Victoria, the Supreme Court.

Mr THOMSON (Pascoe Vale) — I am pleased to support the motion. It refers to the inadequacy of the government's procedure for dealing with disciplinary and criminal charges against police and the inadequacy of protection for informants and whistleblowers as a result of the recent dismissal on 25 October 1995 of charges relating to breach of bail conditions against Mr Antonio Rossi.

Debate on this motion has been one of our more interesting debates. The honourable members for Ballarat East and Glen Waverley made considered remarks that ought to be taken quite seriously. However, they tend to support both the motion moved by the honourable member for Yan Yean and the supporting remarks of the honourable members for Footscray and Melbourne.

I shall respond to some of the comments made by the honourable member for Glen Waverley. He said things like: 'the system had been worked', 'we have got to be able to fix this', 'the three-month rule has been exploited and is something that needs to be rectified', and 'this has been a glitch'. All those comments precisely support the motion the opposition has moved. In other words, the government's procedures are inadequate, and that is clearly what the honourable member for Glen Waverley said on this issue.

Also, the honourable member for Ballarat East, who made quite a helpful contribution to the debate,

nevertheless tended to indicate that the processes that have been gone through are inadequate in their protection for informants and whistleblowers, which is the area I shall concentrate on in my remarks.

In regard to the report of the issue involving the former officer in charge of Daylesford police, we need to consider not only what has happened to him and what he seems to have been able to get away with, but also what has happened to those who complained about police misconduct. Some reference has been made to the situation of Mr Rossi. Also, charges were laid against the former Mayor of Daylesford, Ms Meg Elliott, who had complained about alleged police misconduct. Those charges were later dropped without explanation and Ms Elliott has expressed grave concern about what happened to her. She said she was publicly humiliated when she was paraded in front of television cameras after her arrest in June, while she was still mayor. That happened after she had made allegations concerning Sergeant Beardsley. This was a matter of considerable concern.

We have also had the situation faced by Mr Rossi, who was released from gaol last week after a Ballarat magistrate found he had not breached bail conditions involving a second charge. Mr Rossi has indicated he believes the circumstances surrounding this allegation, for which he spent a further six days in gaol, need to be investigated. He has asked that he be moved to a secret location to avoid further harassment.

These are very serious matters and it is appropriate that we discuss them this morning. The *Age* editorial of 23 October, to which other members have also referred, says under the headline 'Copping out' that although we in Victoria like to congratulate ourselves on the probity of our police force, questions have been raised about our treatment of whistleblowers. The editorial makes reference to Mr Tony Rossi and also to Constable Karl Konrad, who had been involved in allegations concerning kickbacks being made to police by security shutter firms. According to Constable Konrad, after making these allegations he was the subject of intimidation by fellow officers, which followed a very disturbing pattern of harassment.

In view of those couple of cases, it appears that the present procedures for dealing with disciplinary and criminal charges and protecting informants and whistleblowers are simply inadequate. Constable Konrad has written to the *Age* expressing his concern about comments made following his

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whistleblowing actions. It was suggested by deputy commissioner Brian Church that Constable Konrad had ruined a covert operation, whereas in fact there had been a raid on some 43 police stations in March of this year, well before Constable Konrad had gone public with his allegations and concerns about harassment.

Comments along these lines have also been made to me privately: the way that whistleblowers are treated in the police force, and certainly in other areas as well, means that people are reluctant to come forward with knowledge that they gain in the course of their employment about impropriety, corruption and criminal activity. It is a most unsatisfactory state of affairs. If we do not have some processes to deal with it we will go the way of Queensland and other places where corruption becomes entrenched and a way of life in the public sector and the police.

I note also in relation to the inadequacy of government procedures that the annual report of the Police Review Commission for 1994-95 released recently states at page 5:

This year for the first time the chief commissioner decided that he would not accept the commission's recommendation in relation to the compulsory transfers of four police members. The commission understands that in some cases the chief commissioner may adopt a different view of the seriousness of an incident or of the appropriateness of a penalty in a certain set of circumstances.

However, in the circumstances of this particular recommendation, the commission is concerned that the chief commissioner's decision may cause a loss of confidence in the review process.

That strong language indicates that, having been overruled about compulsory transfer, the Police Review Commission believes it makes a laughing-stock of its capacity to review police conduct.

It is against that background that members of the opposition sought to have this matter discussed as a matter of urgent public importance. Indeed, the ALP civil rights and law reform policy committee has gone further. It has developed a policy concerning whistleblowers which says that the Labor Party believes that, where it relates to the exposure of matters of genuine concern to the public, the practice of whistleblowing ought to be encouraged. It is noted in our policy that nearly all other Australian

states have existing or proposed legislation that provides protection for whistleblowers and that many benefits flow from the existence of that legislation, including a culture that encourages rather than suppresses the disclosure of information.

It is the intention of a Labor government to enact legislation to facilitate the disclosure of information in the public sector, including the police, government departments, quasi-government authorities, and state-owned enterprises relating to infringements of the law, corruption, mismanagement, misuse or waste of public money, abuse of authority of position and endangering public health or safety. We regard those as legitimate items for exposure by those working in the public sector.

Our legislation would have safeguards. It would require that disclosure be made to a proper authority in order to receive protection, and it would require that disclosure be in the public interest to avoid frivolous, vexatious, inaccurate, untrue disclosures or disclosures made for ulterior motives. We understand that people do in others for ulterior and unworthy purposes. If a disclosure is made properly the person who made it would be protected from discrimination, harassment, intimidation, demotion, termination or any other unfavourable treatment. They would be granted immunity from civil or criminal liability and they would have their confidentiality maintained in terms of authorised disclosure.

We believe changes ought to be made. The honourable member for Glen Waverley said the legislation should be changed. We would like to see some genuine protection for whistleblowers.

Under common law, employees have an obligation of confidence to their employers. Various provisions in the public sector legislation provide that employees can be disciplined for going public. This government has tended to discourage employees from making public statements on any issues or from blowing the whistle on issues about which they are concerned. We need a legislative scheme of protection for whistleblowers in Victoria which will help us to avoid the culture of fear and retribution that dominated Queensland political life and which was exposed by the *Fitzgerald Report on Public Administration and Criminal Justice* in 1989. The report says:

There is an urgent need ... for legislation which prohibits any person from penalising any other person

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for making accurate public statements about misconduct, inefficiency or other problems within public instrumentalities.

The Queensland Electoral and Administrative Review Commission went further when investigating this area. It said the law did not adequately or explicitly acknowledge that individuals have a legal right to make such a disclosure. The commission went on to recommend the enactment of a new legislative scheme for the protection of whistleblowers in Queensland, and it went so far as to put together a draft bill.

The protection of whistleblowers has been taken even further in South Australia, where the Whistleblowers Protection Act was introduced in 1993. In New South Wales a Protected Disclosures Bill was introduced in 1994, and I believe legislation has since been put into effect. In Queensland, despite the recommendations of the Fitzgerald report and other reports on this issue, there is still no general legislation on the protection of whistleblowers on the statute books. There is some protection in the Criminal Justice Act 1989, which provides interim protection for public service whistleblowers.

In Western Australia, the Commission on Government Act 1994 established a Commission on Government which is required to inquire into and to report on certain matters including legislation which would facilitate the making and the investigation of whistleblowing complaints, to establish appropriate and effective protection for whistleblowers and to accommodate any necessary protection for those against whom allegations are made. So when we examine the legislation in various states we can see that although there is little protection for whistleblowers in some jurisdictions, other states have advanced well beyond Victoria.

The case advanced this morning by the honourable member for Yan Yean concerning the way in which the former Daylesford police sergeant was able to effectively evade serious allegations, and also the fate of whistleblowers, such as Antonio Rossi and Constable Karl Konrad, indicates that our current system is inadequate and needs changing. That was referred to explicitly by the honourable member for Glen Waverley and implicitly by the honourable member for Ballarat East. The changes being developed by the Labor Party's policy committee on legal affairs provides a way forward where people will not be afraid to come forward if they are aware of criminal activities, corruption or impropriety,

whether it be in the police force or other areas of public life. It is important that we get these kind of protections in place, otherwise we are destined to follow the path of Queensland and other jurisdictions where a culture of corruption became entrenched.

Mr RYAN (Gippsland South) — I have pleasure in joining the debate and opposing the motion moved by the honourable member for Yan Yean. It is a beat-up! Yet again a motion is saddled on the back of a bit of correspondence in a newspaper that gives the opposition something on which to hang its hat. Unfortunately, the opposition is bereft of anything that would make a meaningful and positive contribution to the fortunes of this state.

At the outset I pay due regard to the honourable member for Bulleen whose motion will be debated after this motion is dealt with. Obviously, the opposition is concerned to keep him off his feet for as long as it can. I say that this is a beat-up because the legislation was debated in this house on 6 May, 1993. It has been in force for almost two and half years, and during that period we have had a system that the Minister for Police and Emergency Services described this morning as being the envy of Australian states at large. I shall spend a short time examining what the adjournment motion moved by the opposition purports to convey. It refers to the supposed inadequacy of the government's procedure for dealing with disciplinary and criminal charges against police.

Let us stop there for a moment. In so far as there is a criticism alleged against the government for implementing an inadequate method of dealing with police discipline, I can see how that aspect of the debate can at least make its way into the house. However, I fail to understand why the opposition seeks to criticise the government for the inadequacy of its procedure for dealing with criminal charges against police.

This government quite rightly has absolutely nothing to do with criminal charges being laid against anybody — that is, against police, against people in the community at large or against anybody. That is not a function of this government. The opposition has made great play of the tenets of the Westminster system of Parliament and its application in other jurisdictions such as Queensland and New South Wales. It has purported to express its concern about what might happen in Victoria unless certain measures are adopted. However, it freely abandons one of the basic tenets

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of the Westminster system and sets out to criticise the government because of its supposed inadequacy to deal with criminal charges against police.

I put it to you, Mr Speaker, that that is a matter completely inappropriate and irrelevant to the consideration of this house and it should therefore be deleted from its considerations. The motion refers to the inadequacy of protection for informants and whistleblowers as a result of the recent dismissal on 25 October 1995 of charges of breach of bail against Mr Antonio Rossi and it relates those events to Sergeant David Beardsley.

As I said a moment ago, the government's legislation has been in operation since it was introduced in May 1993. Is the best the opposition can do to bring to the house a motion purporting the failure of that legislation to achieve the intended effect? That is a rhetorical question because the opposition has really picked a couple of shrinking violets here; it has picked up a couple of absolute classics.

The opposition has asserted — as it would — that Mr Rossi has been subject to some form of injustice and that he has been denied his appropriate rights in the way disciplinary procedures have been carried out. Let us have a look at a couple of people the opposition has chosen to illustrate its motion with. Mr Antonio Rossi was charged on 2 October 1995 with making threats to kill. On 23 June this year Mr Rossi was convicted of drug-related offences and those matters are now on appeal. I shall say nothing about the contents of those charges because they are sub judice, and unlike the honourable member for Yan Yean I respect the fact that if matters are before the court then Mr Rossi is entitled to have his day in court. It ill-behoves the honourable member for Yan Yean and anybody else to come in here reciting facts and circumstances relating to those charges when they are matters before the court.

It is fair to say that Mr Rossi can be described as a man of the world; there is nothing about his position in the community which would seem to suggest that he is all innocence. A moment ago I used the expression, 'shrinking violet'. It is unfortunate that the opposition has come into the house today wanting to bag the government for the way its legislation has failed to give appropriate protection to informants. It is unfortunate that it has seen fit to hitch its wagon to the good Mr Rossi. That is a very unfortunate and inopportune example to offer the house.

The opposition has also referred to the investigations of Sergeant Beardsley. The honourable member for Ballarat East has already read out the running sheet concerning the efforts of former police Sergeant Beardsley. Again, I suggest we have a fellow who by his own efforts is open to condemnation in this house.

Why the opposition is seeking to base a motion of this nature so fundamental to the administration of the justice system in Victoria upon those two individuals absolutely escapes me. Surely if the opposition were serious about its motion it would bring forth something that would have a measure of credence rather than relying on the examples of those two individuals.

As I said a moment ago, the charges regarding Mr Rossi's bail were dismissed on 25 October 1995. I point out that it is only because of a recent publication in the press that this motion is before us today. There is no urgency with the legislation at all simply because the legislation is fundamentally working well.

What the government set out to do two and a half years ago was construct a system where the bad eggs in the police force could be removed by a process that is detailed in the legislation. However, the opposition has entered the house with two diametrically opposed points of view. On the one hand the honourable member for Yan Yean led the debate for the opposition seeking to criticise the government for a denial of natural justice, for not giving police officers a right of a fair hearing and for placing with the Chief Commissioner of Police power far beyond his station. The opposition was critical of the government because it had handed too much power to that individual.

On the other hand, the honourable member for Melbourne sought to bag the government because the legislation is not being applied hard enough. The government's concern is that a senior sergeant of police has conducted himself in a fashion which, on the face of it, appears to be disgraceful and contemptuous. The opposition criticised the system for not being hard enough. The opposition cannot have it both ways.

We must try to sort out precisely what it is the opposition is critical of. The government says, as has been demonstrated by the honourable member for Glen Waverley, that some aspects of the legislation still have to evolve. I grant that the case concerning

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former Sergeant Beardsley illustrates a hole which has to be filled and a gap that must be closed.

As the honourable member for Glen Waverley said, the government is examining that situation and appropriate steps will be taken in due course. As it happens, this is an instance where a former sergeant of police has worked the system taking advantage of the three-month time frame, a situation so well described by the honourable member for Glen Waverley.

There is also the question of police charges and what may or may not transpire. I return again to the fact that that is not a matter for this house or for this government and it is not a matter for any government of any persuasion. It is a matter quite properly in the province of the police.

As I understand it, the concern of the police force is to make a charge stick and to get a charge home, but it has to have the appropriate evidence. The police force would be aware that if you bring a charge in the Magistrates Court and that charge is dismissed it is subject to an order for costs. It has to pay for the effort of bringing someone to justice if it fails in that endeavour. Quite properly the police force is careful about the way it goes about constructing its cases. Quite properly it lays serious charges only in circumstances where it believes it is able to succeed in prosecutions.

For reasons best known to it, the police force has taken a judgment which quite properly is clearly within its province and which has absolutely nothing to do with the affairs of this house. The judgment it has made thus far is that no charges be laid against Sergeant Beardsley. Is it any wonder when one considers the evidence the force has to rely on? It has a tape-recording obtained by the good Mr Rossi to whom I have already made reference and about whom one might reasonably expect the police to have grave concerns about his efficacy and his capacity to be believed before a court of any description.

I shall make one other important point: with due respect to the honourable member for Melbourne, it seems to me that the tenor of his comments was that Mr Rossi somehow had something directly to do with the police force. He has never been a policeman; he has never been involved in the police force in the sense of wearing the uniform and being a member. He is, to use a colloquialism, a small-time crook. The fact is that the police force is charged with the responsibility of having to make a

judgment over what is to happen in the court system against Sergeant Beardsley and no doubt it has some worries about the reliance they must place upon Mr Rossi, and I can well understand that being the case.

The opposition's motion is without merit. It is an absolute beat-up; it is based upon material which it has come across by accident and which was not designed by the opposition. It is regrettable that a piece of legislation that is working very well in the scheme of things should be the subject of this sort of criticism on a basis which has absolutely no merit at all.

House divided on motion:

Ayes, 25

Andrianopoulos, Mr (<i>Teller</i>)	Loney, Mr
Baker, Mr	Marple, Ms
Batchelor, Mr	Mildenhall, Mr
Bracks, Mr	Pandazopoulos, Mr
Brumby, Mr	Sandon, Mr
Carli, Mr	Seitz, Mr
Cole, Mr	Sercombe, Mr
Cunningham, Mr (<i>Teller</i>)	Sheehan, Mr
Dollis, Mr	Thomson, Mr
Garbutt, Ms	Thwaites, Mr
Haermeyer, Mr	Vaughan, Dr
Hamilton, Mr	Wilson, Mrs
Leighton, Mr	

Noes, 46

Bildstien, Mr	Maughan, Mr
Coleman, Mr	Naphthine, Dr
Cooper, Mr	Paterson, Mr
Davis, Mr	Perrin, Mr
Dean, Dr	Perton, Mr
Doyle, Mr	Pescott, Mr
Elder, Mr	Phillips, Mr
Elliott, Mrs	Plowman, Mr S.J.
Finn, Mr	Richardson, Mr
Gude, Mr	Rowe, Mr
Hayward, Mr	Ryan, Mr
Honeywood, Mr	Smith, Mr E.R.
Hyams, Mr	Smith, Mr I.W.
Jasper, Mr	Spry, Mr (<i>Teller</i>)
Jenkins, Mr	Steggall, Mr
John, Mr	Tanner, Mr
Kilgour, Mr	Tehan, Mrs
Leigh, Mr	Thompson, Mr
Lupton, Mr	Traynor, Mr
McArthur, Mr (<i>Teller</i>)	Treasure, Mr
McGill, Mrs	Turner, Mr
McGrath, Mr W.D.	Wade, Mrs
Maciellan, Mr	Wells, Mr

Motion negatived.

BUSINESS INVESTMENT AND EMPLOYMENT

Mr PERRIN (Bulleen) — I move:

That this house congratulates the Victorian government on its stimulation of business confidence in Victoria so as to expand business investment and employment opportunities in Victoria.

Victoria is very much on the move. We have had a resurgence in this state since the election of the Kennett government in 1992. I shall demonstrate some of the achievements of the Kennett government in stimulating economic confidence in this state, but before doing so I shall point out why it is important to stimulate both economic activity and employment. In Victoria wealth was not being created by the previous government. It is my belief that a government should do everything possible to create wealth and prosperity in our community and to ensure that the people of Victoria have every opportunity to expand their horizons.

I shall refer to a number of recent newspaper headlines that indicate how the media see Victoria as very much on the move. Firstly, the *Age* of 5 April had the headline 'Victoria leads growth in manufacturing'. That is certainly something of which we should be proud. The *Australian* of 30 June had the headline 'Victoria leads nation in management', which is an understatement of the government's achievements. The *Herald Sun* of 4 September had the headline 'Victorian firms more optimistic than in other states'. In other words, our businesses were optimistic that they could create more economic wealth and jobs than the other states, and that is basically what the article said. The *Age* of 14 October had the headline 'Victoria records nation's strongest growth'.

Economic growth is one of the major aspects of the Kennett government. Honourable members should be proud of the fact that the government has been able to stimulate the economy to create growth, wealth and jobs. The headline 'Victoria sets the pace' in the 16 October edition of the *Daily Commercial News*, which is predominantly the transport and shipping newspaper of Victoria, is a recognition by the business community and its publications that Victoria is very much on the move and that we are moving in the right direction. Victoria is currently outperforming the other states of Australia in terms of its economic growth. Later in my contribution I

will present evidence that that is the case. The opposition will be unable to refute the evidence that Victoria is outperforming the nation and the individual states. What are we doing to actually provide this economic growth? Firstly, the Victorian government — —

Honourable members interjecting.

The SPEAKER — Order! The Chair is somewhat disturbed at the level of interjection across the house. I ask honourable members to respect the standing orders and hear the honourable member for Bulleen in silence.

Mr PERRIN — We are providing economic growth by stimulating business confidence in the state, and flowing from that is business activity that will ensure this stimulation leads into new growth, new jobs, new wealth. There were many urgently needed reforms when the government came into office at the last election.

I remind the house of some of the things we have done to stimulate Victoria and get it on the move again. There were a number of reforms. Workers compensation was a major success story for the Kennett government. We have turned the workers compensation system around from a loss of \$2100 million to the situation revealed in the latest report, which shows the system in Victoria is now fully funded and is now in the black after being in the red when it was inherited from the incompetent previous Labor government. We have reformed employee relations: I well remember the important legislation this Parliament passed on employee relations which brought a competitive nature into the workplace so employers and their workers could get together with agreements and ensure that both parties had a win-win situation.

We had another reform in getting rid of unnecessary red tape. You could say we have had a war on unnecessary red tape. We have cut the red tape which has been binding business for so long in this state to allow people to get on with the business of creating wealth. We have restructured many government enterprises in Victoria — the list is endless: everything from the utilities to the other business enterprises — making them internationally competitive and able to take on many of the competitive aspects of the private sector, and they are now starting to deliver benefits to the whole community.

I remind the house of other reforms. We have undertaken reform of local government, which has been most important to our state. That reform is expected to deliver about \$500 million of rate cuts in the next few weeks to business and families in Victoria, which will mean there will be \$500 million left in their pockets to enable them to stimulate the economy even further. We have made a number of reforms which have made Victoria more competitive and a better place to do business, a better place for families to live in and more attractive to investors.

The government has done a number of other things. It has developed a number of strategies in key sectors of the economy to boost the growth of jobs in this state. By doing that it has raised the living standards of all Victorians and increased investment in Victoria. It has increased exports from Victoria and increased our international competitiveness, and that has led to a major growth in Victoria.

I remind the house of a number of well-known policies that have been implemented by the Kennett government of which I am particularly proud. This is something we need to put on the record when we are talking about the creation of wealth, jobs and growth. Firstly, the state government has reduced the debt burden in Victoria. From that flows the situation of the call of interest rates, particularly those that are coming out of our budget. That is a well-known policy which has still to be developed to its fullest, and I am convinced that is a positive and sensible way to go to get the economic growth that we all require. It has produced a good budget surplus, which is good economic management. This year alone for the first time in living memory we are going to record an overall budget surplus of both the current and capital accounts. That is of benefit to Victorians because when we are managing our own household accurately and properly we can be a role model for the rest of Victoria to allow people to do exactly the same.

The next one of our well-known policies is to reduce the bureaucracy. We have reduced the number of departments from 22 to 11 — exactly half. This has been a great benefit. It means we are streamlining the bureaucracy to make it more efficient and we are able to pass on those savings to ordinary Australian businesses and Victorian families.

Another area of well-known policy is what I call commonsense tendering. We have introduced a regime whereby government instrumentalities approach competitive tendering in a proper way that does not allow for corruption but allows for the

best price and facilities to be available to the taxpayers of Victoria. Flowing from that is our commonsense method of privatisation. In my electorate, which is covered by United Energy, we have seen many benefits from this privatisation reducing in real terms the price of electricity to consumers and providing more consumer protection. We now have a situation where an ombudsman is available to handle consumer complaints concerning privatised electricity authorities.

At present you can pay your accounts by credit card by simply making one telephone call. I am sure that will be of great benefit to many Victorians.

Other burdens on business have been reduced. I mentioned earlier that the government has taken Workcover, our workers compensation scheme, from being very much in the red to being in the black. Workcover premiums in Victoria are decreasing and will drop even further. Workcover premiums have been reduced by approximately \$400 million. In my view that is a \$400 million stimulus to the Victorian economy; that is \$400 million in the hands of Victorian employers to be used in running their businesses.

Dr Napthine — To employ new people.

Mr PERRIN — The honourable member for Portland is right. The government is now starting to reduce taxes.

The final policy I bring to the attention of honourable members is increasing the competitiveness of Victoria. That is being done in a number of ways, some of which I mentioned earlier — namely, the reduction of Workcover premiums and the reduction of state taxes and local government rates. Reductions in port charges also increase the state's competitiveness. Increases in the competitiveness of Victorian industry are delivering greater economic growth to all Victorians.

Another good news story for the Victorian government is the increasing investment in Victoria. The official figures of the Australian Bureau of Statistics, the latest figures available to me, show that business investment in Victoria has increased from 8 per cent of gross state product in 1992 to 9.7 per cent in the March quarter of 1995; that is a good investment improvement. In the manufacturing sector there has been a 14 per cent growth in investment in 1994-95, following a 21 per cent increase in the 1993-94 financial year.

The manufacturing sector, which makes up a large part of Victorian industry, has been able to deliver economic growth well above the national average and well above any individual state. Present indications are that manufacturing investment growth in Victoria in the 1995-96 financial year is to be just as spectacular; Victoria's manufacturing investment growth is again expected to be well above the national average, something every Victorian should be proud of.

There have been many new investment projects, amounting to more than \$8 billion new investment in Victoria. I cannot mention all investments as \$8 billion amounts to many investments, but I will mention a couple of the better known examples. General Motors-Holden made a \$315 million investment in its new engine facility, creating 100 new jobs in Victoria. Its competitor Ford Australia has invested \$1000 million in the design and tooling of its new Ford Falcon, again creating jobs. Bonlac, a well-known dairy company, has invested \$150 million in improving its Victorian facilities. I understand that that is the world's largest investment by any dairying company.

Under Jeff Kennett and Phil Gude the Victorian government has played a large part in delivering those outcomes. I will bring to the attention of honourable members on a case-by-case basis a number of ways in which the government has facilitated new investment in Victoria. The new programs basically are the concern of the Department of Business and Employment.

To indicate to the house how well accepted and thought out the programs are, I mention that the Auditor-General, the watchdog of the Victorian Parliament, has reported that the government's investment assistance program is on track in bringing into Victoria \$1 billion of new investment this financial year. The case-by-case investment assistance program will bring in \$1 billion of new investment, creating wealth and jobs. That program has a number of aspects.

The regional headquarters attraction program has helped attract the headquarters of large international and interstate companies. The location advantages of Victoria have been promoted. The Victorian government conducted a study entitled *Advantage Melbourne*. It points out that Melbourne is an attractive place for large international companies to locate their corporate headquarters. I will give some examples of companies that have established their headquarters in Victoria: Oracle, a United States

company; Martin Dawes, a major company from the United Kingdom; and Shimadzu of Japan. Such changes indicate why Victoria's growth is accelerating and better than the average.

I have been speaking predominantly about big business investment. I bring to the attention of the house one example of the opinion of small business. I have with me the August 1995 edition of the *Yellow Pages Small Business Index*. Under the heading 'Small Business Outlook — Victoria' it states:

... Victoria (together with South Australia) small business lead the Australian states in terms of confidence.

Following very strong employment growth in the previous three months, employment growth among Victorian small businesses reversed, with more proprietors reporting falls than reporting increased employment.

Expectations for sales, employment and profitability growth for the current quarter have improved.

In other words, according to the latest survey of the health of small business in Victoria undertaken by Yellow Pages Australia, not only is big business doing well in Victoria but so too is small business.

I will mention some additional examples of new investment in Victoria, some of which have not yet come into being. Honourable members no doubt are aware that legislation concerning the City Link project will be introduced in the next day or so. That project has not yet commenced and we are yet to see its economic benefits, but it will act as a \$1.7 billion stimulus to the Melbourne economy. In July 1995 the government announced the \$100 million development of Cathedral Place, including a 240-room hotel, a ballroom, shops, a restaurant and the expansion of other facilities. That will impact on the Peter MacCallum Cancer Institute, which is in the precinct.

IBM is investing \$80 million to build a state-of-the-art technology plant in Ballarat. Toyota committed \$420 million to build a new plant at Altona, which is operational. I was pleased to attend the opening on behalf of the minister. The new plant will increase production capacity from 60 000 to 100 000 vehicles a year.

Kraft Food has announced a \$101 million expansion at Strathmerton and Port Melbourne. Mobil has announced a \$1 billion modernisation of its Altona

refinery. Pratt Industries has announced a \$250 million de-inking plant and recycled paper mill at Coolaroo. Australian Paper Manufacturers has invested \$50 million in a waste paper recycling facility at Fairfield.

This year Air International, a leading Australian automotive airconditioning company, opened a new \$18.9 million site in Port Melbourne, which is employing 80 people. A total of \$90 million will be invested overall by that company. Yamasa Seafood, a Japanese company, is about to invest \$15 million in a seafood processing plant that will export 50 per cent of its production. Other companies have also increased their investment in Victoria. This has made this government a success story and is something about which this government should be very proud.

I turn now to the export market. Exports are a particularly good story for the Victorian community. Exports in this state have grown by 30 per cent since 1992. For the rest of Australia, they have grown by about 12 per cent. We are doing better than the rest of Australia as a whole. Victoria's manufacturing exports increased by 18 per cent last financial year. Exports have been a major priority of the Victorian government. We intend to stimulate exports in every way possible and I will give a couple of examples of our programs shortly.

We have established a chain of highly visible business offices throughout the world. Our latest is in Jakarta. I think it was opened by the minister on a recent visit. That is a great way to stimulate exports and to ensure that Victorian investment offices in other countries stimulate growth. I know the Premier, the Treasurer and the minister have led a number of trade missions and trade fairs overseas. They have been a major success in establishing markets for our exports. The Premier, the Treasurer and the minister, between them, have made more than a dozen overseas trips to take Victorian businessmen to other countries to stimulate our export programs.

One of the ways we are stimulating export programs in Victoria is through a scheme called the export managers program, which is very successful. The program has been so successful that the minister has already agreed to extend it in the current financial year. I refer to some of the impacts of that very successful program. The Victorian government gives partial subsidies to businesses that do not have export managers but want to develop export markets. The salary subsidies are used to appoint

export managers whose job is to develop exports for Victorian companies. The runs are on the board. Some 22 export managers have been appointed already under the program. Their overall sales have increased exports by almost \$92 million, from \$67 million to \$160 million between 1992 and 1994.

It is a superb program and I am pleased that the minister will extend it and keep it on the books of the government this year. That is the sort of program business wants. Business wants the government to help it to develop new exports by appointing the appropriate export managers.

I turn now to enterprise improvement, which is another good-news story. The Victorian government has tried to make our local market more competitive. A number of programs have been delivered to business. The Ausindustry enterprise improvement program is an excellent program run through the minister's department. It provides business planning, export marketing and quality and design advice to Victorian businesses to establish export industries.

There is also the national industry extension service program, the NIES program, which is a partnership between the commonwealth and Victorian governments. Last year 1074 NIES programs were delivered to some 682 Victorian companies. This year the state and commonwealth governments will spend more than \$9 million in Victoria delivering Ausindustry enterprise improvement programs. The NIES programs have been such a success that no businesses that have received grants from the Victorian government have gone bankrupt. That is something that cannot be said about the old VEDC programs run by the previous Labor government. They had more bankruptcies than you could point a stick at because that government simply threw money at problems. We have targeted the taxpayers' money to ensure that outcomes are delivered.

I refer now to employment programs, which have been the major beneficiaries of our stimulation of the Victorian economy. Without any shadow of a doubt, the Victorian government has given top priority to reducing unemployment in this state. We have been successful in lowering our unemployment levels. The programs I have just outlined helped to create 102 400 jobs in the past 18 months, and that has been a major stimulus to the economy.

We have done so in a number of ways. Firstly, we have rebuilt business confidence in Victoria. We have given Victorian businesses an opportunity to

create wealth, jobs and investment. They have delivered by the creation of real jobs. These are not mickey mouse jobs where somebody has a job for a short period and is then back on the dole again. These are long-term jobs in real businesses. That has been brought about mainly by a superb program the government introduced after winning government in 1992. In February 1994 the government created the community-based employment program, another absolutely superb initiative. As I understand it, no other state has a similar program delivered from taxpayers' funds. It clearly focuses on the most disadvantaged in our community who need help to find jobs.

The program has three categories. The first — and the major focus — is for young people aged between 15 and 24 years who find it difficult to get their first jobs. The second category involves people over 40 who find it hard to get back into the work force after having lost their jobs. That is another focus of this government: it looks after people who are finding it hard to get jobs. The third category of disadvantaged people to whom the program is targeted is people from non-English-speaking backgrounds, the migrants who find it difficult to get jobs because they lack a knowledge of English.

They are the three categories the spectacularly successful community-based employment program targets. We are attempting to provide skills, knowledge, networking, vocational counselling and placement assistance to those categories of people who are looking for jobs. My electorate is one of the electorates that have this program. I know it is warmly welcomed by the community because it works. It is output driven and performance standards must be met. Last year that outstanding program was successful in placing some 9856 people in either employment or training.

The government has committed a further \$10.8 million to the program this financial year on the basis that each \$1000 has to be used to create one new job. Therefore, it is expected that a further 10 800 jobs will be created in Victoria this year alone with the \$10.8 million from the community-based employment program.

An equally spectacular derivative of that program is the industry-based employment program. It is new, having been started just this year. It has provided funding to 8 industry organisations in order to find some 1465 jobs for unemployed people. Rather than being community based, it is an industry-based program that targets specific industries that use their

resources to create new jobs. The outcome that has to be delivered is at least 1465 jobs in which to place young and old people and people with non-English-speaking backgrounds.

The Victorian government has in place a long series of programs. Whether they stimulate the economy, provide investment, stimulate exports or create jobs for young people, programs are now available that were not available prior to 1992 when the change of government occurred and the Kennett government introduced them.

I turn now to regional development. Some of my colleagues who represent regional areas, some of whom are in the house at present, are interested in regional development and want to see some of Victorian taxpayers' money distributed out to the regions rather than staying in Melbourne. I have given the house examples of some excellent initiatives that have been taken in country Victoria under our programs. The government believes Victoria does not stop at the end of the tram tracks. People in rural and regional Victoria have the right to have Victorian taxpayers' money used to create wealth, investment, exports and jobs in the country. This is a major plank of the Kennett government which distinguishes it from its predecessors.

The Victorian government is now facilitating some \$2 billion worth of investment in country Victoria. That means that \$2 billion of new investment will go into country and regional Victoria that was never available before. There have been some major successes. For example, hundreds of millions of dollars of that new investment money will go into agricultural resources. We must admit that Food Victoria's programs have been an outstanding success. They have tried to stimulate the growth and production of clean food right here in Victoria that we can use for ourselves and also export. There are many great examples of the success of this investment. Companies that are prepared to put their money into regional and rural Victoria include Kraft, the Japanese Snow Brand company and Victoria's own Murray Goulburn.

I gave some examples earlier which I shall not repeat, but all those industries are doing one thing in particular: value adding. They are not just producing our food and shipping it; they are trying to create new job opportunities by adding value to our base resource here in Victoria.

There have been other notable successes, which are not necessarily in food. For example, I mentioned

earlier the \$90 million that IBM has been prepared to put into a new facility at Ballarat. I know the honourable members representing Ballarat are strongly supportive of this new technology facility in Ballarat and that it will stimulate many jobs, as does IBM's facility at Wangaratta. By establishing in those two areas, IBM has made clear its preparedness to establish its manufacturing facilities in regional and country Victoria to create jobs in those communities. In addition, the Lend Lease Corporation is establishing an Asia Pacific computing centre in Ballarat. That is another piece of good news for Ballarat.

The establishment of these technology centres in regional cities of Victoria has stimulated the local economy. This can be shown in a number of different ways. For example, the Bendigo Building Society, a great institution in Bendigo, has now become a bank. That demonstrates the confidence of the people of Bendigo in that institution.

The government has not stopped there. It does not believe government offices should be located just in Melbourne. It wants to push them out to regional areas, and that is what it has done. Small Business Victoria has opened offices throughout Victoria. We do not believe it is necessary to have big bureaucracies located in Melbourne; we want the branch offices to be out there in rural and regional Victoria. That is what we have done, because that is our whole-of-government approach. We believe people in rural and regional Victoria have a right of access to those government programs.

In addition, the government has been working closely with local government to stimulate economic development in country and regional Victoria. For example, \$1.95 million worth of grants has been given to regional councils over the next 12 months on a partnership basis to stimulate economic activity. We have not yet seen the fruits of that investment, but I am sure they will be evident, as they are elsewhere.

I make it clear that Victoria has a lot to be thankful for since the change of government in 1992. There is not the slightest possible doubt that Victoria is on the move. Whether it be in investment, economic growth, exports or the reduction in unemployment, Victoria is on the move. It is outperforming the rest of Australia, which cannot keep up with Victoria. There is no doubt that we came from a low base.

Victoria was the laughing-stock of Australia under the previous Labor government. In fact, we all recall

the old joke where the punchline to the question, 'What is the capital of Victoria?' was 'Ten cents'. That was the joke under the previous government. However, that joke is no longer told here in Victoria or anywhere else because people know that our runs are on the board.

The Minister for Industry and Employment should take a lot of credit for the new initiatives that have been introduced. Whether it be by working with the business and rural communities, with farmers or councils, he has gone out of his way to make sure Victoria really is the state on the move.

I make it absolutely clear that the Victorian government is committed to ensuring that this growth continues. I have great pleasure in moving the motion to congratulate the government on the economic growth and employment initiatives in this state.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.05 p.m.

DISTINGUISHED VISITORS

The SPEAKER — Order! It is my great pleasure to welcome to the Legislative Assembly a group from the Council of State Governments of the United States of America. Although I will not name all the members of the delegation, who will be met formally later today, it would be remiss of me to overlook a particular person, and, under the universal brotherhood of fellow Speakers, I particularly welcome the Honourable Joseph Souki, the Speaker of the house in the state of Hawaii.

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Electricity industry: executive salaries

Mr BRUMBY (Leader of the Opposition) — I refer the Treasurer to the annual reports of the Victorian electricity companies which show that more than 80 executives are on salaries of \$100 000 a year or more and nine executives — —

Honourable members interjecting.

The SPEAKER — Order! I should have thought members would provide a good example to our visitors in the gallery rather than engaging in a

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crossfire of interjections. The Leader of the Opposition, in silence.

Mr BRUMBY — The report shows that more than 80 executives are on salaries of more than \$100 000 and nine executives are being paid more than \$200 000. The salaries are significantly higher than those paid to executives in the old SECV. How can the Treasurer support this huge salary bonanza for those managers when Victorian workers employed under state awards have received only two \$8 pay rises during the past three years under your policies?

Mr STOCKDALE (Treasurer) — That is the trouble with the Leader of the Opposition, even when he gets — —

Honourable members interjecting.

Mr STOCKDALE — It appears they have a lot of support on that side of the house! The Leader of the Opposition has to make a comparison that he cannot substantiate. The fact is — —

Mr Brumby — They are all here!

Mr STOCKDALE — He cannot even remember his question! The point I was making is that for the first time the government is actually disclosing the remuneration bands payable to executives in the industry and the people who are on them. We are adopting the same reporting and accountability standards that applied — —

Mr Brumby interjected.

Mr STOCKDALE — I will come to the answer to your question — just be patient! We are disclosing these for the first time and the fact is that these standards were not disclosed in the days of the SECV. The second part of the honourable member's comparison is completely without foundation. Despite the fact that it is unquestionably true that some executives are on salaries higher than those applied, the Leader of the Opposition is making comparisons between the actual cash remuneration payable to SEC executives and the total remuneration packages, including fringe benefits tax and workers compensation.

The comparison the Leader of the Opposition is making is not accurate. Nonetheless some of these people are on salaries higher than those previously applied because the government conducted market research and established the appropriate market band of remuneration for people running companies

of those sizes. In some cases that involved higher remuneration, but the end result of the disaggregation of the industry is that the total industry overhead has actually reduced as a result of the changes. Not only that, the Leader of the Opposition has been complaining about the improvements and the efficiencies of these companies. The end result is not just that we have attracted — —

Mr Brumby interjected.

The SPEAKER — Order! The Leader of the Opposition will remain silent.

Mr STOCKDALE — The end result is not that we are paying some people more than they would have received under the SEC but that we are actually getting much better performances. We have attracted better managers from other industries who have skills that did not exist in the SEC.

Honourable members interjecting.

Mr STOCKDALE — We'll get that right. Will that suit you?

These salaries are fixed by way of market surveys and enterprise bargaining. The fact that the arbitration commission fixes two \$8 increases is a reflection of the cost to Australian workers of the industrial relations system that the opposition supports. The industrial relations system that the opposition supports delivered those increases. The government supports enterprise bargaining and people being paid in accordance with the contribution they make.

Melbourne: theatrical events

Mr DAVIS (Essendon) — Will the Premier advise the house of any recent development that will help boost Melbourne's reputation as a major theatrical city and what impact such events have on Victoria's cultural and economic wellbeing?

Mr KENNETT (Premier) — As the house would be aware, at the moment this state is witnessing a tremendous resurgence of public support for the Melbourne International Festival of the Arts, which is in the midst of its tenth season. I congratulate John Harrison, the president of the committee, and also Leo Schofield and his team on what is a magnificent festival which is gaining tremendous recognition not only around Australia but also internationally.

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I hope the festival will continue to grow in the years to come as it builds on this government's commitment to the arts to try to attract top-quality performances by individuals and companies to this state. I am happy to announce, as I did earlier this morning, that *Sunset Boulevard*, the production we pursued so vigorously in 1993 when it opened in London, will now be opening in Melbourne in October 1996.

Mr Bracks interjected.

Mr KENNETT — Isn't that interesting, the honourable member for Williamstown is whingeing again. There is no doubt about the Labor Party; that production is coming to this state and will be staged in the Regent Theatre, which has been closed for 28 years. The former Labor government had 10 years to do something about that because it promised to reopen the theatre and nothing happened.

The government has been able to secure the production, and the Regent Theatre will play host to *Sunset Boulevard* when it opens in October next year. It is typical for the honourable member for Williamstown and the Labor Party to oppose absolutely everything. They continue to knock Victoria and to knock fundamental change. The beauty of this is not just that the show comes to Melbourne — —

Honourable members interjecting.

The SPEAKER — Order! Interjections are disorderly.

Mr KENNETT — The poor honourable member for Carrum, who is a failed minister in this Parliament, now sits on the front bench. He is not one of the six members the Leader of the Opposition referred to when he indicated there were only six members on the front bench in whom he has confidence. One wonders why he does not get support from the private sector!

Honourable members interjecting.

Mr KENNETT — The Leader of the Opposition had a lunch with the private sector the other day and said that there were only six members on his front bench in whom he has confidence. He wonders why he does not get financial support from the private sector when he tells that sector that only six are any good!

Government members — Name them!

The SPEAKER — Order! The phrase 'Name them' has been used by certain members of the government. They should bear that in mind.

Mr KENNETT — In the interests of fair play I will name them either tomorrow, the next Tuesday or the week after.

Sunset Boulevard, for which we are already receiving inquiries for advanced bookings, has the potential of adding \$300 million of economic activity to this state over the length of its season, which is expected to be two years.

Honourable members interjecting.

Mr Sheehan — Pick a number!

Mr KENNETT — Pick a number? At least I am not chewing gum! You are sitting there chewing away, chewing your cud. We have the greatest former Treasurer of this state sitting there and he says to us: pick a number! No wonder those television commercials with those eyes shifting from side to side were so appropriate. We'll be able to get one now with the mouth going oomah, oomah, oomah and the eyes going from left to right, left to right!

Honourable members interjecting.

Mr KENNETT — Come in, spinner, any time you like!

Sunset Boulevard will be a major attraction for this state and I thank Sir Andrew Lloyd Webber and the Really Useful Company who honoured their commitment to me and this government in 1993. It is a huge boost to the state's activities and it is a very important activity for the arts community in this state.

City Link: Victoria Dock

Mr BATCHELOR (Thomastown) — I refer the Premier to the fact that as a result of the City Link project Victoria Dock will have to be relocated at a cost of some \$200 million to the taxpayer and I ask: given that the state government is providing a further \$300 million for the purchase of land for the City Link project and that the total cost to Victoria will be \$500 million, how does he reconcile that with his comment on 21 October that this project will cost Victorians nothing?

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Mr Kennett — I missed the question where the honourable member fluffed it.

The SPEAKER — Order! I ask the honourable member to repeat his question.

Mr BATCHELOR — I refer to the fact that as a result of the City Link project Victoria Dock will have to be relocated at a cost to taxpayers of some \$200 million and I ask: given that the state government is providing a further \$300 million for the purchase of land for Transurban, is it not a fact that the total cost of the City Link project to Victorian taxpayers is at least \$500 million, and how does the Premier reconcile that with his comments on 21 October that this project will cost Victorians nothing?

Mr KENNETT (Premier) — I can understand why the Leader of the Opposition handpassed his question to Carmen Lawrence's look-alike!

The SPEAKER — Order! The Premier will answer the question.

Mr KENNETT — A number of issues have been raised here. Yesterday the Leader of the Opposition referred to a figure of \$200 million that the honourable member who asked the question has just picked up. As I indicated yesterday, the ports are not static; ports continually change as the government tries to position them for the 21st century. We already have —

Mr Micallef interjected.

Mr KENNETT — What is it, Happiness? Come on, Eddie!

The SPEAKER — Order! The Premier may not engage members of the opposition in conversation, and the honourable member for Springvale should remain silent.

Mr KENNETT — The \$200 million figure is incorrect. Expressions of interest have been put out to public tender for the relocation of some of those facilities.

Honourable members interjecting.

Mr KENNETT — Settle down — that will be going out to public tender to see the requirements of the private sector and what needs to be replaced, if anything needs to be replaced, and who will pay, whether it is the private sector or —

Mr Batchelor interjected.

Mr KENNETT — Hang on, or whether there will be a public component in the cost.

Honourable members interjecting.

Mr KENNETT — There is not much point if the tenders come in and the private sector respond to the tenders —

Honourable members interjecting.

The SPEAKER — Order! I warn the Leader of the Opposition and others sitting at the table on my left that they must remain silent.

Mr KENNETT — When we get the response to those interests going out to the public sector we will have a better knowledge of the requirements of the industry as a whole. However, as I indicated yesterday, if it is necessary as part of our reform and repositioning of the ports, of course as part of the government's ongoing reform of the ports the state will be prepared to pay for some component of it.

I shall refer to the second part of the question. The government has already said approximately \$250 million will be made available to Transurban in the way of land transfers, noise abatement and other various additives to the City Link project.

The honourable member then asked how I relate that to the fact that I indicated that the project will cost nothing. The simple reality is that there are relationships that have been entered into between the government and Transurban. The convertible notes will be repaid to the government over the period of the life of the contract, which is 34 years, and probably 38 years if one takes the four years during which the City Link will be developed. As those convertible notes are recashed by the government that will more than offset the \$250 million that we contribute to provide for land or noise abatement.

I have said before that the Leader of the Opposition and his supporters should wait until the legislation is introduced and take it away and examine it. You make idiots of yourselves when you ask questions that you have absolutely no knowledge about whatsoever.

School of Film and Television

Mr PATERSON (South Barwon) — Will the Premier advise the house whether it is the government's view that there is a bias inherent in the federal government's funding of Victorian arts activities, particularly in relation to the film and television school at the Victorian College of the Arts?

Mr KENNETT (Premier) — I hope this may be one issue on which there is bipartisan support in this house in the interests of some creative areas in Victoria. We are all proud of the Victorian College of the Arts and its school of film and television, which was Australia's first film school, created in 1966. It moved to the Victorian College of the Arts several years ago and has played an important role in ensuring that Australian and Victorian film and television have access to the highest number of quality graduates.

Tomorrow the Prime Minister will open a new building for the school of film and television at the Victorian College of the Arts. We welcome this long overdue expenditure of moneys to ensure that we have the physical structures for this important school. It is also true that the Victorian College of the Arts school of film and television receives about \$1.3 million per year for recurrent spending; \$35 000 a year for capital equipment; and \$35 000 a year for the maintenance of that capital equipment. We also employ about six full-time teaching positions for a student population of 70.

If one looks at what is provided in New South Wales one will see that the bias that the Prime Minister aims towards Sydney against Victoria is very real. The Australian Film, Television and Radio School in Sydney, the equivalent of our Victorian College of the Arts, receives \$14 million a year for recurrent expenditure as opposed to Victoria's \$1.3 million a year; \$1 million a year for capital equipment as opposed to Victoria's \$35 000 a year; and \$200 000 a year for the maintenance of capital equipment as opposed to Victoria's allocation of \$35 000 a year.

One must bear in mind — this is important — that the student numbers are about the same. In Melbourne we have 70 students and Sydney has 77. It is about a 10:1 ratio in favour of the Sydney school. In Sydney they have more than three times the teaching staff, 20 teachers as opposed to Victoria's 6. That is obviously inequitable. It is discriminatory, and I call on the Prime Minister tomorrow when he comes to Melbourne to open the building, which we are grateful has at last been

provided, to give the facility, which is on a par with the Sydney school in terms of representation not only within Australia but internationally, the capital funding required to provide the equipment to ensure that people who attend the school can be trained to the same level of competence as those in New South Wales.

Yesterday I expressed concern, and an article about this appeared in today's newspaper, about the bias directed towards Sydney against Melbourne and other states by the Prime Minister both as Prime Minister and Treasurer in allocating funding for the arts.

Mr Micallef interjected.

Mr KENNETT — I'll tell you who is getting the benefit. The Sydney arts community is receiving consistent benefit over every other arts community in Australia, including that of Victoria. In Melbourne, Creative Nation is very much known among the arts community as Creative Sydney. If one looks at the so-called Keatings, the Australian Artists Creative Fellowship Scheme, one sees that since 1989 when the program commenced 75 per cent of the recipients have been from New South Wales or the ACT. It is obvious that the honourable member for Footscray does not give a damn about the arts when he wants me to wind up. This is a very important issue for which I hope there might be some bipartisan support.

Since 1989 only 12 per cent of those awards have gone to Victorians, and in 1995 every single grant went to New South Wales or the ACT. This is just another case of Victorians and those in other states missing out as this Sydney bias continues to be pushed by the Prime Minister in all areas associated with the arts.

The same applies in the area of film with the Australian Film Commission's grants for film production. Much of the funding to that organisation is awarded to projects based in New South Wales. Only 14 per cent goes to Victorian organisations and the balance to the other states. Victoria has some of the world's leading film directors and producers such as Fred Schepisi and others working from Melbourne, producing quality films.

The same applies in the area of opera. The arts community in Victoria has been dramatically let down by the Prime Minister and his Sydneycentric funding bias. I hope the opposition will see fit to join

with us in ensuring as a starting point that tomorrow the Prime Minister may see fit to provide the school of film and television with the funds to enable it to acquire the equipment to put the school on a par with the Sydney school. I hope the arts community will change its natural political tendencies from one side of politics to the other and begin demanding that Victoria receive the recognition that it deserves and that we get a fair deal.

The question is about finding out whether the Labor Party, which has no arts policy, is prepared to support the government on this issue in the interests of the arts in this state or whether, like everything else it does — —

Mr Pandazopoulos interjected.

Mr KENNETT — I know the only sort of art you would pursue is tabletop dancing. You're the greatest supporter of that activity.

For the more serious arts, the community is owed an explanation from the Leader of the Opposition: does he support the government in trying to get a better deal for the arts from the federal government or does he again oppose it simply because he believes that is the right thing to do?

City Link: Batman Avenue

Mr HAMILTON (Morwell) — I refer the Premier to comments made by the Minister for Roads and Ports on 25 October in relation to the City Link project when he said:

There is no intention of closing Batman Avenue.

I refer to comments by the minister yesterday when he said Batman Avenue would be closed west of Morell Bridge. Given that the minister lied to Parliament last week about this important issue, will the Premier sack him or does he regard this as acceptable behaviour?

Mr KENNETT (Premier) — It is obvious the honourable member for Morwell was embarrassed about asking the question because he muffed his way through it. He is quite out of his depth on any issue other than those affecting his own electorate. I can only say to the honourable member, as we have been saying now for a number of days, that when you see the legislation with all the details attached you will be able to — —

Mr Batchelor interjected.

Mr KENNETT — Listen, Carmen!

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. I ask the honourable member for Thomastown to cease interjecting.

Mr Dollis — And the Premier?

The SPEAKER — Order! And I ask the Premier to come to his answer.

Mr KENNETT — I am very proud of the work undertaken by the Minister for Roads and Ports. He has been a fantastic minister and he is actually — —

Mr Batchelor — Out of his depth!

Mr KENNETT — Like you, Carmen!

Mr Dollis — Come on, pull him up now!

The SPEAKER — Order! Perhaps the Deputy Leader of the Opposition might give some instruction to the Chair on how to keep his colleague quiet and stop him interjecting.

Mr Dollis — On a point of order, Mr Speaker, for the sake of consistency you must rein the Premier in. If the Premier is going to abuse the forms of this house you can't expect this side to observe any of those forms.

The SPEAKER — Order! I remind the Deputy Leader of the Opposition that reflections against the Chair are disorderly. If he wishes to proceed with the rulings of the Chair he may do so by substantive motion. There is no point of order.

Mr KENNETT — I am proud of the work the minister has done. He is one of those who has been able to deliver a project.

Mr Brumby interjected.

Mr KENNETT — I beg your pardon?

The SPEAKER — Order! I ask the Premier to ignore interjections.

Mr KENNETT — The minister has done a superb job in delivering a project to Victoria that will have a value for whole of life and beyond. It is something

our predecessors talked about but never got off the ground, even though they talked of this particular project and even though they talked of tolls. It is like so many other projects that Labor talked about in government but failed to deliver. We will deliver. I can only suggest to the honourable member who asked the question that he look at the legislation when it comes in and when he has seen — —

Mr Batchelor interjected.

Mr KENNETT — When the legislation is introduced have a look at it — it is in English so it shouldn't be too difficult — then come back to us any time you like.

City Link: traffic management

Mr DOYLE (Malvern) — Will the Treasurer advise the house of the traffic management measures associated with the City Link project?

Mr STOCKDALE (Treasurer) — The Leader of the Opposition has asked two questions on this matter over the last two sitting weeks.

Mr Brumby interjected.

Mr STOCKDALE — Don't you want the answer now? When the Leader of the Opposition raised this matter in the sitting week prior to this one he asserted that these matters were sticking points in the negotiations. I make it clear that on the advice given to me that is not correct. These matters had long before been resolved and were not the subject of negotiations during the time the government was negotiating through Transurban with its banks to reach agreement.

There are, however, traffic management issues involved which I have indicated in response to both those questions but not in the form the Leader of the Opposition has put them forward. I believe they are described in detail in the documents which will be in the library and, if not in those, attached to the documents to be tabled in the Parliament. However, in view of the interest exhibited by several questions, I propose to outline them in general terms today. I suggest that members who are interested in them will see further detail when the documents are produced upon the introduction of the bill.

Footscray Road is not being closed. The load, however, is being reduced to two lanes in one section. Between the Flinders Street extension and Dudley Street the road will be reduced to two lanes

in each direction, reflecting its use as a local road once the link is connected and reflecting the intention that this part of the route should be reduced in order to reduce its impact as a barrier on entry into the Docklands as part of the Docklands development as well.

Boundary Road is not to be closed. It will be reduced to one lane in each direction in accordance with — —

Honourable members interjecting.

Mr STOCKDALE — You asked the question. I am telling you what the situation is. In Batman Avenue the Morell Bridge will be closed and Batman Avenue west of Morell Bridge, as the minister said.

Honourable members interjecting.

The SPEAKER — Order! The house has a choice: either listen to the Treasurer's answer in silence or I will close question time.

Mr STOCKDALE — The Leader of the Opposition suggested that Alexandra Avenue will be closed. That is not correct. Various changes will be made to Alexandra Avenue but only between Anderson Street and the Swan Street Bridge. The rest of Alexandra Avenue is not affected in any way. They are described in the documents. I suggest you go and see them.

Mr Brumby interjected.

Mr STOCKDALE — The Leader of the Opposition claimed that Alexandra Avenue — —

Mr Brumby interjected.

The SPEAKER — Order! I ask the Leader of the Opposition to remain silent.

Mr STOCKDALE — The Leader of the Opposition claimed that Alexandra Avenue was being closed. He is not correct.

In Toorak Road the clearways will be removed between Punt Road and the South Eastern Arterial as it now is. The balance of Toorak Road will not be affected. In part B of the documents there are a number of other measures which have been sought by Transurban but which have not been agreed to.

PUBLIC SECTOR MANAGEMENT AND PARLIAMENTARY OFFICERS (AMENDMENT) BILL

Introduction and first reading

Mr KENNETT (Premier) — I move:

That I have leave to bring in a bill to amend the Public Sector Management Act 1992, the Parliamentary Officers Act 1975, the Ombudsman Act 1973, the Parliamentary Salaries and Superannuation Act 1968 and the Employee Relations Act 1992 and for other purposes.

Mr BRUMBY (Leader of the Opposition) — I ask the Premier for a brief explanation of the bill and also the proposals to make changes to other measures.

Mr KENNETT (Premier) (*By leave*) — The bill has been a long time in the making. It brings together a number of issues, most of them not related. Part of the measure deals with the management of the Parliament. One area of responsibility I currently have as Premier is to approve either the employment of or the change in position of every staff member in the Parliament. That seems to me to be quite ludicrous. I have transferred that responsibility to the President and the Speaker so they can make those decisions themselves rather than their requiring my signature. However, the selection of the heads of departments of the Parliament will be decided on the recommendation of the President and the Speaker to the Governor in Council. That reverts back to the practices that exist in other parliaments and it is a result of references from both the Speaker and the President which we are happy to accept.

The bill will also ensure that ministerial staff are covered by the Employee Relations Act in terms of conditions to make sure the act applies to everyone. Ministerial staff are treated differently from public servants in terms of their employment. That ensures fundamental safety net contracts and period-of-dismissal clauses are the same for ministerial officers as for public servants generally.

The amendment of the Ombudsman Act allows the Ombudsman to appoint a deputy in his place under certain circumstances and to deal with police matters. As the honourable member is probably aware, the former Deputy Ombudsman (Police Complaints) was the officer in charge of police investigations. He is now the Ombudsman. He has

the respect of the police force and the community at large. The government is giving him the opportunity to continue to investigate police matters.

Mr Mildenhall interjected.

Mr KENNETT — The Ombudsman is always accountable to the Parliament. The Ombudsman is independent of government, as the honourable member is probably aware. Given the work of Dr Perry, the government wants to ensure he is able to continue his work as Ombudsman.

The bill deals with a number of other issues. I cannot remember them all. If the honourable member wants a briefing before tomorrow, I will be happy to arrange that. Otherwise, there will be the second-reading speech tomorrow, which will make good bedtime reading. The City Link legislation and attachments will take up all of the spare time of the Leader of the Opposition over the weekend.

Motion agreed to.

Read first time.

LIQUOR CONTROL (FURTHER AMENDMENT) BILL

Second reading

Mr HEFFERNAN (Minister for Small Business) — I move:

That this bill be now read a second time.

The community is increasingly concerned about the level of underage drinking. The increasingly early uptake of alcohol by youth increases the potential for alcohol abuse and misuse, resulting in the failure of youth to achieve their potential in life and increased medical and welfare costs being borne by the community.

The 1992 survey of Victorian school students conducted by the Department of Health and Community Services, reported in April 1993, reveals that:

the average age of year 11 students (aged 16 years) to have started drinking alcohol was 12.9 years;

the prevalence and frequency of drinking alcohol increases steadily with age (11 per cent of students in year 7 — that is, aged 12 — had consumed alcohol in

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the last week before the survey compared with 47 per cent in year 11 — that is, aged 16); and

binge drinking — that is, consuming more than five standard drinks in succession — among year 11 students has remained at a consistently high level since 1989.

The Young People and Drugs strategy, which includes alcohol use, released by the Department of Health and Community Services in August 1994 identifies the action areas of education and information, marketing and promotion, availability, enforcement, treatment services and monitoring and evaluation. The Directorate of School Education is developing policies and practices in curriculum and welfare to address alcohol and drug issues.

Existing liquor laws are adequate. However, the achievement of compliance with them is seen to require:

- a clear understanding of the law by licensees and persons until 18 years of age;

- targeted offence provisions and appropriate penalties; and

- effective enforcement options being available to the Victoria Police.

The proposed amendments will make a substantial contribution to minimising underage drinking and presence at licensed premises and provide for more effective enforcement of liquor laws.

The bill introduces provisions which define an evidence-of-age document as:

- a proof-of-age card issued to the person by the Chief Executive Officer of the Liquor Licensing Commission or by a corresponding public authority of another state or territory;

- a driver's licence issued to the person under a law of the state or a law of another state or territory;

- an Australian or foreign passport issued to the person; or

- a document issued by a person or a government agency approved in writing by the minister.

All evidence-of-age documents shall bear a photograph of the person and detail the person's

name and date of birth or otherwise identify that the person has attained a particular age.

It is proposed that it be an offence to falsely represent oneself as having attained 18 years of age with the intent of gaining entry to licensed premises and/or being supplied with liquor. It is proposed that it be an offence to make a false document that could reasonably be taken to be acceptable evidence of age for the purposes of the Liquor Control Act 1987 or give such a false document to another person knowing the document to be false and with the intent that the document be used as acceptable evidence of age for the purposes of the Liquor Control Act 1987.

It is proposed that it be an offence to knowingly give a document that is evidence of age for the purposes of the act of the person specified in the document to another person, with the intent that the document be used by that other person as evidence of age for the purposes of gaining entry to licensed premises and/or being supplied with liquor. It is proposed that it be an offence to wilfully or negligently deface or interfere with a document that is evidence of age for the purposes of the Liquor Control Act 1987.

It is proposed to remove the defence by licensees or permittees of 'reasonable inquiries' in respect of sale of liquor to minors and institute a stricter defence. It is proposed that the defence be amended along similar lines to that which has been adopted in New South Wales. It is proposed that the licensee or permittee must prove that there was produced at the time of the offence documentary evidence that could reasonably be taken to be genuine, acceptable evidence of the age of the person, for the purposes of the Liquor Control Act 1987, and indicating that the person is at least 18 years of age. This defence is also to apply to the offence by a licensee or permittee of allowing minors on licensed premises.

The bill introduces an infringement notice scheme whereby police will be authorised to issue an infringement notice in respect of a number of offences prescribed under the act. It is proposed that a further ground for disciplinary proceedings under section 101(5) of the Liquor Control Act 1987 be that a licensee or permittee has been served an infringement and paid that notice.

The bill provides that the Governor in Council may make regulations under the Liquor Control Act 1987 encouraging responsible practices in the service, supply and promotion of liquor. It is proposed that persons under 18 years of age be allowed on

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licensed premises or authorised premises for the purpose of performing duties, other than the sale and disposal of liquor, in the course of receiving training for employment or work experience.

It is proposed that persons under 18 years of age participating in a hospitality training program authorised by the minister under terms and conditions he sees fit may sell and dispose of liquor on licensed or authorised premises for the purposes of that training.

To facilitate the introduction of 'acceptable evidence of age' and the implementation of responsible serving of alcohol training for licensees, it is proposed that the chief executive officer be given the power to issue a proof-of-age card and to conduct responsible serving of alcohol training courses for licensees. It is proposed to extend those types of licensed premises upon which persons under 18 years of age are currently allowed with the approval of the Liquor Licensing Commission to include all types of licensed premises.

It is proposed that as well as the commission having the existing power to disqualify the licensee, permittee, any director or nominee of a licensee/permittee — if a body corporate — or member of the managing committee or nominee of a licensed club, the commission also be given the power to disqualify any person who takes part in the management of licensed premises.

The government is concerned that some persons performing duties as managers in licensed premises may not be fit and proper persons to be employed in such a capacity in licensed premises. The provision in the bill will allow the commission to remove such persons from the industry if warranted without interfering with the conduct of the overwhelming majority of premises that are properly conducted. The government will closely monitor the operation of this provision.

The amendments will make a substantial contribution to minimising under-age drinking and presence on licensed premises and provide for more effective enforcement of liquor laws.

The bill also removes the prohibition that prevents the Liquor Licensing Commission from granting licences to premises used primarily as cinemas. Many cinemas enjoy the advantage of licensed areas granted prior to the introduction of the prohibition in 1988. The police or commission have not experienced any problems related to under-age

drinking or other offences against the act on these premises. The development of a number of cinema complexes and existing cinemas in Melbourne and Victoria will be advantaged by being able to provide liquor to patrons in defined bar areas.

Members would be aware that the Public Bodies Review Committee recently tabled the report of its inquiry into the Liquor Licensing Commission. Effective liquor law is an essential element of the successful development of the liquor and licensed hospitality industry, including tourism. The law must also appropriately balance the social and economic benefits that come from industry development and the cost of alcohol abuse to the individual, the family and the community. Victoria is well served by its progressive liquor laws. The Public Bodies Review Committee has identified some opportunities to further improve them.

However, a range of significant matters need to be taken into account when considering any change to our liquor laws. The Parliamentary Committees Act does not require the government to accept the recommendations of the Public Bodies Review Committee. The act does, however, provide that where the committee recommends that a body should cease to exist, as is the case in respect of the Liquor Licensing Commission, that body shall cease to exist at the 12-month anniversary of the tabling of the report, being 3 October 1996, unless both houses of Parliament resolve otherwise.

The bill provides that the Liquor Licensing Commission will continue to exist. A complete analysis of the committee's report and identification of any appropriate amendments to liquor law and policy will be undertaken.

I commend this bill to the house.

Debate adjourned on motion of Mr LONEY (Geelong North).

Debate adjourned until Wednesday, 15 November.

PROFESSIONAL BOXING AND MARTIAL ARTS BILL

Second reading

Mr REYNOLDS (Minister for Sport, Recreation and Racing) — I move:

That this bill be now read a second time.

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The purpose of this bill is to deregulate sections of the professional boxing and martial arts industry, provide for adequate levels of safety and probity in the industry and to restructure the statutory boards responsible for control of the industry.

The bill is in response to the government's licence simplification program and the commitment of the government to facilitate the effective operation of the mutual recognition scheme. It also reflects the views of the Sport and Recreation Ministers Council which seeks regulatory consistency between the states in the combat sports.

Regulation of the combat sports industry is currently undertaken by the Professional Boxing Control Board and the Martial Arts Board, pursuant to the Professional Boxing Control Act 1985 and the Martial Arts Control Act 1986 respectively. This bill repeals the latter act and amends the former to effect regulatory reform within the industry. At present, only professional boxing industry participants are required to be licensed or registered. Amateur boxing is self-regulated through the Victorian Amateur Boxing Association and the Victorian Amateur Boxing League. However, in the martial arts industry, which for the purposes of this bill encompasses kickboxing, both amateur and professional activity are regulated.

This bill proposes the deregulation of the martial arts industry to bring it into line with boxing. In future only professional martial arts contestants and those involved in the promotion and conduct of professional martial arts contests will be required to be registered or licensed. This will release amateur combat sports from unnecessary government control, offer more responsibility to amateur associations for the proper conduct of their sport and reduce the administrative burden associated with such control.

The bill will not only provide for regulatory consistency between the martial arts and professional boxing within Victoria, it will also achieve consistency between Victoria and the other states, where amateur martial arts contestants have never been required to be registered, nor industry workers required to be licensed.

The bill proposes that, in future, licensing of industry workers in both professional boxing and professional martial arts will be restricted to those categories where it has been demonstrated that control is needed to ensure the safety of contestants or the probity of the industry. Occupational

licensing will therefore be restricted to the categories of trainer, referee, matchmaker and promoter in both professional boxing and professional martial arts.

The net effect of these proposals is to reduce the number of licensing categories within the boxing industry from 11 to 4 and within the martial arts industry from 6 to 4. The number of persons required to be licensed will fall marginally in the boxing industry but will fall by around 2750 in the martial arts industry.

New codes of martial arts are constantly evolving. The bill makes provision for the future control of new codes, but more particularly it provides for the control of undesirable developments such as tough-man contests, which in the past have eluded statutory control by being neither boxing, kickboxing, nor any other prescribed martial arts code. Victoria's approach to the control of this emerging problem is likely to be emulated in other states.

The bill provides for further industry deregulation by removing the requirement for medical practitioners to be accredited by the minister. These regulatory reforms will achieve a consistent approach to the licensing and registration of boxing and martial arts in Victoria. It is therefore appropriate that the two controlling authorities be amalgamated so that administration of the single controlling act may be conducted with consistency and efficiency.

The bill makes provision for a Professional Boxing and Martial Arts Board, which will comprise between five and seven members who have a good knowledge of boxing and/or one or more of the martial arts. Since the board is responsible for matters of probity in the industry, it will include a member of the Victoria Police. All members will be appointed by the minister and fees will be fixed by the Governor in Council.

To ensure maintenance of probity, the board will continue to be responsible for the issue of permits for the conduct of professional boxing and professional martial arts contests. Although the bill removes 'fit and proper person' qualifications from the issue of licences, objective criteria as specified in regulations must be met. The minister retains the power to vary the conditions under which a licence or permit may be issued. This further reinforces the minister's ability to deal with events such as tough-man contests and any similar to those

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occurring interstate in recent months featuring blatant mismatching.

The bill removes from the regulations matters connected with the conduct of professional boxing and martial arts contests and provides the minister with the power to make rules for the proper conduct of contests. This will ensure that the requirements of emerging codes of martial arts are efficiently accommodated but that appropriate safety conditions concerning equipment, venues and procedures are met.

This bill provides for a significantly deregulated boxing and martial arts industry which will achieve administrative efficiencies and offer opportunities for the industry to manage its own affairs, while at the same time maintaining appropriate controls in the interests of industry safety and probity.

I commend the bill to the house.

Debate adjourned on motion of Mrs WILSON (Dandenong North).

Debate adjourned until Wednesday, 15 November.

MARCUS OLDHAM COLLEGE BILL

Second reading

Mr HAYWARD (Minister for Education) — I move:

That this bill be now read a second time.

The purpose of the bill is to facilitate the transition of Marcus Oldham College from its current status under the administrators of a trust to that of a company limited by guarantee. This transition has been requested by the college with the support of the trustees and is consistent with the legal arrangements under which a number of colleges and other tertiary education providers operate throughout Australia.

Marcus Oldham College commenced operations in 1961 on a site in Geelong with funds set aside in the estate of the late Marcus Oldham. The college is a private provider of tertiary education programs in agriculture and currently has enrolments of approximately 150 students in farm management and related areas of study.

These programs are a valuable component of the provision of agricultural education in Victoria, and

the government is pleased to assist the college in making a transition which it believes will significantly strengthen its capacity to provide these programs for young people in Victoria.

Throughout its history the college has operated with the guidance of the council established by the trustees of the will of Marcus Oldham. Although this arrangement has been harmonious and productive, it is not considered to be the most effective way for the long-term development and expansion of the college. With the agreement of the current council and trustees a company to be known as Marcus Oldham College has been established.

This bill makes the company the legal successor to the existing unincorporated college and transfers the property, students and staff to the new entity in the same way as was done in recent tertiary education mergers and amalgamations.

MAJOR PROVISIONS OF THE BILL

Part 1 of the bill establishes its purpose to provide for the transfer of property and operations to the newly established company and to cancel the trust. Provision is made for commencement, and necessary definitions are provided.

Part 2 of the bill transfers the assets and liabilities of the existing college, including land owned by the college, cancels the trust and provides for the transfer of gifts to the college, and for the transfer of staff and students to the new institution.

The bill will significantly strengthen the capacity of Marcus Oldham College to offer programs in agriculture for the benefit of students and the agricultural industry in Victoria.

I commend the bill to the house.

Mr SANDON (Carrum) — The opposition does not oppose the bill. In fact, it supports it. It was requested by the college and, as the minister's second-reading speech states, it has the support of the trustees.

The bill is designed to facilitate the transfer of the college from its current status under the administration of a trust to that of a company. The bill is essential if the college is to grow and prosper. The college must be put on a more formal footing with appropriate responsibilities and accountability.

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From time to time there have been differences of opinion between the trustees and the college council. The bill is designed to overcome those occasional differences by establishing the company. In other words, the bill is transferring the college from being a trust to being a company. This procedure is not new. I am aware of other occasions when this has occurred, so there are precedents.

It is also my knowledge and understanding that the architect of this is outstanding educationalist, in my view, Dr Allen, who is to be congratulated on the manner in which he brought this vehicle to the house to resolve the differences between the two. I should inform the house that I believe Dr Allen is an outstanding educator, having taught me at secondary college and at the Simon Fraser University in Canada, so I am not without some knowledge of his considerable skills and expertise. He is someone I have always enjoyed meeting with and discussing issues related to education as well as sports. I am pleased to note his role in undertaking this very important issue on behalf of the trust of Marcus Oldham.

The opposition supports the bill and wishes it a speedy passage.

Mr PATERSON (South Barwon) — It is a great pleasure to be able to support the bill. It is refreshing to note that the opposition also supports it and that it is able occasionally to make a positive contribution to debate in this house.

The bill facilitates the transition of Marcus Oldham College from its current status under the administration of a trust to that of a company limited by guarantee. The college has requested that this take place, and it has the support of the trustees.

As honourable members have heard, the Marcus Oldham College commenced operations in 1961 as a result of funds set aside by the estate of the late Marcus Oldham. It is a private provider of tertiary education, has 150 students, and concentrates on farm management. For those who do not know, I point out that it is situated just beside Deakin University at Highton. The trustees of the college consider the new arrangements set out in the bill to be in contrast to the arrangements of the past, which were not considered to be the most effective way of providing for the long-term development and expansion of the college.

The bill sorts through some of those difficulties. It makes the company the legal successor to the

existing unincorporated college and transfers the property, students and staff to the new entity.

Clause 1 provides that the purpose of the bill is to transfer certain trust property to Marcus Oldham College Ltd and to cancel a trust created by the will of Marcus William Oldham. In part 2, clause 4 provides for the transfer of assets and liabilities of the trustees or council of the existing unincorporated college to Marcus Oldham College and for it to be the successor in law to the unincorporated college. Clause 5 provides for the land held by the trustees to vest in Marcus Oldham College.

By way of reflection on the history of the college, the will of the late Marcus William Oldham, who died on 28 June 1939, created a trust for the establishment and maintenance in perpetuity of a training school in pastoral farming, agricultural pursuits or other related pursuits. As has been discussed, the bill has the support of the college management and the trustees. At a meeting of the Marcus Oldham College held in March 1995 it was resolved to request the Victorian Parliament to legislate to recognise a company to be formed as a successor in law to the college to enable the trustees to transfer assets and liabilities to the incorporated body, to release the trustees from future liability and to ensure that the incorporated body was the successor in law to the trustees so as to retain present benefits enjoyed by trustees and the college so that future gifts, bequests and entitlements to the college could lawfully pass to the incorporated body.

The three trustees support the bill. The trustees, two of whom are personally known to me, Bob Balderstone and Richard Annois, have put their support in writing. They say:

We are two of the three trustees of the will of Marcus William Oldham deceased ... Pursuant to the terms of the will (as varied by the Supreme Court of Victoria) the trustees own and conduct a farm management college at Highton, Geelong.

The trustees now wish to be released from this obligation and to transfer assets and liabilities relating to the college to a company limited by guarantee. This company is being incorporated through the trustees' solicitors, Blake Dawson Waldron.

The trustees give full support to the bill. When Marcus Oldham initially provided for the college in his will he directed that it was for:

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... [an] establishment or training school for the maintenance and education in pastoral farming or agricultural pursuits or any other pursuits connected therewith of such boys (being sons of Protestant parents) as my trustees shall select for the purpose;

At some point later it was decided that it would be better to vary that obligation for the operation of the college. Such a condition might seem quaint today, but it was considered appropriate at the time. The condition that students be sons of Protestant parents was varied in the Supreme Court in 1979 by Mr Justice Lush. I visited the college recently and I assure the house that no longer are only boys attending the college. It is a great pleasure to support the bill. I wish Marcus Oldham College all the best for its future and I commend the bill to the house.

Debate adjourned on motion of Mr KILGOUR (Shepparton).

Debated adjourned until later this day.

ZOOLOGICAL PARKS AND GARDENS BILL

Second reading

Debate resumed from 12 October; motion of Mr COLEMAN (Minister for Natural Resources).

Ms MARPLE (Altona) — Although no-one would disagree when I say the Melbourne zoo is a most important asset for Melbourne, not everyone would know it has three locations: the sanctuary at Healesville; the Werribee open-range zoo; and the zoo in Parkville. Part of the Werribee open-range zoo is in my electorate and part is in the electorate of the honourable member for Werribee. We often debate whether I have the hippopotamuses on my side of the boundary and whether he has giraffes on his side. For those members who have not visited the Werribee zoo, I suggest they do so. It is an interesting trip that is well suited to all age groups because the tour is conducted by bus. The zoo is well set out, as are its future plans. In his second-reading speech, the minister spoke about the future plans for the zoo and, of course, the bill is part of that.

The opposition does not oppose the bill; in fact, it supports it. However, it is important to make some points about this major institution for our city and our state. I shall speak in general terms about why we have a zoo and about some of the concerns we have about the bill. Many Victorians would not be

familiar with the history of the zoo. I was interested enough to do some research in the parliamentary library to find out about it.

The zoo began in 1853, though not in the form we know it today. That zoo was closed in 1863 after which time professionals became involved with a view to acclimatising foreign animals to 'improve' the local landscape. The point was made in inverted commas because some of the foreign animals included vermin that have done great damage to our countryside.

The Zoological Society of Victoria was formed in 1857. It was granted Richmond paddock, a swampy area opposite the botanical gardens, as a holding place for animals. It is not part of our zoo now and is not an area that is well known. However, I am sure the honourable member for Melbourne will expand on the matter as the Melbourne zoo is in his area. He represents not only the hippopotamuses and the giraffes but the many other animals there!

Mr Coleman — The butterflies!

Ms MARPLE — And the butterflies too. The zoo was privately owned and to some extent others were involved, but scientists became a little disturbed and public awareness increased about how animals were looked after as well as the issue of what it meant to have a zoo in your area. Those matters came to a climax in 1936.

In 1937 the original society handed over control of the zoo to the government and today it is run by the Zoological Board of Victoria. Today's bill provides for the changing of the board and how it will manage the zoo in the future. The bill repeals the 1967 act. It establishes and provides for the management and administration of the zoological parks and gardens — that is, it establishes a Zoological Parks and Gardens Board. One can tell by the name that the government is broadening the area in which the board will now work.

As the minister said in his second-reading speech, the bill stems from a request from the current board to remove some of the limitations of the act to provide more flexibility in keeping up with basic objectives.

It is interesting to note the objectives of any zoo. If anyone has a wider experience of attending a zoo than visiting it every 10 years or so, which I think is an average for families, he or she would know that there is still much debate in society not just in

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Australia but around the world on why we still have zoos. The reasons have changed over the years and some zoos in different countries have different basic objectives.

Recently a very good documentary on zoos and why they exist was shown on SBS. Some have taken the conservation of particular animals as their main reason for existence. Others take the view that zoos also need to have enough income from people looking at the animals to be able to continue in existence, so providing education and knowledge from the viewing of animals is seen as a major objective.

I think it is healthy that the debate continues. If we are to have a zoo then I am particularly proud of our zoo; I am pleased with its aims and objectives. It is keeping ahead of our society in its view of how exotic animals should be kept and how they should be on show. The Melbourne zoo has set out as its objective the conservation, protection, management and improvement of the zoological parks and land and the collections.

It is important as Melburnians and Victorians for us to understand that the gardens at the Melbourne zoo are of world standard and that many people visit the zoo to enjoy the gardens just as much as the animals. The bill promotes an increase in public enjoyment of the zoological parks and managed lands. We would all agree with that provision. Part of the change that has happened in our lifetimes regarding the keeping of animals in zoos is that they are no longer in caged areas and we now see animals in what is hoped to be as close as possible to their natural environments. That increases the public's enjoyment of the zoo because the public are now well aware of the issues involved in keeping animals in zoos and would not want to see animals confined as they were in the 1930s and 1940s. Since the 1960s and the introduction of the current act that view has been changing and we have seen the development of more animal-friendly enclosures.

One of the objectives of the bill is to increase the public's knowledge and awareness of the zoological collections and parks through publications, educational programs, advisory services and other activities. My family — and I have been told that every time I make a speech in this house I talk about my family, somebody in it and what activities they are involved in —

Mr Cole — They probably talk about you, too!

Ms MARPLE — Yes. My daughter has been a volunteer guide at the zoo, so I am very aware of the ongoing training programs a guide must go through before he or she is allowed to wear the guide shirt, badges and so on. They receive most informative training and everybody can be assured that those volunteer guides have an up-to-date knowledge because they have to go back on a regular basis for an upgrading of their training. Anyone who is a Friend of the Zoo would know about the publications and the advisory services that are available, just as the public would be aware of that through school excursions organised through the educational section at the zoo.

All Melburnians would be well aware of the great publicity our zoo always generates. The media in Melbourne has always put forward to the public what the zoo is attempting to do and what changes are being made. It involves the community in those changes and education programs. There is nothing like the photographs of the latest baby at the zoo to arouse interest, but it is more than that. The zoo has done an excellent job, just as the person in charge of the media work has done an excellent job.

Another of the bill's objectives is the carrying out and promoting of zoological research, the conservation of wildlife and its natural habitats and the maintenance of biodiversity. That is an enormous objective and those people involved with the zoo would be well aware of the inter-zoo programs which ensure that we are part of the conservation of wildlife around the world.

I am pleased to see that over the years the zoo grounds have become part of the collection of the animals; there have been many changes in that area. I shall quote a story from the *Sunday Age* about what is happening at our zoo. The article is dated 25 June and refers to the transformation of the Melbourne zoo into a more natural environment for animals and how that has won a vote of confidence from the tourist authorities and visitors. It states:

... Melbourne zoo was awarded the Victorian Major Attraction Award for its development of natural housing for animals.

It may mean that some of the animals may be harder to see in their new surroundings; perhaps we have to attend the zoo with that knowledge so that we become better observers.

Many people would be aware of the butterfly house, which is a popular attraction. When I have interstate

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visitors staying with me they always want to go to the zoo to see in particular the butterflies or the gorillas. That may be because of publicity, but I suspect it has become known by word of mouth, particularly the butterfly house, because people enjoy the experience of walking through it, having butterflies land on their shoulders and being so close to them.

It is important to get rid of the small, bare cages that some of us would remember as children. We must ensure that animals have the appropriate areas and landscaping.

The new board can now increase its scope for private and corporate sponsorship. I know the Friends of the Zoo are involved with opening the zoo for twilight gatherings. I recommend them to anybody who likes jazz music played in a beautiful open space and the occasional roar from the lions. I am sure the board will take into account that private and corporate bookings will not overwhelm what the zoo is all about, which is family activity.

It is important that there be fundraising for the zoo. Zoos are very expensive to run and must have corporate sponsorship. Today there is corporate and private sponsorship for the necessary capital improvements at the zoo. Over the past few years the board has had strong views about entertainment at the zoo and believes that today certain types of entertainment are no longer appropriate. I hope the board will keep in mind that there should be entertainment but that it should not override the function of the zoo.

Not all members of Friends of the Zoo were aware of the bill but they did ask me to raise the issue of preserving old buildings and building new enclosures. Of late there has been debate in the newspapers about the historical importance of some buildings at the zoo. Many with heritage interests wish to preserve items of historical importance at the zoo such as the front gates, which are a great record of their time, as are a number of the older cages, including the elephant and giraffe enclosures.

We know that those animals require new enclosures. The Friends of the Zoo have been working diligently for some time raising money to improve the elephant enclosure.

New enclosures must be appropriate for the particular animal. It is incumbent upon us to ensure that that takes place while preserving some of the historic buildings at the zoo. The board has kept one

of the caged areas that I know of — I think, it is the monkey cage — to ensure that the public can identify with what happened in the past and can see the improvements that are now being made. The zoo wishes to upgrade the lions' enclosure, which was one of the first changes that took place at the zoo some 20 years ago.

In closing, I recommend that those who have not been to the zoo recently go and see the changes that are taking place and the plans for the future. People who have not been to the Werribee zoo and the upgraded Healesville Sanctuary should visit them. There has been a commitment by the former government and this government to those areas, and the bill should ensure the proposed plans will be realised.

Mr E. R. SMITH (Glen Waverley) — The main aim of the bill is to establish a modern management and accountability structure for the zoo board. As the honourable member for Altona indicated, the Melbourne zoo complex, the Werribee zoo and the Healesville Sanctuary are great attractions for visitors to Melbourne. Last Saturday I had the pleasure of taking my small child to the zoo because it is one of those wonderful attractions for children.

Probably the only occasion in the last few years when the zoo hit the headlines in the financial area was at a hearing before the Public Accounts and Estimates Committee, of which I am a member. The main point in the submission of the zoo board at the time was to establish whether it should pay for a special audit the Auditor-General had called for. The committee studied the submissions and recognised that the board does budget very carefully. As it turned out, the zoo board had to pay for that special audit, and provision will probably be made in the future for that to continue, but that is a very important point.

In most cases an appearance before the Public Accounts and Estimates Committee relates to some controversial matter: it may concern a minister or be an issue affecting a government department. This one was responding to the Auditor-General's report, one that came out favourably. I believe the restructure was necessary in the light of modern management and, particularly, for accountability. The structure being proposed by the legislation will bring the zoo right up to date with modern management techniques, and only the best results can occur.

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I take this opportunity of congratulating the zoo's volunteer guides. One of the things that strikes you at the zoo is the number of people in uniform, looking very much the part, who come and join the groups and in some cases individually offer assistance, whether it be looking at the cats or the gorillas or whatever. Those guides have given up their time to make the public aware of the value of the exhibits and, in particular, to answer questions the average person might have about the animals on display. These people who give up so much of their time are to be commended. I do not know the number but I imagine it runs into some hundreds of volunteers who are circulating throughout the zoo — like an on-the-spot information bureau — providing this information that is so helpful. The attitude of these people and the interest they take in the animals are to be very much commended.

The bill is mainly mechanical but is necessary in the light of modern management practices. I commend the bill to the house and wish it a speedy passage.

Mr COLE (Melbourne) — I support the Zoological Parks and Gardens Bill, particularly as one part of the tripartite zoo is in my electorate. The Melbourne zoo in Royal Park is in my electorate, so it is incumbent on me to speak in support of the bill.

The bill, by and large, is concerned with the administration of the zoo but is a very important part of its future. I also felt it was incumbent on me to speak on the bill because the Zoological Board of Victoria has in the past provided me with a membership ticket to get into the zoo and I have always appreciated the freebie. Since I have been in Parliament I have used it more frequently than I otherwise would have done.

Another aspect of the zoo board that is of interest is that when I was on the Melbourne City Council, which also had boundaries that included Royal Park and the zoo, for some reason the place on the zoo board was the most sought-after position other than that of lord mayor. I could never work out why that was, but the councillors would certainly rally the numbers to get onto the zoo board. I suppose it carried some status, but it may have been because members had good board meetings and they all had an enjoyable time.

The zoo board under this bill has an onerous responsibility, but it is one that to a large extent is vetted by the minister not only through appointment but also through control. I do not think that is necessarily a bad thing. The responsibility is

very onerous because the zoo has a significant educational function. School excursions are often booked out well in advance. Visits to the zoo are a very important part of the curriculum of young children.

There are lots of visits that are not school excursions. Parents often take their children to the zoo. I know when I take my kids there I do it with some trepidation. I am not sure the animals are ready for my kids! However, we go and enjoy it. It is a thoroughly enjoyable place to go, but it is also a very important educational place.

The question of zoos is something that has come up, as circuses have, over the years. We must examine our views on the incarceration of certain animals. I must say that when I used to see the polar bears suffering — I couldn't find polar bears the last time I went and I was looking for them —

Honourable members interjecting.

Mr COLE — The polar bears are not there any more, and that is to be supported. There are a lot of issues to deal with concerning other animals that are kept there. I don't look at that with any great pride, and I think the animal liberationists have a very good argument which we should respect. My response to it, because I am not of that view, is that in order for humankind to understand its environment, the animal cultures, the existence of animals and the appreciation of them, we can really do it only through the use of zoos. As long as we keep the animals in the most humane way possible it is acceptable.

It is also important to understand not only that the zoo environment has improved dramatically over the years but that there is also an opportunity to overcome many of the problems we have in modern society by taking children to the zoo. Contrary to the argument of the animal liberationists, I feel my children and other children will gain enormous benefit and understanding of their environment by going to a zoo; although I must respect the position of those people who say that is not the case.

We have suffered an extraordinary generational change from my father to me to my children. It is so dramatic that kids have very little contact with animals these days or with their environment other than through the domestic dog or cat or bird. There is certainly not too much animal life in Flemington, although we do have horses that still parade around our area. I think it is a great loss for kids. My father

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had access to many animals, to country life and to the environment and the appreciation of things like snakes and lizards. My children will never experience that unless they visit a zoo. We should remember these changes are taking place and they have been so dramatic and removed from what we have been used to in the past that people are becoming less physically aware of their environment.

You hardly seem to be able to turn on the TV without getting some nature program or somebody complaining about the trees being pulled down or not being pulled down.

Mr Hamilton — Good for their education!

Mr COLE — It is good for their education but it is still on the box; it is still once removed from reality. I believe going to the zoo and standing outside the lion enclosure is far more valuable than looking at TV or reading about Leo the Lion or whichever story I read to my kids.

Mr Hamilton — *The Lion King*!

Mr COLE — Yes, the *Lion King* is an important one too, but it is also a cartoon character and it is not as good as the lions at the zoo. They have a certain presence about them that make you respect them. You are grateful for the fence between you and them! First-hand experience of a zoo is very important to children, and the zoo at Royal Park gives them that first-hand experience.

The honourable member for Altona mentioned Werribee Park, which I visited at the start of the year with the honourable member for Werribee. That great development covers such a large area that visitors have to travel around it in a bus. Visitors share the environment with the giraffes, rhinoceroses and other animals. My children and I even saw a few kangaroos, animals we do not have much of an opportunity to see. I hope the good work at Werribee Park is continued. It is good to look through the wonderful building at the park. I hope the amount of funding required to maintain the park will be forthcoming and that it will always be supported because it is a wonderful niche of which Victorians should be proud.

The other matter I wish to mention is the use of Werribee Park. That wonderful facility is now being let out for seminars. In 1987 when I was on the Melbourne City Council we organised a seminar in a room surrounded by the butterfly cages. As I recall, the butterflies did not stop people being extremely

violent to each other during the council seminar; nonetheless, it was beautiful to look around. The butterfly area is a great credit to the zoo. The zoo should not become corporate oriented in everything it does, but such a facility will attract many business people and to a large extent will be self-funded. I may be overstating the case a little, but funds raised by such facilities can be used to keep ticket prices down and take the pressure off families wanting to visit the zoo. They can be used to ensure the animals are looked after.

The board's corporate plan is a big part of the bill. Income from such facilities should be factored into business arrangements, and I am sure that is the case. The zoo has an enormous potential to attract business seminars and other such meetings. It is in a good spot and there are good parking facilities. The zoo is an oasis in that it is enclosed and the grounds have so much foliage. Maybe other groups will have more luck than we had in the butterfly hut!

The fantastic work of the Friends of the Zoo must be acknowledged. Without their support the Melbourne zoo could not function at the same cost. People who donate their services not only to raise money but also to work in and around the zoo do a great service for all of us. If not for their work, the cost of the zoo would be much higher, probably prohibitive. It is fair to say that without people such as the Friends of the Zoo, who are animal lovers first and foremost, the zoo could not be sustained in the fashion it is today and the arguments of animal liberation lobbies regarding the needs for the zoo could not be met.

I do not wish to be critical of such lobbies, but the Friends of the Zoo are people who love animals; they believe in the zoo. Over the past seven years in which I have been in the Parliament representatives of Friends of the Zoo invariably have come to see me to raise matters of concern regarding the zoo's development. Others have come to see me about the educational facility, which cannot be underrated. A principal, or at least a senior teacher, runs the school. The contribution to children's education is unquantifiable. I hark back to my days at the school on Boundary Road. We never visited the zoo; it was within walking distance, but we were never taken there by the teachers. The facility is now fantastic.

I am informed that the Melbourne zoo is rated as one of the top 10 zoos in the world.

Ms Marple — Top five.

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Mr COLE — It is in the top five. Its rating is going up all the time! It is a world-class zoo. That status has been achieved only relatively recently — only over the past 10 years. That has come about through the enormous amount of work of both Labor and coalition governments in building it up to the first-class facility it is today. On the subject of tourism, nobody will come to Melbourne just to go to the Melbourne Zoo. A person would have to be pretty naive to believe that.

Mr Hamilton — Some children would.

Mr COLE — I was thinking of overseas visitors from England, the United States and Japan. Although Morwell may be the centre of the universe, travelling from Morwell to Melbourne is not an overseas trip. The same can be said of the Queen Victoria Market. Exit studies at Tullamarine airport show that the one place most tourists visit is the Queen Victoria Market, but they do not come from overseas to visit it. A tourist brochure on the Queen Victoria Market alone cannot be distributed overseas. The point of my story is not just to put in a plug for the Queen Victoria Market, which is not doing too well at the moment, but to point out that an enormous number of tourists visit and love the zoo; exit studies also show that. The zoo does not compare as an international destination with the fairy penguins, for example, because the zoo is not unique in the same way, but it is important to understand that the zoo is a major facility. People will visit it, and we must preserve it for that reason aside from the zoological reasons.

When I visited the zoo at about 13 years of age I had what was probably one of the worst hayfever attacks I have ever had. There was no foliage. The zoo was just a dust pit, and the worst dust pit was where the polar bear lived! That has all changed. The gardens are beautiful and there are excellent picnic facilities. The amazing old carousel at the zoo is an incredible piece of history.

Mr Finn — Did you have a ride?

Mr COLE — I had to make sure my children didn't fall off! That was the only reason I went on the carousel. No-one would dispute that the gardens are world class. Honourable members should be conscious of what can be achieved if people make an effort. Admittedly, it is over the past 20 years that great achievements have been made.

The urban camp is a facility just nearby. Deprived children from country areas such as Morwell come

to the greater part of the universe known as Royal Park and live in a camp. The camp is booked out 12 months to 2 years in advance, and the children's first port of call is the zoo. There can be an integrated program with the support of the educational facilities of the zoo. The children from the bush who would not otherwise have a chance to come to the city can go to that urban camp.

Mr Spry interjected.

Mr COLE — The object of the urban camp is not to keep the children of Morwell out of Queenscliff. The children of Flemington go there, but they do not go to Mietta's! Nobody can afford that. I hope future boards of the urban camp are conscious of parkland alienation. Macarthur Road has recently been closed off. The road system seems to change every week. There is a massive car park exercise. The better part of 2 acres of Royal Park Golf Course land is to be used as a car park for the zoo. I do not have any objection to that per se, but honourable members must always be wary of the replacement of parkland with bitumen track.

The alienation of parkland for car-parking space first became an issue when the pandas were brought over from China in 1988, the bicentennial year. The pandas were probably the greatest success story at the zoo. Thousands and thousands of people came, but they did enormous damage to the parkland in the vicinity. We have to be very conscious of the fact that, although it is great to have these attractions, equally there can be a downside and enormous damage can be done to beautiful park areas. The panda issue is something we will not have to confront again. It was a major logistic exercise that caused great consternation at the MCC.

I recap: the alienation of parkland is a very big issue. I am concerned at the damage done by the car park and by the loss of the golf course. I hope any future board will be very conscious of the numbers of people who come to the zoo but also of the effect that increased usage will have on the parkland.

Royal Park is one of the great wonders of Melbourne. Not many people use it. It is considerably under-used. Although the zoo is important, Royal Park is, too. It has been converted to passive recreation and beautified. There has been a considerable reduction in the number of sports played there and it is under-used partly because of that. When we had cricket and football matches — —

Ms Marple interjected.

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Mr COLE — Were they blokes? I wondered why they had dresses on. We should ensure that any development takes account of that parkland. We must achieve a good balance between the increasing use of the park and the zoo and, at the same time, the preservation of the parkland. We should not destroy the parkland. The government might have reneged on the money it was to put into the development of Royal Park. If so, that is a great shame. There are also problems with the Melbourne City Council and the commissioners. I do not think they have decided to put in as much money as was necessary. The work we were hoping would be done there has not been done to date.

The road systems are making it more convenient for everybody. It is easier to drive from Flemington to Brunswick or from Flemington up Royal Parade. Those changes will aid the development of the reserve.

An honourable member interjected.

Mr COLE — We ought to be encouraging the use of trams, which go straight to the zoo. There should be some incentive to use them. That would reduce the number of cars. By and large, it would make it a better day for the people who go there. If parking facilities were provided in the city or along Royal Parade on Saturdays and Sundays, people might use the trams. We should encourage the people to use the trams rather than their cars. The facilities are there.

Mr Hamilton — Do the trains still go there?

Mr COLE — Yes. The Upfield line goes there. Not too many people get off at Royal Park. The development of the whole area is something that members of the board of the zoo must be concerned about. I hope they work in with the Melbourne City Council to make sure that we have not only a world-class zoo but also a world-class park and recreation area around it.

I move on to the appointment of board members, which is totally within the control of the minister. I do not have any problem with that. It appears the chief executive officer will be appointed by the minister. I hope we do not see Liberal and National party hacks appointed to those positions. It has been known to happen in the past, not necessarily on the board of the zoo. Even though the bill sets down criteria on appointees and their qualifications, basically everybody in the Liberal and National

parties is covered. So we do not have to worry about being too specific as to whom we appoint.

A board as crucial as the board of the zoo, with the responsibility of a corporate plan, should have members who have some understanding of the nature of animal care and management. That is one of the issues that concerns me very much. I do not want the board to be seen as a sinecure so that the government can give people the status of saying they are on the board of the zoo. It should be a place for workers who want to work on developing the zoo and the surrounding area. The minister should not say he will put a certain person on the board because he or she will help him win preselection next time around. I am not suggesting the minister would do anything like that; I am just using it as a hypothetical example.

Mr Heffernan interjected.

Mr COLE — We should put your opponents on the board of the zoo. We could have stretched it out to include a Melbourne city councillor, although I do not necessarily have a view on that. It is a bit rough that we do not have a specific spot for someone from the Friends of the Zoo. It is such an important body that that would be a very good idea. Somebody from the education department should be on the board as well. I say that with some trepidation. There is an argument that the zoo is used so heavily by the education department that perhaps the department needs to be represented.

I do not wish to vet all the minister's discretion in this matter, and I am sure he is not going to take any notice of me. But I do raise the following points. The appointment of board members is at the total discretion of the minister, except for the fact that they must have x, y and z qualifications. That is not as good as saying that someone from the Friends of the Zoo or from the Melbourne City Council should be on the board. Someone from the council should be on the board because council issues are involved. Perhaps the local member should be on the board!

Mr Coleman — As long as he gives away his free ticket!

Mr COLE — I will do that. The next issue is crowd control. It is interesting that we can handle it at the zoo but we cannot handle it in King Street. We can do it at the zoo because we recognise the nature of the problem we are dealing with. It is a real problem and the bill handles it very sensibly. The number of car spaces, people and queues in that area

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is intolerable. I have to slow down to the speed limit at times because of the number of people there! I don't want to run over anyone. The issue is an important one.

How does one turn away a person who has travelled from Morwell or Carnegie? Because we do not want overcrowding or dangerous situations should they be told, 'It's too busy; you'll have to nick off.'?

I conclude by referring briefly to the corporate plan. This government has a fetish about corporate plans. It wants everything to be corporatised. I'm frightened to go to the toilet here in case it has been corporatised. We need some solid plan for the zoo and its future, particularly in relation to finance. It has a great future and we should all be very proud of it. I think the minister is right in introducing a corporate plan and appropriate methods of assessment. We have to develop a few bottom lines. One such bottom line would be for the zoo to make more money than it costs to run it. The cost of caring for the animals, looking after the visitors and the education facilities should not be subject to cutbacks because the bottom line is to make a profit out of the joint. I say that almost as the penultimate point. We must remember the purpose of the zoo: it is not there to make money; it is there to serve and to look after the animals.

This is a very good bill, and I hope the zoo has a very good future. As long as it is in my electorate, I am sure it will. The bill is a great step forward in zoo management.

Mr COLEMAN (Minister for Natural Resources) — I thank particularly the honourable members for Altona, Glen Waverley and Melbourne for their contributions to the debate and their support of the bill.

The zoo is clearly one of the icons in Melbourne. It is one of those places where people like to go. Its continuing improvement in presentation makes it one of the leading zoos in the world. I am sure the changes envisaged in the bill, including the corporate plan which clearly sets out where it will head, will lead to that continuing improvement and that, together with the Werribee and Healesville campuses, the Melbourne zoo will provide a very good range of opportunities for developing tourism.

As honourable members who have examined clause 9 of the bill will know, the board membership does not prescribe the specific membership, but it deals with the composition and the way the minister

will have some discretion to appoint people with expertise to ensure that the progress now being made is sustained. In considering the appointment of people to the board the minister needs to take account of their expertise in one or more of the following disciplines: zoology or veterinary science; business management, financial management or public administration; education, tourism or recreation; nature conservation or animal research; and architecture or engineering. This gives the nine-person board a good spread of activities and experience that its members might be able to contribute in the conduct of the zoo into the future. So long as judicious use is made of that provision, clearly there will be an outstanding outcome from it.

Each member who spoke in the debate mentioned particularly the Friends of the Zoo and the volunteer groups which we all agree are fundamental to the continuing operation of the zoo. They are the people who humanise it and who answer the questions on a continuing basis. To that extent their contributions are major in ensuring that people visiting the zoo are greeted with friendliness, irrespective of which part of the zoo they are in. We appreciate and recognise the work done by the volunteers and the Friends of the Zoo.

I was interested in the comments of the honourable member for Melbourne. It is pertinent to reflect on some of the activities we see in King Street. I believe there is a direct relationship between a young person having responsibility for an animal and that person's subsequent behaviour. In a very formative part of a young person's life, looking after an animal contributes much to the way he or she sees the world from then on. One of the difficulties is that, because the density of Melbourne is increasing, many households that would normally have been able to have animals or birds as pets that children could look after do not have that opportunity. I believe zoos will continue to play a major role in exposing people to animals and some of the requirements to maintain their existence.

The other major part that our zoo structure plays is in both captive breeding programs and the threatened species arena. In both fields a substantial amount of work is being done, particularly at Healesville, on a program that will ensure Australia's indigenous species, which are under considerable pressure from introduced predators, are introduced back into the wild and their predators eradicated.

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The Melbourne zoo has a celebrated history. The bill will enable the continued provision of experiences for a whole range of people. As we come to grips with changes in the community and lifestyle, I am sure the expectations of zoos and parks and gardens will be that they continue to be a major focus of people's visitations. I am sure only good can come from continued management through legislation such as this.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

GAS INDUSTRY (EXTENSION OF SUPPLY) BILL

Second reading

Debate resumed from 12 October; motion of Mr COLEMAN (Minister for Natural Resources).

Mr HAMILTON (Morwell) — We have just had a nice, gentle debate on the previous bill, so it is about time we stirred up the place a bit. There is no doubt that the debate on this bill will create a different atmosphere in the house. If ever we had a Smith's crisps bill — which is one way of describing it — this is it. One could describe it as the thick end of the wedge instead of a Thins bill! It could also be described as the Budget rent-a-car bill, because the government thinks of nothing other than driving the dollar. We know what happened to the Budget rent-a-car company. The same thing will happen to this government with its continued emphasis on driving the dollar. That is what this bill is about.

The government has forgotten what government is about: supplying energy to all people in Victoria. I notice in the house there is a complete absence of National Party members. There is not a soul that represents country Victoria. They are all embarrassed because they know exactly what the bill will do. It will do the same thing for gas consumers in Victoria as the petrol companies have done to petrol consumers. The government is going down the same path that it went down with petrol, with the result that people all over country Victoria are disadvantaged. Why? Because the government has thrown them to the wolves. This bill will do the same to gas consumers.

In case no-one had realised, the opposition is opposing the bill. I hear the squawks from members on the other side of the house. We have a difference between the pragmatists on the other side of the house and those with principles on this side — that is what we are on about. The pragmatists have all these weak excuses about what will happen. The fact is that the bill deliberately, positively and clearly sets up the end of uniform energy pricing throughout the state. It is good to see one National Party member entering the chamber who is prepared to stand up for the principles of country people and ensure they are not continually ripped off by a government that can see only dollars in front of it. That is what the bill is about.

Mr Steggall — What a heap of absolute garbage!

Mr HAMILTON — We hear the weak attempts to defend the indefensible. They say the bill will allow a premium to be paid by some country people who want the gas hooked up. But the reason they might want gas is that, when LPG was sold off by the Gas and Fuel, bottled gas prices increased. Every country Victorian user of bottled gas pays through the nose for it, and that is what will happen with natural gas. It is an utter disgrace that the government has forgotten about the basic principle that every former government — whether Liberal or Labor, or even coalition going back to the good old days — said: country Victorians will pay exactly the same price for their energy as city dwellers. So they should! Why wouldn't every Victorian be nervous because the same thing is going to happen to electricity after the year 2000 in the interest of so-called competition, which is utter rot!

It has been said that competition will produce better prices, but what happened to competition with LPG? When bottled gas prices were deregulated the government walked away from its responsibility to provide uniform energy prices across the state. The government will be eternally damned for forsaking country Victorians with this bill. An important principle has always applied with the supply of electricity, gas and in the future with the supply of water: people in the city subsidise country Victoria. Country Victorians in Mildura, Swan Hill, Ballarat, Monbulk, Evelyn, Forest Hill or Morwell pay the same price for a kilowatt hour of electricity. Victorians pay the same price anywhere in the state and they can buy a kilojoule of gas anywhere that gas is hooked up to the gas pipes.

Mr S. J. Plowman interjected.

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Mr HAMILTON — They say that gas is different! The minister in his second-reading speech said that it cannot be done commercially, but the government is commercialising essential services all over the state. It might be all right if you are a Liberal and you do not live in country Victoria. In fact, the true Liberals fought against this dangerous principle. Ever since we combined the former private gas companies into the Gas and Fuel Corporation it has been said that under the legislation Gascor — as it is today — must charge the same price for a kilojoule of gas wherever it is delivered in the state. The gas supplied by tankers to five towns — that will soon be four — is supplied at the same price to the customers.

Gascor's 1994-95 annual report, which was tabled in Parliament last week, lists and costs the subsidy. There is no problem with that because in principle it is saying that it is prepared to subsidise. It is also prepared to say how much the cross-subsidisation costs.

Another thing that is fundamentally wrong with the bill is that those who are hooked into the gas supply will have their prices protected under legislation — unless a bill is introduced next week to remove that provision, which would not surprise me. Now we will have not only second-class citizens but also third and fourth-class citizens. There is something fundamental in a harmonious society being able to say, 'We are all treated equally and we are not disadvantaged because we live in the bush'. This Liberal-dominated government has said, 'We don't care if you have to pay a bit more. You can have the gas if you pay for it'. That is what the bill is about.

I have no problem supporting the right of any Victorian to be hooked up to the gas lines and if that requires a subsidy so be it, because it is a basic principle. It is not a pragmatic dollar-driven term. If the community wants something, do it. And if the community presents a good case that shows it deserves this, it should be done. Every house in Victoria can be hooked up to the electricity grid!

Mr S. J. Plowman — No!

Mr HAMILTON — Now you tell me you've ruined that! It is not the thin end of the wedge with this mob, it is the thick end of the wedge! The government will muck up the electricity supply in Victoria. If you happen to live in Bungaree or Bullarook, you cannot be hooked up to the electricity unless you pay.

It might interest the government and the people in country Victoria to know that we are not talking about a small price differential. In New South Wales the differential is 40 per cent. Now, if you want to be hooked into the government's new gas program, you will be paying 40 per cent more for every kilojoule of gas you use. Why should this government, which bases policy on pragmatic commercial dollar-driven terms, end up with a different result from other states in the country? We are looking at paying a differential of 40 per cent, 50 per cent or maybe even 100 per cent. The only saving grace is that the legislation says it has to be transparent. But the government has the gall to say this is all to do with competition and that it will even let the private sector come in. The private sector will not come in if it is seen to be an essential service and something that is the right of every Victorian rather than a way of making a dollar.

The government is saying there will be open slather. Not only is it giving away uniform pricing, which is a basic principle that is fundamental to every country Victorian, but members of the National Party are complaining about the way country Victorians are being ripped off on petrol prices. Let them now stand up and complain about the way country Victorians will be ripped off on gas prices under this legislation. That is what the government is legislating for! The government has the audacity to say this competition will produce cheaper prices. What utter rubbish! The only thing the legislation will do is allow a premium to be charged on it.

Mr S. J. Plowman — It you can't afford it, you can't have it!

Mr HAMILTON — Isn't that great! The rich will get richer and the poor will get poorer. When farmers have a bad year they cannot afford gas. This year they might be able to buy a new Mercedes or a Fairlane but what about next year when there is not such a good year. You can't afford the gas so you can't have it! That is what the bill says.

Page 5 of the annual report carries a message from the chairman of the board of Gascor. The real problem the government has in flogging off to overseas companies all our essential utilities does not have anything to do with principles. This mob would flog off anything; it would literally sell anything. Talk about the real estate agents of the 90s! The government would flog anything! It is so like a real estate agent that it flogs stuff that does not even belong to it!

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The real sticking point contained in the message of the Chairman of the Gas and Fuel concerns the petroleum resource rent tax. That is what this is all about. The financial impact of the PRRT is the major area of disagreement between the parties — I refer to the private ghouls who want to get their hands on the captive market, the essential services that you cannot dodge.

The PRRT is also a serious hindrance to gas industry reform. When you hear about gas industry reform you hear about flogging off the industry and making it a commodity that is to be traded like apples, pears and motor cars, and anything else you want to mention. At least when the Gas and Fuel was set up the principle that access to natural gas was the right of every Victorian extended as far as it could. We have examples all over Victoria —

An honourable member interjected.

Mr HAMILTON — They have stopped because you mob said to them you are no longer a utility, you are a business. You told them to get dollars in front of their eyes rather than service. The Gas and Fuel then had to start justifying everything in dollar terms rather than following its commitment and responsibility to keep extending the gas pipe.

The report continues:

Until settlement or arbitration of the question of whether or not Esso/BHP can pass on this federal tax to Gas and Fuel, as Australia's largest gas utility we cannot contract with our customers firm gas prices into the future.

That is what is stopping them. It will be a court decision and the court will eventually decide who will pay the resource rental tax. That is what it is about, and that is important. The final sentence in the chairman's statement is:

This is no basis for the development of free and fair competition. PRRT —

the petroleum resource rent tax —

is not applied to domestic gas suppliers of our potential competitors.

We now have the bugbear of that not being sorted out. If that problem did not exist the whole lot would have been flogged off. Decisions about what happens to gas supplies in this country will be determined by owners outside the country. They

will not worry about country Victorians paying through the nose — that is, 40, 50, 60 and perhaps 100 per cent more than their city counterparts.

Honourable members interjecting.

Mr HAMILTON — No, it wouldn't happen! What's the price for LPG at the bowser in Melbourne today? 21.9 cents a litre. A private company called Elgas at Morwell is selling it at 35 cents a litre.

Honourable members interjecting.

Mr HAMILTON — That's right. It is all somebody else's fault. It is not the fault of the government, which does not give a hoot for country people, yet the Gas and Fuel made a profit of \$176 million in 1993-94. Out of that profit it paid \$48.5 million to the government as a tax equivalent. It therefore ended up with a consolidated net profit of \$128 million. Why can't that \$128 million be poured into providing gas to users anywhere in Victoria? That is what the government should be doing with it — pouring some of it back into extending services so Victoria still maintains the precious principle that this government is throwing out the window today.

On 1 November 1995 the government has thrown that principle out the window. At last it has opened up its heart and been a bit honest about what it thinks about uniform prices for gas. This week, electricity, next week, anything else. This government does not care. The fact that I can still buy a carton of milk at the same price as anybody else in Melbourne will be lost too — there is no doubt in the world about that.

The Gas and Fuel has also indicated in its annual report that substantial productivity improvements have been made during the course of the year. However, those lovely entrepreneurs at the SEC did the same thing at the same time in its development. It is a bit like a pre-natal child. The SEC said it had increased productivity, but how did it manage that? In this case it increased the gigajoule per employee. Marvel! Marvel! If you get rid of half your work force you have to get more gigajoules per employee. That principle was not right then and it is not right now. It was never right for any government, and because the SEC was wrong the government is wrong.

An honourable member interjected.

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Mr HAMILTON — Don't worry, he knows all about that! What will happen in this new world of commercial luxury, this great, privatised, free enterprise world that we see exhibited everyday with petrol prices, LPG prices, and Elgas prices, which we see all over the country? If competition ever did anything good I might support it, but I have never seen it do any good.

What will happen to community service obligations as the government throws the country people to the wolves? Page 12 of the Gas and Fuel's annual report states:

In addition to its normal commercial activities, Gas and Fuel provides a number of services to the community which do not recover their costs in full.

I would be singing praises from the highest hill about that sort of statement. What a wonderful thing that we have a state-owned enterprise that does something without recovering all its costs. It may be a case of every one of the million customers in Melbourne paying two or three cents extra in every bill so that the organisation can do something good for the community. We could have at least one organisation in the state that thinks about people and not dollars. That is what the opposition is on about. The report continues:

In 1994-95 the largest of these activities and their indicative costs were: supply of tempered liquefied petroleum gas (TLPG) at natural gas prices to what was then five (now four) —

because Hamilton will be on the Otway Basin source of gas —

western Victorian towns —

at a subsidised cost of \$3.9 million.

In its wisdom the Gas and Fuel said to the government that it was prepared to subsidise \$3.9 million of its \$178 million profit to ensure that people on the TLPG system pay no more than their counterparts anywhere else in Victoria. That is a good thing; that is something we should treasure and of which we should be proud. Every member of the National Party should stand up and we should say to the Gas and Fuel, 'Great, good on you'. All the Western District people in receipt of that \$3.9 million subsidy from the TLPG should be here singing the praises of Gas and Fuel. If the states owns the utility it does not matter that some people are subsidised. However, if it is flogged off to some private

company will it subsidise the people in the Western District to the tune of \$3.9 million? No way!

The only Western District people who will be subsidised by \$3.9 million will be those rich enough to purchase shares. If one thinks that is right then we will have a fundamental disagreement not only today but now and forever.

The report refers to the costs associated with the Easy-Way payment scheme of \$1.7 million. That scheme is a great one for many low-income earners. Despite a few problems the scheme has worked well and has created a gas subsidy of \$1.7 million. If we cannot afford to subsidise low-income users of an essential service, everybody should be ashamed. Would we rather have people sitting at home with a blanket around them without a gas fire?

The report also refers to the administration of the government's winter energy concessions to pensioners and beneficiaries of \$500 000. The total cost of the community service obligation is \$6.5 million. Every government member should be singing the praises of the Gas and Fuel for doing something good like that.

Mr McArthur — On a point of order, Mr Acting Speaker, I direct your attention to the title of the bill, the Gas Industry (Extension of Supply) Bill. I have listened carefully to the honourable member for Morwell, who has been discussing privatisation. He has also discussed community service obligations and has talked about his in-principle opposition to the selling off of essential services. Nowhere in this bill can I see any mention of that. This is a simple bill that deals with procedures for extending supply of LPG into areas where it is not currently available.

The house would benefit from the honourable member discussing what is in the bill and informing us of what he knows about it.

Mr HAMILTON — On the point of order, Mr Acting Speaker, lightweights continue to keep rambling on. The honourable member does not consider that LPG which is supplied to country towns has something to do with how historically the gas supply was extended to Victorian country towns and how the establishment of the supply to Western District towns from the Otway Basin onshore fields was an extension of the supply. This whole business is about supplying gas to country people and about subsidy. Doesn't the honourable member think that has anything to do with extending the supply of gas?

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member for Morwell has been far-reaching in his contribution to the debate on the bill. He has been making passing references. At this stage I shall not rule him out of order. I remind the honourable member to come back to the content of the bill.

Mr HAMILTON — I am wondering if we are talking about extending the gas supply from 15 Walker Parade to 17 Walker Parade, Churchill. This is about gas extension. What the honourable member for Monbulk says is rubbish. In the second-reading speech the government refers to the removal of uniform prices, but does not then have the decency to put in the bill or in the second-reading speech where the areas will be. It says the areas will be gazetted by the Governor in Council. They will not be contiguous to the current supply areas. If one looks at the map at page 16 of the Gas and Fuel report one wonders where the non-contiguous areas will be. How does one define the contiguous areas? For example, currently there is a main gas line going up the Hume Highway to Albury. It then branches off at Euroa and goes over to Kyabram and Moama. It then branches off at Kilmore and goes to Kyneton, then heads north to Bendigo and Eaglehawk. It also branches off to Castlemaine, Carisbrook, Maryborough and goes up through Bacchus Marsh, Ballarat, Wallace, Buninyong and Dinglesford.

In the Western District in the south west of the state the pipeline goes from the Otway Basin fields to supply Cobden, Allansford, Warrnambool, Koroit, Hamilton and Portland. The bill says it will not allow these competitors, these marketeers, these carpetbaggers to go anywhere where the natural gas will be extended. What will they do? They will not extend the pipeline to a small country town that does not have many people but it would be a good idea to extend it where it is not contiguous, not defined in the bill or in the schedule but defined by Governor in Council regulation!

We do not know which select group of people or which select National Party seat will be selected as a non-contiguous area to have the gas supply connected. If people are prepared to pay 100 per cent more per unit of gas they will be hooked up because it is commercially profitable. The bill is not definitive in what contiguous and non-contiguous means. It is a trust-me bill: 'We will supply it where the market forces take us'. Market forces took us through the worst recession in this country. Money was ripped out by entrepreneurs and investors. That

is what market forces did to us in the 1980s, and the government wants us to accept the bill which has the same trust-me values in it. I would rather have the values Victorians have had in this state for 75 to 100 years with regard to uniform prices. That is what is important.

Mr Steggall interjected.

Mr HAMILTON — The honourable member says it is all right if you have it. You have a petrol bowser in Swan Hill and one in a nearby town but I know you do not have competition producing differences in prices. Where the differences exist are in Melbourne where there is discounting of gas because houses are cheek by jowl. Because that is not the case in country Victoria, Victorians will pay a premium. How dare the honourable member for Monbulk say that I am not talking on the bill, because that is exactly what it is about.

It is interesting to note that the actual amount of gas sold by Gas and Fuel over the last 8 or 10 years has been remarkably consistent. The amount of gas supplied depends on whether a new major industrial user comes on stream and how much extension has been done. I believe there was a 1.2 per cent drop in the quantity of gas supplied last year by Gas and Fuel because we had a warm year. We know that gas is an efficient space-heating fuel and if there is a warm spell not so much gas is used. The way it is going, we will be selling off most of the country to overseas buyers of gas and electricity. The half-yearly profit paid to the government by the Gas and Fuel this year was \$35.5 million.

I wish to make one other major point on this issue. I ask the minister to consider this because it is something that requires an answer. I remind the house that this bill proposes to extend gas supply to other consumers around the state. Page 54 of the annual report of the Gas and Fuel states:

Gippsland provides 98 per cent of the natural gas purchased by Gas and Fuel. Gas and Fuel has contracted gas tranches with the Gippsland producers Esso/BHP ...

Together, those tranches are sufficient to meet projected market demand for gas in Victoria to the year 2007. However, contracted peak deliverability beyond 2000 is below market requirements.

We have a clear question of supply and demand here. The economists and the bean counters would love this; they would be salivating over this one. But

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there is a very serious question: are we to have problems in guaranteeing deliverability of natural gas? That has been one of the great strengths of the Gas and Fuel in this state. In recent memory I don't believe there has been a time when the gas supplies have been interrupted other than through some breakdown and a slight industrial problem a couple of months ago.

By and large if you had gas connected to your home at any time over the past 50 years the Gas and Fuel could guarantee that it would be delivered. However, it is now saying it cannot guarantee it will meet the market demand in 2000. That is only four years away. This bill extends the supply yet the Gas and Fuel says it can't say it will be able to deliver what consumers want. That serious question is raised on page 54 of the annual report. I suggest the engineers should be consulted on this. We must get someone who knows something about delivering gas rather than the bean counters who can't even add up their annual statements.

We must be sure that the delivery of gas or electricity is guaranteed. The hallmark of essential services provided to every Victorian consumer has been the reliability of supply. It has been very important to the confidence of householders and business that those guarantees are there. If market forces are operating perhaps when the Australian Gaslight Company and a company in the United States buys out the Gas and Fuel it will say, 'We won't guarantee too much in that part of the world; there are not too many suppliers there. Even though they will pay a premium we will not guarantee supply and we will switch them off. We really don't care'.

What inevitably happens in these situations is that the private buyer goes bust. Companies go bust every day of the week — big, middle sized and small companies go bust. Who then picks up the ball and tackles the problem of supplying gas or electricity or water to the homes affected?

This government will also flog off water. As I said, these real estate agents will flog off anything. What will happen when the new, private competitor supplying gas to the extensions at a premium price similar to the premiums country people pay for fuel falls over? That is the question — or doesn't the government care? Until now, as the owner of the Gas and Fuel, the government has guaranteed that consumers will have a reliable gas supply. The new company will walk away from that. When the

company falls over, as these companies inevitably do, who will pick it up?

These questions must be raised because the bill brings about the full circle. The present Gas and Fuel is the amalgamation or nationalisation, if one can use socialist terms, of all the private gas companies in Victoria. When the private gas companies wouldn't put the investment into their plant the Victorian government, which at that time was a Liberal government, took them over and created the forerunner to the Gas and Fuel. Since 1961 — only 34 years ago — the Gas and Fuel has had a tremendous impact on this state. It extended the gas pipeline for thousands of kilometres all over the state. At the same time it has guaranteed safe, reliable and constant delivery of its product. Now we are getting rid of that.

Mr McArthur interjected.

Mr HAMILTON — The honourable member for Monbulk talks about the bill. That is what the bill is about; it is getting rid of that government guarantee. It is like having a government-guaranteed loan rather than a loan from some merchant banker who skips town or ducks over to Hawaii with your precious dollars. That is what the companies want to do; they want to walk away from the government guarantee.

The bill specifically says the Gas and Fuel can do it, but if someone else wants to come in and do it cheaper, that company can do it as well. The opposition wants to make sure that the competition the bill directly allows does not lower standards. While the government has been in control of safety and operating standards we have had the highest standard of safety of any organisation in the world. There have been no shortcuts. Perhaps now that the Gas and Fuel has sacked half of its gasfitters there will be a few shortcuts; but by and large it has a perfect record in ensuring that the standards will be kept up.

When you have this so-called competition, this undercutting, the result is obvious. There are no fairies. The bottom line is that someone has to pay somewhere down the line. If you have to do it cheaper you have to find shortcuts or lurks or crooks or tax havens. The new company will have to supply gas from here to Shepparton or anywhere else in the state through one of these so-called non-contiguous extensions, which are not only ill-defined but are not defined at all. Who will ensure that the same high standard of safety and performance will exist as the

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competitors cut corners to save a few dollars or put a few more dollars into their shareholders' pockets? That is something else that is at risk, and there are many examples across the country where that has happened.

The assumption that every private sector operator is completely honest and trustworthy is false. There are crooks and robbers who don't care about workers dying on the job. There are dozens of them. Government members should examine the industrial accidents and deaths that occur in the private sector. No government organisation could get away with it, yet those private sector cronies can. We run into the basic problem that you can't have implicit faith in the private sector doing everything properly all the time because patently it does not. The motive is clearly profit and not service. When there is a contradiction between those two motives the profit takes over for the private sector. Until this government took office, service was the vital point. That is the big difference: it was a responsibility to the people.

Several communities in Victoria have indicated through their councils their opinion of the bill. In recent history there have been almost no elected councils in Victoria, so who is there to represent the local community? Who will act on behalf of the people of the Shire of La Trobe? Commissioners will say, 'We don't care if gas prices are jacked up. That seems like a good idea to us. Some of our private businesses might make a bit more money if people's homes are hooked up to bottled gas'. What happened to democracy and elected councils that genuinely spoke on behalf of their constituents in these undefined towns spoken of in the bill?

In some areas Gascor and other suppliers have been actively researching markets and seeking business. That is not a problem at all. They can seek business, but let them be clearly aware that it is not just until 2000 but forever and a day — that is, while the state is run by responsible governments and while governments still include elected members from country electorates — that a uniform price will be charged. Let that be our benchmark. Country Victorians will not be thrown to the wind.

The last paragraph of the minister's second-reading speech states:

The bill will mean cheaper energy to many rural areas around Australia.

It may be cheaper than the rip-off prices being paid at the moment for the bottled gas hooked up to houses; it may be cheaper than the LPG they can buy in tanks around town; but it will not be cheaper than what the city people are paying. A different price is charged for a basic commodity.

Members on that side of the house cannot claim any care for country Victorians or concern about whether they are supplied services at the same price as city people pay. It will not be long before the government is saying it costs more to buy a hospital bed in the bush so country people will be charged more; it costs more to supply a doctor or an industry inspector in that part of the world so the government will charge them more.

What is the government on about? It is throwing country Victorians out the window in the interests of the mighty dollar, and it will be eternally damned for doing so!

Mr SPRY (Bellarine) — It is always a pleasure to follow the honourable member for Morwell; I seem to do it quite often. He is a colourful speaker if nothing less, but he always exposes himself as one of the greatest advocates of cross-subsidies, price controls and regulation the Labor Party has ever produced, although he has a few mates on the other side of the house. He is an advocate of subsidies, regardless of the cost, and that is what he has been talking about for the past 20 to 30 minutes.

It is no wonder the state nearly went broke in the 1980s under a Labor regime. I am glad to be able to say that thinking people recognise that basic flaw in socialist philosophy and are happy to go along with the way this imaginative, productive government is taking Victoria.

The Gas Industry (Extension of Supply) Bill will establish in Victoria a climate of opportunity if people want to take up those opportunities. I will speak briefly on a couple of aspects of the bill because of representations made to me, particularly from one part of my electorate.

One could be forgiven for assuming that communities living within a 50-kilometre radius of the centre of Melbourne would have general access to natural gas, but that is not correct. The Bellarine Peninsula curves around the bay and then juts northwards, so there are parts of the Bellarine Peninsula that are within 50 kilometres of the Melbourne CBD but 105 or 110 kilometres away by

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road. That presents some difficulties in the provision of basic services to townships.

The three townships of which I speak in particular are the cinderella townships of Portarlinton, Indented Head and St Leonards. Their energy requirements were first brought to my attention by the Secretary of the North Bellarine Hostel for the Aged, Mrs Ann Nichol, after whom that soon-to-be-completed institution is named in her honour.

As the project progressed the committee of management was looking for a competitive source of energy. Bottled gas is becoming more and more expensive, particularly in recent months. I made a representation to the minister, raising the matter in an adjournment debate in October 1993. I received a reply from the minister early in the New Year. The essence of that reply was contained in a press release issued by the minister following his second-reading speech on the bill. The press release states:

Under existing arrangements, Gas and Fuel can only extend the grid where the projected consumption at the uniform tariff provides a commercial return.

That is the deadlock the bill seeks to break. A gas company investigation found that the projected natural gas consumption of the North Bellarine Hostel for the Aged would be approximately 5 terajoules per annum. A consumption of some 200 terajoules is required to make the extension economically viable.

By a quirk of historical coincidence, when natural gas became available to the general Geelong region a decade or so ago, Queenscliff and Point Lonsdale received the benefits as well, despite their being at the end of a long pipeline extension.

Queenscliff was so popular as a day-trip destination in the late 1800s that a coal-gas generation plant was established. Recently when talking with Mr Cec Anderson, a local historian and much loved identity in the township of Queenscliff, he gave me some information about that operation. Apparently the operation was conducted complete with gasometer and a huge chimney stack, which nowadays I have no doubt would not be regarded as a pretty sight.

When the national gas extension was in the pipeline, so to speak, connecting to the existing infrastructure and reticulation system was a simple matter, giving the benefits of natural gas to Queenscliff and Point Lonsdale. The townships of Ocean Grove,

Collendina, Drysdale and Clifton Springs, because of their exploding populations at and since that time, were connected but not the townships of Portarlinton, Indented Head and St Leonards.

In view of the anticipated passage of the legislation, I wrote to the minister on 18 October asking that the cost of the infrastructure component to supply those towns be ascertained. When that information is available I will communicate again with those communities to gauge whether there is sufficient support to drive the project forward. One thing is certain: nothing will be done unless the community is prepared to work for it. Neither the Gas and Fuel nor the government would be expected to wave a fairy wand, as the honourable member for Morwell suggested should be done, throughout the length and breadth of Victoria regardless of the cost in providing these cross-subsidies. The opportunity will be available by virtue of this imaginative legislation, which will benefit not only the people of the Bellarine Peninsula and the townships I have just mentioned but, importantly, all people in semi-remote regions who are not already enjoying the enormous benefits of natural gas. I have much pleasure in supporting the minister and the passage of this bill.

Mr CARLI (Coburg) — I often find myself following the honourable member for Morwell, for the opposition, in debates that seek to justify cross-subsidies in the provision of government services. There is a tradition of cross-subsidies in government services. There is a long history of services being delivered to many people throughout the country. However, that is one of the things the bill will remove. The uniform tariff for so-called new areas will get rid of the belief in cross-subsidies and the belief that everyone is entitled to those services.

Australia has numerous examples of cross-subsidisation. The telephone system is one. Telephones were installed in outback Australia at considerable cost and with considerable cross-subsidisation. Road and sewerage systems in new developments on city fringes are also cross-subsidised. There is no attempt to charge the true cost of that new infrastructure. With electricity and gas Victoria has used the uniform tariff policy as a way of ensuring that rural and remote communities not only have access but also equity of access to services.

One of the weaknesses of the bill is that it does not mention the costs people have to bear and how they are affected. What is the final cost? What is the

variation in tariff? The assumption is that this is all caused by market mechanisms. When we talk about the provision of services to remote communities, we are not talking about pure market mechanisms. Regional monopolies can charge excessive tariffs. There is nothing in this bill to protect people or to say that variations should apply. It says we should get rid of the uniform tariff, and the government does not care about it.

The honourable member for Bellarine used the Bellarine Peninsula as an example, and it is a very good example. The honourable member argued that St Leonards, Indented Head and Portarlington can pay a different tariff from Queenscliff, Ocean Grove, Drysdale and Clifton Springs. The argument is that areas that are very close to each other can pay different tariffs. Although some have enjoyed subsidies in the past, the system has been inconsistent. That inconsistency is highlighted by the speech of the honourable member for Bellarine. Will the government tell the people of Indented Head they will have to pay more?

Government members interjecting.

THE SPEAKER — Order! I advise members on the government benches that they may not interject in that fashion. It is disorderly and causes the Chair some irritation.

MR CARLI — We have an extraordinarily inconsistent situation in the Bellarine Peninsula where one town will pay a higher tariff than a town of a similar size. It is not specified how much higher that will be; it is dependent upon what the provider is prepared to charge. That provider will have a monopoly distribution to that town. There is no protection in this bill — absolutely zero protection. If there had been a call for a variation or a different tariff, there may have been some argument. However, the claim is that we should get rid of uniform tariffs and allow the government provider to provide the service.

The honourable member for Bellarine will have to argue with his constituents not only the difference between Queenscliff and Portarlington but also why the five Western District towns using liquefied petroleum gas are paying the same price as the towns using natural gas. Why are they entitled to a clear subsidy? That is stated in the annual report of the Gas and Fuel. It says that the five Western District towns will have a subsidy but that the towns of St Leonards, Indented Head and Portarlington are not entitled to one. In the words of the honourable

member for Bellarine, they should pay the full cost; there should be no magic fairy wand to provide a subsidy. That is the real issue. There is no argument about the variation or about the impact.

Some 27 per cent of Victorian consumers are unable to gain access to the reticulated gas pipeline system. What is the impact on them? A large proportion of that 27 per cent have subsidised liquefied petroleum gas. We see the thin end of the wedge — the beginning of the abolition of subsidies. This is the first one. The government is saying, 'Let's get rid of it for new areas'. Another bill will follow this one. It will say, 'Let's get rid of subsidies for the five Western District towns that have liquefied petroleum gas'. It is a question of making sure there are safeguards or a safety net.

It is pointless to say there should not be any cross-subsidies. Government services have a long history of cross-subsidies in remote areas and in new growth areas where people have insufficient means. Since 1981 Victoria has enjoyed a system of uniform gas tariffs for the supply of natural gas. The message from this very small and seemingly innocuous bill is that we are heading towards privatisation sooner rather than later. We are preparing the groundwork for the move towards a user-pays system. Get rid of subsidies which in the past have been community obligations. They were called community obligations because it was thought that some parts of the community were in greater need than others.

Gas provides an important competitive advantage to industry and affects the quality of life of Victorians. The gas that we get from Bass Strait is an important natural resource. More importantly, it gives Victorians a competitive advantage; it is provided at a price that allows our industries to flourish. We are now saying to some parts of Victorian industry, 'You might not be entitled to the same tariff. There goes your competitive advantage. There goes your ability to compete'. In 1994-95 the natural gas supply was extended to Healesville in the Upper Yarra Valley and to Hamilton in Victoria's south-west. It was one of the towns provided with LPG. In September 1995 the southern New South Wales town of Moama was also supplied by the expanding reticulated grid. Certainly these areas have been able to get gas. It seems to me that the argument of the honourable member for Bellarine is that although they can get gas he does not necessarily want to argue for it for Bellarine; at least not at the same price as Healesville, Yarra Valley and Moama were able to get it. The level of subsidy is an important issue that should be closely examined. There is a

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need to have a level of cross-subsidy. We might be able to state that level, its purpose and the community obligation.

The annual report of Gas and Fuel states quite openly that Horsham, Stawell, Ararat, Colac and, to the end of 1995, Hamilton, received that supply because of a \$3.9 million annual subsidy to maintain their LPG price at the same price as natural gas. That is a very clear and open subsidy. Those subsidies are no longer available for new areas. For example, parts of north-western Victoria are not able to get the same subsidy because suddenly economic rationalisation is at work. There is no magic fairy wand, which was the term used before. There is no state subsidy. There is no great rush to sort it out.

At present Victoria has a very wide spread of people using and able to use gas. That system has been created with cross-subsidies. We do not run from the fact that the whole system has been built on cross-subsidies. If we go through the process of removing uniform tariffs and cross-subsidies, as the industry is prepared for privatisation, we will reach the stage where consumers will be fighting consumers. Consumers will be fighting cuts in costs, and so markets that are easily accessible on the gas network will get cheaper gas and those that are more difficult to service will have to pay higher prices for it. That is where market forces would lead, because the market would be out there saying it could service Melbourne more cheaply than Hamilton, Swan Hill or any other area. That is a real concern because, along with so many other services, Victoria will be left to market forces, which will dictate what expenditure should go this way or that, at the expense of local communities, rural industries and Victorians' quality of life.

This is not an argument that we should be pumping extraordinary amounts of money into subsidising the unjustifiable. Clearly, one of the advantages of being able to have an economic analysis is the ability to work out the size of the subsidies and examine where they are going and whether they can be justified. We justify some under the terms of community responsibilities. They are called community responsibilities because in Victoria, as in the rest of Australia, there is a sense of commitment to supporting communities, particularly those that are difficult to access.

The argument given in the second-reading speech is:

The present gas reticulation system cannot be augmented profitably, simply because those

communities not currently serviced are either too remote from existing pipes or too sparsely populated to justify the expense of connection and supply at the prevailing statewide domestic price.

That is the position the minister has put: they cannot be profitably connected. The question is what it would cost to put them on line and whether there would be a level of cross-subsidy. That is something the bill completely omits to mention. It does not seek to outline at what point you bring in a subsidy, what level of subsidy should be provided, or whether there is justification for a subsidy. It simply says the connections cannot be made profitably. The government has decided such connections should not even be attempted, so it has opted for a market solution, which could involve a user-pays system or allowing for a higher tariff and charging the consumers more.

Honourable members interjecting.

The SPEAKER — Order! I have already cautioned the honourable member for Bellarine. The honourable member for Coburg is following the honourable member for Bellarine in this debate and has every right to refute what has been said by those who have spoken before him.

Mr CARLI — It might be possible to accept privatisation if there were to be real competition, but there will not be because there will be regional monopolies that, according to this bill, will have a right to charge a different tariff. There are no regulations, no controls and no say in it.

Let us use Hamilton as an example. Hamilton has had gas connected. If it had been defined as a new area, there would be a new tariff. If it had a private provider, as is allowable under the bill, that provider could charge a different tariff, which could be excessive. It could be based on the monopoly power and the rural communities would have to pay the big dollars. That is the real problem.

We are running away from the issue of regulation and uniform tariffs. This bill will result in consumers having to pay according to market forces. The problems created by the market forces can be seen in the area of privatised bottled gas. Anyone who has used bottled gas in Victoria knows what has happened over the past 12 months: there has been an extraordinary increase in its price. That is a cost to rural consumers and their communities. There has been no justification for them, just massive increases and, no doubt, record profits for the company

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concerned. That is the type of privatisation the government has used as a sort of icon. It wants privatisation, believing that solves everything.

The bill is in error because it does not acknowledge the importance of cross-subsidies and uniform tariffs. Proposed section 39C provides that Gascor or an authorised person may supply gas to a new area at a tariff higher than the domestic tariff. There are no controls and no attempts at regulation. The bill states simply that consumers will be charged a higher price and it makes no mention of the importance of cross-subsidies.

As we move forward, no doubt a user-pays system will be introduced. We will actually move towards the government's ultimate aim, privatisation. In that process the gas suppliers can and will forget their community responsibilities. They may argue that some people pay less. There is no doubt that it will be true that some will pay less in a privatised competitive situation, but there will also be those who will pay more.

As the honourable member for Morwell said, it is the rural communities that will pay more. They benefited from the uniform tariffs and they will be particularly affected by the bill. There has been a failure by the representatives in this place of rural Victoria, with the exception of the honourable member for Morwell, to stand up and say this bill is wrong, erroneous and off the mark, and will create a whole series of poorly regulated regional monopolies. We have seen the example in Great Britain where regulators have failed absolutely in controlling the prices of all the utilities and where there have been record profits for the companies and wage increases for executives. That is starting to occur here as we move down the same road.

I am pleased to oppose the bill. It represents the thin end of the wedge because it means the loss of the uniform tariffs and the removal of cross-subsidies. We strongly oppose it. The honourable member for Morwell has been a very powerful and articulate exponent for country Victoria. I am afraid that other people have really let the side down.

Mr RYAN (Gippsland South) — It is truly a pleasure to join this debate because the bill will offer solutions to problems that have existed in South Gippsland in particular for decades. It will offer opportunities that the communities in South Gippsland have been seeking to avail themselves of for a long time. It will overcome the

frustration that exists among these folk of wanting to attract additional industry and resources to their areas but being precluded from doing so because they have been unable to access the supplies of natural gas that so many other Victorians enjoy.

Let us examine the history on a factual basis rather than in the way presented by some members of the opposition. When I came to this place after the election in 1992, one of the first issues I looked to develop for South Gippsland was the availability of natural gas.

To that end, in company with the Gas and Fuel, I went through a costing process for the connection of gas to the southern part of my electorate. In that context, I refer to some of the points made by the honourable member for Coburg on behalf of the Labor Party — that gentleman no doubt is an expert on country affairs — and I shall examine the notion he postulated that gas should be supplied across Victoria without accounting for the project's cost effectiveness.

In 1992-93 prices the supply of natural gas from the nearest tapping point in the Latrobe Valley down through Mirboo North, into Leongatha, across the east and west and along the southern parts of the Victorian coast, between Yarram in the east and Wonthaggi in the west, was costed at approximately \$42 million. When that was broken down, it was found that it would cost only about \$10 million or \$11 million to supply gas to Leongatha. On the other side of the coin, the recovery potential for the provision of natural gas to Leongatha was approximately \$9 million or \$10 million. On those figures there was about a \$2 million gap in commercial value. When one looks at the possibility of recovering the \$42 million outlay, one finds that the chance of recovery is small. Once you go outside Leongatha you find no residential or commercial base large enough to generate the sort of usage that would provide the returns necessary to justify Gascor's initial outlay. Without being exact about the figures, in the region I described the outlay would be \$42 million and, over a contract period of, say, 10 years, only about \$15 million would be recovered.

Do the honourable members for Coburg and Morwell seriously contend that in those circumstances Gascor should spend that amount of money? Surely the answer has to be no! The reality is that that is the way of the world. If you take their arguments to their natural extension, people could establish their homes anywhere in the state and then

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ring Gascor and say, 'Okay, folks, I'm here. Put on the gas!'. Gascor would say, 'What do you mean you are living on the Pyrenees?'. It is utter nonsense that went out with the pixies!

It is ironic that they argued the government should implement a certain program. I again ask a rhetorical question: what did the ALP do about this problem when it held the reins? Absolutely nothing! Although they downgraded this tremendous initiative, they paid no regard to history and what the ALP did about the problem when it had the opportunity.

I shall examine the difficulties. One of the problem has been the division between the users of natural gas. On the one hand we have the contract users in the commercial sphere who have not been bound by issues such as uniform tariffs and the like. They have been able to negotiate directly with Gascor to develop a package peculiar to their particular needs. On the other hand the domestic gas users have been subject to the uniform tariffs, and that has presented a problem.

I shall illustrate the point by making reference to Leongatha. In that township of some 2500 in the southern and best part of Victoria there is a factory owned and operated by Murray Goulburn Cooperative Co. Ltd. It employs about 420 people and is responsible for an intake of about 15 per cent of dairy farm produce in the state of Victoria. At the height of the season it takes 3.2 million litres of milk a day for processing purposes. The factory uses briquettes for energy. In its attempts to get natural gas into Leongatha, Murray Goulburn, has quite properly said, 'Why should we, as a single user from the commercial base, have to pay the major component of the infrastructure cost in circumstances where the domestic users have been unable to share that cost?'. In essence the factory says, 'For heaven's sake, we are not a philanthropic society. We have responsibilities to our shareholders and therefore we are obliged to make these sorts of judgments on a commercial basis'.

Over the years in which I have been involved in the project Murray Goulburn has resisted endeavours to have gas connected because it understood that the cost of the infrastructure would fall entirely on it. The bill provides that if the domestic users in South Gippsland are interested in having access to natural gas they can share in the infrastructure cost by the addition of a cost component on top of their gas bills. It is a matter for the users. They do not have to do it.

Other benefits available in the bill touch upon some of the issues raised by the opposition. For example, those on the other side of the house appear to have a terrible fear about a monopoly supplier. If they read the bill they will find that it undoes the monopoly Gascor has enjoyed. The driving notion behind the legislation is the capacity for other people to enter the industry to compete with Gascor to set up the infrastructure to supply gas.

On that point the NSW company, Australian Gas Light, purchased a substantial interest in Solaris Power Ltd in the past few days. Under the legislation that company has every opportunity to compete in the marketplace. That is the answer to the point on which the honourable member for Coburg placed so much emphasis. On behalf of the community these potential suppliers or any others who may want to enter the marketplace will negotiate figures on a commercial basis. They will be agreed upon, they will be the subject of a contract and they will be adhered to. The concept of a monopoly coming in to beat people around the ears is rubbish. If honourable members read the bill they will see that that is so.

Another wonderful feature of the legislation is that it empowers a municipality, or some other appropriate person, to negotiate on behalf of the subject community to have this wonderful innovation occur. In South Gippsland, the shire has the chance on behalf of the community to become involved in negotiations with AGL, Gascor or anybody else who may be interested in supplying gas. On behalf of the community figures can be negotiated, contracts can be settled and municipalities can act as brokers to ensure that this initiative is developed.

I make a further point about Leongatha. A big player, such as Murray Goulburn, will have a big say in the outcome. Even though some 5000 people live in that lovely town, if every potential user connects to the system — not only domestic users but also other commercial users in and around the township — Murray Goulburn will still use about 86 per cent of the total supply. Whichever way you look at it, Murray Goulburn is a major player, but there will be an opportunity to share the cost of the gap that I spoke about earlier. That aspect has haunted the project since I have been going through the figures with Gascor. The cost will be shared among the potential users. No longer will Murray Goulburn be shut out of the chance of having access to natural gas because it had to wear the entire load of the infrastructure cost.

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If they decide collectively to be part and parcel of this scheme, domestic users and the other commercial users in and around the township will be afforded the opportunity through the shire when the chance can be developed. In essence, that is what the legislation says.

I simply fail to understand why the bill is the subject of criticism by our opponents. If opposition members read the bill they will see that it provides that the accounts domestic users receive must distinguish the supply charge for the gas and the supply charge for the infrastructure. The whole rationale behind it is that once the infrastructure component is paid out it disappears from the account and the users are left paying the cost of the gas. Again, I simply fail to see the logic of what it is that honourable members sitting opposite are trying to argue. If they read the legislation they will see it takes account of their concerns.

I shall talk about the bill's outcomes and what it means to an area such as mine. In the short term I would look to have gas supplied to Leongatha. I believe that can happen on the basis that an industry as substantial as the Murray Goulburn factory will be able to attract around it various support industries.

Recently, I had discussions with Murray Goulburn about the packaging a company of its dimension uses in the course of distributing its product. Why should it be that the supplier of that packaging has to come from a city environment, which is what currently happens. Murray Goulburn's packaging supplies come from Melbourne and I ask: why should it not be the other way around? One should be able to entice to country areas a range of industries such as the one I have described, which can be bolted onto a major contract user, such as Murray Goulburn. In that case one gets an opportunity to develop those attendant industries which can support the major player and which in turn can bring great benefits to the community.

One of the great impediments to pursuing that objective has been the cost of energy. Packaging companies in the city area are able to enjoy the provision of gas while industries in my area of South Gippsland have not been able to get it. Through the agency of this legislation it will mean that chance is opened up.

I am pleased to say that the Murray Goulburn board was visiting Leongatha this week. There has been preliminary discussion — and I emphasise

'preliminary' — between the company and the shire. I am confident that when the bill completes its passage through both houses of this Parliament, when it is proclaimed and when the opportunity is afforded to the company, to the shire and to the other stakeholders to make a proper assessment of what it entails, we will see the potential of my area, which has existed for many years, advanced.

The honourable member for Coburg made much of the supply of gas to the Western District. Historically, the district has been on LPG. It is a very expensive way to supply gas. In circumstances where the infrastructure was under the ground within the towns in the Western District a decision was taken by Gascor that, instead of supplying LPG at a much higher price, it would sink that sort of money into the provision of the infrastructure to enable the connection to the main gas line. That is a distinct position again from what is postulated by the terms of this legislation and what it has sought to accommodate.

I say again, and in conclusion, this legislation represents a magnificent opportunity for the people of South Gippsland. It is something the people in my area have wanted badly for so very long. The bill will mean that initially Leongatha will have an opportunity to be connected to the gas supply and with the passage of years and as there is further development along the southern coast of Victoria, that strip between Yarram and Wonthaggi will have the opportunity to be connected. The opportunities for the people and commercial enterprises of those towns to be connected to the system will increase.

The result will be that an initiative the people in my electorate have sought for a long time will at last be achieved. I congratulate the minister not only for the innovative way he has gone about this matter but also for pushing the bill on behalf of country Victorians. It is a great initiative to see before this house.

Mr JASPER (Murray Valley) — I support the passage of this important legislation through the Parliament. I have listened with a great deal of interest to the previous speakers on the bill. I listened particularly carefully to the lead speaker for the opposition, the honourable member for Morwell. I have to say that I have not heard so much huffing and puffing, as many ridiculous statements and as much hypocrisy in this Parliament for a long time.

I have great respect for the honourable member for Morwell, but when I heard the sorts of comments he

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was making on the bill I was quite outraged. Because he did not relate his comments particularly to the legislation he indicated his lack of understanding of what the bill proposes.

The extension and supply of natural gas to areas of country Victoria, particularly the north-eastern part of this state and my electorate of Murray Valley, is an important matter. At some stage I would like the honourable member for Morwell to visit north-eastern Victoria and bring with him the honourable member for Coburg, who demonstrated an absolute lack of understanding of the importance of this legislation to country Victoria. I recognise and appreciate that the honourable member for Morwell is the only country ALP member of Parliament and that he has a difficult task on many occasions to stand up and defend what he has said, but that is what I find difficult.

In the previous Parliament I remember listening to him on many occasions attempting to defend actions taken by the then Labor government which were on many occasions against the interests of country people. When talking to him on many occasions he indicated the difficulty he had on such occasions. I held great sympathy for him at that time. However, we now see him coming into the Parliament as the only country ALP member trying to defend what he says is the indefensible. As I said, that is what I take issue with.

He also said that the National Party members were missing the point with this debate. I can assure him that National Party members are here in strength supporting the bill. As I make my presentation this evening I will indicate quite clearly why the National Party supports the legislation. The honourable member for Morwell spoke about the National Party forsaking country Victorians and how those people are disadvantaged. He said National Party members and country members of the Liberal Party were disgraceful. I take exception to his comments because they do not apply.

He would be well aware that I am one of the members who stand up in this Parliament on whatever issue to defend the people of my electorate of Murray Valley. Living in a country area I recognise that we operate under many disadvantages compared with people living in Melbourne. However, no-one puts the case stronger for country people than the National Party because it truly understands what is going on in country Victoria and, dare I say it, we have many country Liberal members of Parliament who have an

understanding of the problems that face country Victorians. Mr Speaker, I know from your impartial position as the Speaker of this house that you recognise that you have an important role to play not only in the Parliament but in representing your country electorate.

I wrote down some of the comments made by the honourable member for Morwell, and I must say that I became angry with some of them because they are on the record and some people who read *Hansard* may believe they have some accuracy. In fact the National Party, supported by Liberal country members of Parliament, do not accept many of the comments made by the honourable member. He talked about the weak attempts by the National Party to defend what he called the indefensible and he explained how competition will not be there. I will provide for the honourable member for Morwell information on what I see as the importance of this legislation to develop country Victoria, particularly those areas of country Victoria not currently serviced by natural gas.

I am disappointed that the honourable member for Morwell is leaving the chamber because I have one or two comments to make on his contribution. He spoke about the uniform tariffs and the fact that they are no longer available to domestic consumers. I suggest to the honourable member that he should read the legislation and get a true understanding of it because, as explained by the honourable member for Gippsland South, the uniform tariff will remain.

However, a charge will be provided in the legislation to recoup the infrastructure costs for the extension of the natural gas pipeline to service other areas. The honourable member for Morwell did not mention anything about the fact that natural gas consumers who pay business and industrial rates negotiate their tariffs with Gas and Fuel, and the only uniform tariff is for domestic consumers. I suggest that the honourable member for Morwell talk to his federal counterparts and, in particular, the Prime Minister, who has been pressing Victoria to privatise many of the corporations that operate in this state. The federal government has made it clear that if the government does not move down the path of more efficiency in government organisations and look at privatising those activities, it will reduce the support provided to the state government.

The honourable member for Morwell should ask the Prime Minister whether he supports what Victoria is currently doing. I believe the Prime Minister would tell the honourable member for Morwell that

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Victoria is going along the track of the federal government to sell off those organisations, corporations and government utilities to get greater efficiency.

During his contribution the honourable member for Morwell mentioned petrol pricing. Petrol is an issue that is dear to my heart and dearer to the hearts of those living in country Victoria because of the discrepancy in petrol pricing between consumers in Melbourne and country Victoria. I make passing reference to this because it should be related to the bill. What the honourable member for Morwell should do, as should the honourable member for Coburg and other Labor members, is to go back in history and look at what happened in the late 1970s and early 1980s in relation to petrol pricing.

As spokesman for the National Party at the time on many occasions I spoke about the discrepancy in petrol pricing for those of us living in country Victoria and the need to have some mechanism in place to obtain a more uniform pricing structure. The honourable member for Morwell at that time was Derek Amos, who spoke frequently on this subject. The Minister for Energy and Minerals, who is at the table, will recall his speeches. The then honourable member for Morwell was the spokesman on fuel matters for the Labor Party in opposition. He said that when the Labor Party came to power the government would implement uniform pricing across Victoria.

History tells us there was a change in government in 1982. Shortly after that I asked the then honourable member for Morwell, Mr Amos, 'What are you doing about uniform pricing to ensure that country people will not be disadvantaged?' His response was calm: 'I am sorry, we can't do anything about it'. I asked him why nothing could be done about it because prior to the election the Premier, John Cain, said that something would be done. He had to admit that he had had personal discussions with John Cain and that the Premier was quick to say that there was no way he was going to take any action to introduce uniform pricing for fuel in Victoria because it would mean higher prices for people living in metropolitan Melbourne.

That puts the lie to the argument by the honourable member for Morwell when he says that the government should introduce uniform pricing for petrol and natural gas. In 10 years of Labor government the Labor Party was not able to do anything to achieve uniform petrol pricing to assist country people, but now in opposition it is

criticising the current coalition for not achieving the uniform charge that we all want.

Since the coalition came to government there has been a reduction in the price differential between metropolitan and country users of petrol, and progress has been made in seeking a more uniform price. The information I have provided puts paid to the argument put forward by the honourable member for Morwell. I believe we have heard another of his typical speeches — a lot of huff and puff. He was hypocritical in the way he dealt with the bill and the argument that uniform tariffs for natural gas should be maintained across the state.

The supply of natural gas to country Victoria and to my electorate is important. I go back approximately 10 years to when my interest in the supply of natural gas to the Murray Valley electorate became a major issue, one that I have been pushing for a number of years. I have made extensive representations to former ministers for minerals and energy and now to the current Minister for Energy and Minerals. I have also made representations to the chief executive and the chairman of the former Gas and Fuel Corporation pressing for consideration to be given to supplying natural gas to the Murray Valley region.

My motives were clear because I saw the provision of natural gas to other parts of country Victoria and to my electorate as being important to the economic development of the state now and into the future. It is so important that if we do not have the option of natural gas we will not get the economic development that we want for the region. We must recognise the importance of the Murray Valley region to the economic development of not only Victoria but also of Australia. The Murray Valley region is a primary production area that can support the development of industries that rely on primary production for their development.

The representations I made in the late 1980s were not only to the ministers of the day in the Labor government but also to the then Chairman of the Gas and Fuel Corporation, Mr Neil Smith, who was chairman of that corporation from 1970 to 1990 and was a director for 33 years. My representations were made not only to Mr Neil Smith in the late 1980s but also to the chief executives at that time such as Jack Shaw, who was the general manager from 1981 to 1988, followed by Mr Roy Palmer when he became the chief executive officer, and Mr Max Hodder from 1993 to 1994.

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I shall quote extracts from letters that I received at that time because it puts the whole matter in context as to the representations I had been making seeking the supply of natural gas to the Murray Valley region and also the responses I received from the then Gas and Fuel Corporation as to why it was not feasible to extend the natural gas pipeline at that time. I shall then move to the more recent years with the change of government, the corporatisation of the Gas and Fuel and the positive change of attitude to the provision of natural gas down through the region. I shall quote from a letter of 11 July that I received from Mr Roy Palmer, the General Manager of the Gas and Fuel Corporation, after my representations which went back to the mid-1990s. My correspondence does not go back to the earlier representations because I did not retain the correspondence. The letters I have range from 1990 to 1995. In that letter Mr Palmer says:

I refer to your letter dated 29 May 1990 addressed to Mr Neil Smith regarding the extension of natural gas to the townships of Chiltern, Rutherglen, Wahgunyah, Corowa, Yarrawonga, Mulwala, Numurkah, and Cobram, and to his interim reply dated 4 June 1990.

He goes on to refer to the studies which had been undertaken. The last paragraph of his letter states:

However it is only fair to say at this stage that past studies have shown extensions of supply to Yarrawonga and Mulwala, Numurkah and Cobden, and Chiltern to be uneconomic. With rising capital costs and no evidence of a substantially increased demand for gas in these localities, a more favourable outcome than in the past is unlikely.

I guess with a reply like that you might ask whether I should keep pressing on with this issue, but being the person I am I kept niggling away and pressuring for a positive result, and continued with the representations to Mr Neil Smith and to the corporation.

I quote from another letter of 16 January 1991 from Mr Palmer:

Further to your letter of 29 May 1990 concerning a request that consideration be given to the extension of natural gas supply to the townships of Yarrawonga, Mulwala, Numurkah, Cobram and Chiltern, I am now in receipt of the most recent evaluation study into the economics of supply to these townships ...

In my letter to you dated 11 July 1990, I did have some doubts as to the viability of such an extension of

supply. Regrettably the current evaluation study indicates that the extension of natural gas to the five townships mentioned above is not feasible in the present economic climate.

The corporation will continue to monitor the region and should any significant further developments take place that you become aware of the corporation will again arrange a re-evaluation of the situation with regards to supply.

Of course the last paragraph of that letter served only to stimulate my representations even further and I continued to respond to the corporation indicating major development, particularly with industry, that was taking place within the Murray Valley electorate that should be of interest in any evaluations — for example, the further development of the Uncle Toby's factory at Wahgunyah, which now employs more than 1000 people. When that business started at Wahgunyah it employed about 100 people. Over the years since 1979 there has been massive expansion of that factory; it now employs over 1000 people and would be interested in having natural gas supplied to the factory because of the economies of scale that would provide.

The Bunge company across the river at Corowa is a big development which is interested in the supply of natural gas. That industry was mentioned to the Gas and Fuel Corporation at that time. Other industries that were investigated include the Murray Goulburn factory at Cobram, the Kraft factory at Strathmerton, the ADI factory at Mulwala and supporting industries around those towns where the Gas and Fuel Corporation have continued to have negotiations and discussions. Of course they have had the honourable member for Murray Valley pushing them to make sure they continue with these reviews!

I shall quote a couple of paragraphs from a letter of 7 October 1993 from the then Gas and Fuel Corporation signed by Mr Brian Rochford, the regional manager at that time. He indicates changes to the consideration of this issue by the Gas and Fuel, an extension of the area it was considering assessing and the increasing cost of this proposal. He states:

The overall cost of such a transmission pipeline (approximately 110 km in length) would be approximately \$35 million. This cost would include provision of a city gate at each major city centre along the route (where transmission pressure gas of approximately 3000 kpa is reduced to a pressure

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suitable for distribution throughout an urban area), and the cost of tapping the transmission pipeline. No allowance, however, has been made for the distribution reticulation network within each nominated city centre ...

Unfortunately our surveys of existing potential gas loads indicates that a current load of 1.7 petajoules may be available, and that a further 0.2 petajoules may be available within the next five years. Such potential loadings mean that the project is not viable under standard corporation supply arrangements including financial contribution to the project by industrial consumers, but no contribution to the project by other consumers.

That is, the domestic consumers. The letter further states:

We would also like to indicate, as we did during our meeting, that the corporation is keen and committed to extending natural gas supply to all areas in Victoria where it is economically viable, and therefore we are approaching this project with you in a very positive manner.

So even at that stage a positive setting was being provided. As a result I arranged a meeting at Yarrawonga where all the municipalities in the area were represented; people from the Gas and Fuel Corporation made a presentation to not only those municipalities but to industrial representatives and others who were interested in the supply of natural gas to the region. That was a positive response and a further indication that the cost of providing the infrastructure looked to be approximately \$50 million, and there were further difficulties for the Gas and Fuel Corporation in providing this extension of the natural gas pipeline. At that time the Central Murray Regional Development Corporation became interested in supporting the extension of the natural gas pipeline and has worked hard in recent times to ensure that there was further consideration of the issue.

We saw further developments with that corporation seeking other players who might be interested in supplying natural gas through the region. The Australian Gaslight Company expressed an interest in the project, and that spurred on the Gas and Fuel Corporation, particularly with the corporatisation that has taken place, with the separation of the Gas and Fuel Corporation into two bodies — the Gas Transmission Corporation and Gascor, which is trading as Gas and Fuel — to distribute the natural gas throughout Victoria. A changed attitude was

quite evident with the Gas and Fuel on the corporatisation of the organisation and there was a further ability to look at the supply of natural gas through the area, spurred on by the fact that Australian Gaslight and other suppliers showed an interest in the project.

We have seen in the past couple of years an added stimulus to the provision of natural gas through this region. We also recognise that expanded industries have been developed in the area and that there has been an extension of the existing industries within the Murray Valley region. I quote from a letter from the present Minister for Energy and Minerals of 25 March 1994:

The last study conducted by the Gas and Fuel Corporation of Victoria into the extension of natural gas supply to Rutherglen, Yarrawonga, Mulwala, Wahgunyah and Corowa from the Albury pipeline at Chiltern, revealed that the project was not economically viable over a 20-year period. Further, the period of economic was extended to 30 years which revealed that the cumulative net present value deficit would be less than over 20 years but the project would still be significantly uneconomic.

The letter continues:

The Gas and Fuel Corporation will review the previous study and extend the examination to the townships of Cobram, Barooga, Numurkah and Strathmerton to determine whether supplying gas to the nine Murray Valley townships would now be economic. As a study of this nature is a complex one, the results are not expected to be available until May 1994.

As I indicated, subsequent to that I arranged a meeting at Yarrawonga; I was positive in outlook but also indicated the great difficulties in providing natural gas to the region because of the huge cost. Additionally, I suggested to the Gas and Fuel that it consider depreciating the capital cost of the works over 50 years. As was indicated in the minister's response, the Gas and Fuel extended depreciation from 20 to 30 years but still found it uneconomic.

The Central Murray Regional Development Corporation (CMRDC), which I wrote to recently, has indicated its strong support of the legislation. I will quote a couple of paragraphs from its important letter of reply to me. Dated 26 October 1995, it details its response to the legislation:

CMRDC would like to thank you for your support which has resulted in the bill being introduced into

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Parliament. If passed, this will remove a major impediment to the ability to supply gas into the region.

CMRDC is aware that approval is still required to enable natural gas supply to be provided, and we will be working towards this end. Your continuing support is vital for this to occur ...

Gascor have also applied to the NSW Gas Council to an amendment to their authorisation to enable natural gas to be supplied to those NSW councils in the Murray region.

The corporation has also written a letter to the minister indicating its strong support of the legislation.

It is important that it be recognised that the legislation is a major step forward in securing the provision of natural gas to the Murray Valley region. It allows for a uniform tariff to be maintained, but over a limited period there will be a special charge for the infrastructure. Once the infrastructure costs have been recovered I assume domestic users will pay the uniform tariff. It is important that it be understood that the major users of gas — industrial and business users — will negotiate a separate tariff; the uniform tariff applies only to domestic users.

The other important aspect of the legislation which was referred to by the honourable member for Gippsland South is that it provides for competition. It removes the barrier that has prevented other gas suppliers competing in the provision of natural gas in Victoria. That will ensure competition and the lowest possible gas prices for people in Victoria and, more specifically, the Murray Valley region.

The total cost of the project is estimated to be approximately \$100 million because the area included has been extended not only along the Victorian side of the Murray River but also into major centres in New South Wales. The supply of gas through the Murray Valley region is a total project. The legislation brings us a step closer to realising that project.

I have indicated the major industries important to the economic development of the Murray Valley region, not only the primary producers operating in this vital area of Australia but also those industries relying on primary industry. A further energy supply option in the Murray Valley region will ensure the region's further economic development and help generate export wealth for Australia.

Mr ROWE (Cranbourne) — It is with great pleasure that I support the bill. The fringe metropolitan electorate of Cranbourne, although including some of the fastest growing residential areas in Victoria, has some areas that, because of government policies past and present, have not developed sufficiently to meet the criteria required to qualify for mains pressure gas reticulation.

The main purpose of the legislation is to bring lower priced energy to country Victoria. Access to natural gas will mean that households and businesses in country areas can avoid using more expensive energy sources such as LPG, wood and heating oil.

The bill is also the first step in a broader approach to efficient gas pricing. Suppliers other than Gascor will be allowed to come into regional Victoria. As was mentioned by the honourable member for Murray Valley, Gascor will have to compete against companies such as AGL, which will continue to increase its importance as a provider of energy in Victoria with the recent purchase of Solaris Power by another Australian company.

I find amazing the hypocrites on the other side of the house.

The DEPUTY SPEAKER — Order! The word 'hypocrite' is unparliamentary.

Mr ROWE — I withdraw the word 'hypocrite'. I find amazing the hypocritical attitude of opposition members who want to deny the people of Victoria the opportunity of cheaper energy prices.

Mr Hamilton — It will be dearer.

Mr ROWE — It will be cheaper than what people are paying now for bottled gas, LPG, heating oil, wood or electricity. It is interesting that the majority of the members on the other side of the house, with the exception of two, represent areas that already have access to natural gas. Obviously they are not interested in supplying and looking after the rest of Victoria. They are interested only in looking after and scratching the backs of the people in the areas already supplied.

Opposition members could not care less about the people in Cranbourne who for decades have been attempting to access the natural gas supply to reduce the cost of heating chicken sheds and homes and cooking meals. Labor members do not care about Cranbourne. The legislation is another demonstration of how caring the government is.

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Mr Jasper — They don't know where Cranbourne is!

Mr ROWE — They only visit Cranbourne when they want to whinge, moan and gripe. The people of Cranbourne have asked for the extension of the natural gas pipeline, but it has not been and will not be viable under the current provisions of Gas and Fuel. Gas and Fuel wishes to obtain a 9 per cent real return on its investment over a 20-year period. It judges its ability to get that return by the number of customers and the amount of gas those customers will use over a 20-year period. People living in areas such as Pearcedale, Tooradin, Cannons Creek, Cranbourne South, Clyde, Blind Bight and Koo-Wee-Rup cannot use enough gas to justify the extension of the natural gas pipeline for domestic users. The government is giving those people the opportunity to have the benefit of a cheaper gas supply.

On behalf of the people of Cranbourne who have wanted a domestic gas supply for a long time I take this opportunity to thank the Minister for Minerals and Energy for coming up with this proposal and for making the option available to them. It is something the previous government would never have thought of. It was beyond the scope of that government's imagination to even consider coming up with a proposal that would allow people to say, 'We want the gas, but we do not meet the Gas and Fuel's criteria. We are prepared to pay a little more for our gas to ensure that we get it'. That will make their properties worth more. No longer will they have to pay 45 cents a litre for LPG or \$80 a cubic metre for good firewood. It certainly gives the people in the outer regions of my electorate an opportunity that has long been denied them.

The bill also provides a stimulus to those areas that previously were unable to have natural gas for the heating of chook sheds. We all know how important it is with our cold winters and frosty nights to keep the chook shed warm. We do not want to end up with prematurely frozen chooks. The chooks have to be kept warm otherwise they do not lay or breed. Laying and breeding chooks are needed. The industry in my electorate employs many people and provides many people with livelihoods. The last discussion I had with the Minister for Agriculture revealed that my area produces a significant volume of chicken meat for export interstate.

With another can-do statement not only has the government provided another benefit for the people, it has also demonstrated the lateral thinking of its

business minds to apply commercial solutions to provide services for the people of Victoria. That is something the members opposite would never be able to do.

I heard my colleagues speak earlier about the contributions of opposition speakers. The opposition claimed that every Victorian should be able to pick up the phone and get gas supplied to them at the same rate regardless of where they live. That indicates why this state was in such a financial mess when the coalition came to power in 1992. It is probably another reason why the ALP is financially embarrassed. It does not know how to manage money. It is a gimme, gimme organisation. It has a welfare mentality. That drove the state of Victoria to the brink of bankruptcy.

I close my brief contribution, because other members wish to make contributions to this debate, by once again thanking the minister and this government on behalf of the people of Cranbourne for making this opportunity available. I certainly will be promoting this concept to the local municipalities of Casey, Frankston and Cardinia to have them sponsor and bring to the minister's attention areas to be declared new areas. The people will be able to make a decision and say, 'We want to be part of the gas system. We want to pay less for our heating, for our cooking and for heating our chook sheds'. This can-do government is once again demonstrating that it cares about people in areas like Cranbourne more than the ALP ever could or ever would.

Mr McARTHUR (Monbulk) — The first thing I would like to do is congratulate the minister on taking a step to allow residents and businesses in remote areas of the state to have access to the natural gas supply, something the Labor Party failed to do in 10 years. It is something the Labor Party never attempted. Two opposition members bleated and moaned about how they thought it was unfair that anybody should pay a small amount more to gain access to the natural gas pipeline system. When they were in government they had one answer to people in places like Kerang, Charlton or St Arnaud who wanted to have their homes connected to the gas pipeline. They simply said no. That was their equity system. They said, 'You cannot have it'. That was what we got from the honourable member for Morwell in his 10 years as a member of the former Labor government. He said, 'We love all you people out in the bush, but you can't have natural gas'. What a fantastic help he was to people in the country! No wonder he is the only Labor Party

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member in this house who represents anything even remotely like a rural electorate.

The first thing that should be noted about this legislation is that although it can provide gas to people who do not have it, the process is voluntary. Any town or community that wants to take advantage of this initiative has to put up its hand and say to the minister, 'Minister, we want natural gas. This is why we want it. This is how much we can use. We are prepared to pay a contribution to the capital cost of extending the natural gas system to our area'. Nobody will force them to do that. Nobody will say, 'You will have natural gas and you will pay more for it'. It is up to the local communities, through the town council or any body such as a regional development organisation, to put its hand up and say, 'We want to be part of the natural gas pipeline grid'. That is a welcome addition to the infrastructure in rural Victoria. I am sure it is something that residents and businesses in those areas can benefit from and will welcome very strongly.

The two members of the Labor Party who spoke in opposition to the bill — and there were only two of them — said it was the thin end of the wedge and the end of the uniform tariff system. The only thing that demonstrated was their ignorance and lack of preparation in debating the legislation. It simply meant they had not read the bill. This bill does nothing to undermine the uniform tariff system. This bill is not the thin end of the wedge. It allows people who are currently denied access to natural gas the opportunity to connect to the grid.

The other point that needs to be remembered is that the uniform tariff system applies to only one category of customer, the residential customer. The commercial and business customers using the natural gas pipeline have had to pay full commercial rates regardless of where they are. The honourable member for Morwell conveniently forgot to mention that when he talked for about an hour about why the uniform tariff system is the greatest thing since sliced bread. The honourable member for Gippsland South gave a very pertinent and pointed example of how the uniform tariff is working against the extension of natural gas to a municipality in his area. The major consumer of gas in that area, a dairy company, was unwilling and unable to cross-subsidise all the residents in that area.

Through a very simple mechanism the bill provides for an extension of the gas pipeline to areas that are currently not covered. The minister will be entitled

to declare an area a new area, but only after he has received a written request from the local council, a regional development organisation or some other person. Before making that declaration the minister must satisfy himself or herself — I am sure the present minister will pay very careful attention to this — that there is widespread and strong support for the extension to that area and that it is not just the whim of one or two people.

There is a safeguard in this legislation against the sort of thing that the honourable member for Morwell was talking about. Before the gas grid is extended the local community must be strongly behind the application. If it is not, the minister will not be entitled to state that it is a declared area. Once it is a declared area, the Gascor gas transmission company can provide the infrastructure to that area or, indeed, another operator may be able to do so. The other thing the bill does is to provide for competition in the supply of natural gas. That is an additional benefit to those communities.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Mr McARTHUR — As I was saying before the suspension of the sitting for dinner, the bill provides an opportunity for country communities, rural settlements, to get access to the gas pipeline — something that has been denied to them for many years and something the Labor Party when in government never did anything about. The Labor Party trotted around and preached that it would give open access to people and then did absolutely nothing.

The bill exposes the Labor Party's hypocrisy. When in opposition prior to 1982 it promulgated the idea that people would be able to get onto the gas grid; for 10 years it simply told them, no, they could not have access. Now that the Labor Party is back in opposition it says, 'We'd give it to them for nothing. We wouldn't make them pay any extra'. The Labor Party's hypocrisy on this bill is astounding. Its barefaced hypocrisy is now there for all people in rural communities to see. The honourable member for Morwell should be ashamed of his position on this bill.

This is a very simple piece of legislation. It offers country communities the opportunity to join the gas pipeline system. It allows them, if they wish, to take advantage of connection to the gas pipeline system. But, along with many of the things this government has done, it asks those who will benefit most from that connection to pay something towards the cost of

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the extension of the system. That is fair and reasonable.

If country communities want to be connected and see they can clearly benefit from connection to the gas grid, they can apply to the minister via either their local council or a regional economic development organisation. If the minister sees merit in the application he will approve it and in due course that community will be connected to the gas grid. That will be a substantial benefit to country communities, residents and businesses in towns like Swan Hill, Charlton, St Arnaud and other places that have asked for many years for the opportunity to be connected to the gas grid. It will benefit significant businesses in those areas. I am sure the people who stand to benefit from it would be quite happy to pay a small contribution towards the cost of the infrastructure when it is extended there.

The bill also contains some protections for those consumers, and it comes in two or three forms. The first is that the bill introduces competition. It allows for suppliers other than Gascor to be involved in the supply and delivery of gas. As well there is the competition from alternative sources of energy. If the pipeline gas proposal is too dear — dearer than alternative energy sources — clearly the country communities will not be interested. But I believe this form of competition, the gas grid, will actually help in putting downward pressure on alternative energy suppliers such as suppliers of bottled gas, briquettes and so on. There is protection via competition for consumers, whether they be residential or business consumers.

There is also the possibility of protection in the event that a community was connected to the gas grid and the natural monopoly was exploited in some way and unreasonable prices were charged for connection there. In that case the opportunity for protection exists via the Office of the Regulator-General. I refer the honourable member for Morwell to the Office of the Regulator-General Act and suggest that he examine the powers available to that office, particularly under section 24, which provides:

- (1) The office may regulate prescribed prices for or in respect of prescribed goods and services supplied by or within a regulated industry.

And a prescribed goods or service in a regulated industry is achieved by an Order in Council. So it is a fairly simple matter: if it comes to the attention of the minister and the government of the day that a community is being unfairly penalised by a

monopoly operator charging outrageous prices, the Office of the Regulator-General could be given powers to oversee those prices through some very simple administrative procedures.

As I said before, this is a simple piece of legislation. It offers the opportunity for connection to the gas grid for a large number of country communities. I am sure they will welcome that. Certainly the feedback I have had from country communities is that they are looking forward to that opportunity. The reaction of members in this house who represent country constituencies that stand to benefit from that is clear support for the bill; they are confident in the support of their local communities and businesses on this matter.

I am surprised that in opposing the bill the opposition would seek to deny country people the chance for connection to the natural gas grid. I am surprised and disappointed that that opposition should be led by the honourable member for Morwell, who is the only Labor member who actually represents a rural electorate. It is disappointing that the only Labor member who represents a country electorate would seek to deny other country constituencies access to natural gas.

I support the bill, as do others on this side of the house, and I hope some members on the other side will support it, too.

Mr A. F. FLOWMAN (Benambra) — It gives me great pleasure to join the debate tonight because of the untold benefits this bill will bring to areas of the state that you, Mr Acting Speaker, and I know very well. Those are the areas that have not had the opportunity to benefit from one of the most competitive and cost-effective, one of the cleanest and certainly cheapest forms of energy and heating available to industrial, commercial and domestic consumers, because there is just not sufficient demand to allow the current price structure to be effected to enable connection to natural gas.

Various parts of the state which desperately need the competition that natural gas connection will bring will benefit as a result of this bill. I honestly believe it presents an opportunity to show this government is prepared to be long sighted: it is prepared to consider any opportunities available to it for regional development across the state.

Probably one of my greatest concerns as a member of Parliament is that Victoria is faced with a continuous urban sprawl. If that were not bad

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enough, we are faced with a decline in the rural population as a result of the continuing drift to the capital cities. The bill goes some way towards correcting that.

We need to take every opportunity to enhance regional development. The bill allows for the supply of gas to those areas that have previously been denied it, if they are prepared to pay an enhanced price, together with a standard price, for the gas. The enhanced price includes the amortisation of the cost of supplying the gas. Then the gas will be supplied to those areas of the state and possibly to the areas adjoining your electorate of Rodney, Mr Acting Speaker, immediately over the border.

This gives the opportunity for two things to happen: Victoria gets the rub-off benefit not only from development in the areas that are able to get the supplies but also from the commodities produced, manufactured or processed in those areas. That will occur in areas that you, Mr Acting Speaker, and I have looked at in the dairy industry where processing relies on a source of heat. Natural gas is the most competitive, cleanest and effective way of bringing this about.

I am delighted to support a bill that provides that benefit to country areas. I am sure the honourable member for Altona will be equally delighted by the bill because I know how much she wishes to support those areas of country Victoria that cannot get natural gas at the moment. I am surprised by the honourable member for Morwell because usually I agree with him on these sorts of issues. Therefore, I suggest that he, for reasons that are yet to be identified to me, has some agenda of concern about the fact that these areas might compete with Gippsland, which has a large source of energy. If he is worried about that he should come north to see what opportunities will be opened up by the introduction of natural gas.

The opportunities natural gas affords to industries and to domestic customers will be substantial. It is an opportunity for the government to make things happen. Perhaps the honourable member for Morwell is disappointed because the government is making things happen in this way. I was surprised he did not rise to the bait and tell us why he does not support the bill, which gives maximum support to regional and country Victoria.

I shall close by saying that I hope my area benefits from this change in legislation. Through the development of their industries, areas in the vicinity

of Chiltern, Barnawartha and Beechworth can show they have the capacity to meet the supply and extra amortisation charges the bill affords them. I support the bill and am delighted it has almost the unanimous support of country members.

Mr TANNER (Caulfield) — I strongly support the bill and am absolutely flabbergasted that the opposition opposes it. The opposition has adopted an amazing position. The Minister for Energy and Minerals said during his second-reading speech that the bill will mean cheaper energy for many rural areas around Victoria. It will mean that many Victorians will have the opportunity to use cheaper fuel. It is pure hypocrisy for the opposition to manufacture an argument against the legislation.

The reality is that the government's legislation is meeting the needs of many Victorians. We have heard a succession of government members who represent rural areas — not just provincial areas — support the legislation, but the opposition, through the honourable member for Morwell, the only Labor member who has an electorate outside the tram tracks, opposes it. It is an incredible situation! Representatives of the Liberal and National parties — not just in provincial Victoria but in outlying regions of rural Victoria — said their constituents welcome the legislation. However, the opposition, for opposition's sake and not because of logic, has opposed it. Its arguments are shallow because the legislation enables many Victorians to have cheaper fuel.

Over the years, Victoria has been the beneficiary of coal-produced power in the form of electricity. Over recent decades Victorians have been fortunate to have natural gas from Bass Strait. It appears that over the next 50 years the supply of natural gas will continue to be available to our community. Esso and BHP has been coy in recent years about whether there will be a future supply of natural gas from Bass Strait. As recently as four or five years ago they were only prepared to say, 'You tell us what the alternative cost of a supply of energy will be and we will tell you the cost of natural gas from Bass Strait'. Now they have come out more openly and said, 'For the foreseeable future, you give a new contract and we will give you the natural gas from Bass Strait because it is there'. Even if the gas were not available our nation is fortunate because the north-west shelf of Western Australia has an incredible supply of natural gas.

Under the legislation the government is able to say to the outlying areas of Victoria, 'Here is an

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opportunity for you to have cheaper fuel. You can decide whether you want it or not, but you have the opportunity to have natural gas supplies in the future'. Communities in remote areas may decide they do not want to take it up.

I am talking about the 11 per cent of Victorians who currently do not have access to natural gas; I am talking about those remote regions of the state. For the sake of opposition, members of the Labor Party have created an artificial argument saying that the bill is wrong. Opposition members have operated in their usual way — that is, they like to have their cake and eat it too.

I shall refer to a perfect example that occurred in Parliament the other day and involved the hours of operation of the casino. One after another members of the opposition rose in this chamber attacking individual members of the government through motions decrying and condemning them because — and I note that the honourable member for Thomastown has pricked up his ears — of the hours of the operation of the casino on Christmas Day, Good Friday and Anzac Day.

The honourable member for Thomastown should remember that he was a member of the government responsible for introducing to the house the legislation that allowed for the casino to operate at those times. Here is another case of the opposition having its cake and eating it, too. The opposition has decried legislation that will make cheaper energy available to rural Victoria. Those members from rural Victoria who represent far-flung regions do know what their constituents want. They want cheaper fuel, but the opposition does not want to give them that opportunity!

The reality is that the Australian nation and our state of Victoria are probably the most fortunate communities in the world with regard to the future supply of power. We have the availability of incredible reservations of natural gas. Through the legislation the government is saying to these far-flung communities of Victoria that they can have natural gas if they want it; it's up to them. To the 11 per cent of Victorians who do not have natural gas the government is saying through this legislation that they can make the decision.

Today, coalition members of the government — the Liberal and National Party members who represent the 11 per cent of Victorians who do not have this opportunity — have risen one after another to support the bill. On behalf of the opposition we have

seen the honourable member for Morwell, who represents the coal supplies down in the Latrobe Valley, oppose the legislation. His view is that people should not have the opportunity to get this cheaper fuel supply. He has said to them, 'No, you're to have access to electricity only from Morwell'.

Through the legislation the government has provided an opportunity to Victorians for a cheaper cost of living. It is not a big bill; it is a small bill that does not even amount to more than four pages. If you go through it —

Honourable members interjecting.

The ACTING SPEAKER (Mr Maughan) — Order! There is too much conversation in the house; I ask honourable members either to lower their voices or leave the chamber.

Mr TANNER — Mr Acting Speaker, they won't lower their voices because they do not want to hear me repeating what they have said because what they said is absolute rubbish!

The opposition opposes the bill because its logic is one of opposing for opposition's sake. That is why it is a failure in opposition. The purpose of the bill is to provide for the supply of gas in new areas of Victoria. There are not too many of those areas left, but this is a chance for that final 11 per cent of Victorians to have access to natural gas. Mr Acting Speaker, I note that you represent some of the 11 per cent of Victorians affected by the bill and that you must be pleased with what is being proposed by the Minister for Energy and Minerals.

As I said, given that the bill is a small one, it should not have occupied the hours of this Parliament that it has. It should not have needed a metropolitan member such as myself to speak on it. I am absolutely flabbergasted that the opposition opposes the bill. It is absolute hypocrisy for its members to talk about wanting to improve the standards of living of Victorians when at the same time it opposes the legislation. It is a small bill but for a few Victorians it is an important bill, and I wish it a speedy passage.

Mr S. J. FLOWMAN (Minister for Energy and Minerals) — I thank the honourable members for Morwell, Coburg, Bellarine, Gippsland South, Murray Valley, Cranbourne, Monbulk, Benambra and Caulfield for their contributions to the bill, which were summarised by the honourable member

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for Caulfield as being a fairly simple and short but significant bill to a small percentage of the population of this state. It is an important bill for regional Victoria.

Natural gas is a much-prized commodity, one which Victoria has been singularly blessed by having such a magnificent supply from the Bass Strait fields. The honourable member for Morwell referred to those tranches of gas and its future availability. He raised some questions concerning its availability in the future and I shall deal with that matter shortly.

The important thing about this debate tonight is noting that two opposition members, one representing a country constituency and the other representing Coburg, strongly opposed the bill. Both honourable members have natural gas connected to their constituencies. Local industries and households in their areas enjoy the benefits of natural gas, and it is little wonder that they do. However, they have failed to recognise the fact that there are a group of Victorians who — because of the restrictions of legislation which have been in effect for many years and certainly during the 10 years of Labor occupation of the treasury benches — have been denied that access. I refer particularly to country and regional areas and, as the honourable member for Cranbourne importantly pointed out, some of the fringe metropolitan areas which have also been denied natural gas.

I congratulate the honourable member for Cranbourne on such a constructive address to an issue that applies principally to regional Victoria but which also applies to some of the areas on the fringe of Melbourne that he represents. I thank him for his strong representation of the interests of the people of his electorate.

Two opposition members, who enjoy access to natural gas, oppose the bill. They have both said that we should not have this bill. They have said country people will not benefit and will in some way be disenfranchised or disadvantaged by this measure. However, honourable members have also heard from member after member representing country districts who have consulted with their constituents and who strongly support this democratic opportunity for people to say they want natural gas.

The government realises that under the commercial formulas applying to Gas and Fuel — which have applied under this government and the previous government, in fact, they have applied throughout the history of Gas and Fuel — that some areas in

Victoria have not qualified for the extension of natural gas and that people have been excluded.

The bill provides a democratic right for people living in country districts to say, 'We want natural gas. We will never have it under the old formula and the restrictions of the present act but we are prepared to accept the uniform tariff for the gas itself and accept that we will pay a small incremental additional tariff to meet the additional infrastructure costs of getting gas to those areas'.

All those coalition country members who contributed to the debate tonight as well as the honourable members for Ripon and Swan Hill, who wanted to speak on the bill, have strongly supported the bill, so that is saying something about what is the right way to go. Should we be denying those people natural gas? Should we be saying that they cannot have the opportunity to make a democratic choice? The legislation is not being thrust on anybody; people have the democratic choice to say they want it and will have it under the circumstances and costs worked through for the infrastructure segment of the tariff.

Clearly those people affected have been saying to me as the responsible minister, 'Yes, we recognise the constrictions under the present act; we want you to push forward with this amendment to the act because we want to be able to enjoy the benefits of having access to natural gas that the other 89 per cent of Victorians enjoy'.

I shall deal with one or two points raised by members, in particular the honourable member for Morwell. The honourable member for Benambra said that he was surprised at the honourable member for Morwell. I am not surprised because I have heard his speech before. It was not surprising to hear that he disagreed with his colleague Mr White in another place about the principles of what is right in terms of the commercial attitude to running the economy and the budgetary responsibilities of the state.

The attitude of the honourable members for Morwell and Coburg was that everybody should have natural gas and should not have to pay any more no matter where they live. That is a matter worth thinking about. In reality it has not been commercially possible to connect those areas without huge cross-subsidies which the constituents of the honourable members for Morwell and Coburg would have to pay. It is little wonder with that sort of woolly-headed economic thinking that the state

got into such a parlous economic state before the coalition came into government in 1992.

The honourable member for Morwell spoke about LPG prices and said that somehow privatisation had pushed up the price of LPG. I remind him that it is not only I who say it; the Prices Surveillance Authority has said clearly that the reason LPG prices have risen to such a degree, and people who currently cannot have natural gas have to pay the prices, is the deregulation of the market by the Keating government. We now rely on world parity prices. In other words, the Saudis set the price: we in Victoria do not, nor does Canberra. It is a deregulated market and the Saudis set the price. If the honourable member for Morwell wants to complain about it, he should complain direct to the federal leader because it is the Keating government in Canberra that has brought about the price rises for LPG.

The honourable member for Morwell talked about the petroleum resources rental tax (PRRT) and what that is doing to inhibit the development of the gas market in Victoria. I remind the honourable member that this was brought about by the Labor government in Canberra when Mr White in the other place was the Victorian Minister for Minerals and Energy.

I debated this question with a former federal minister, the Honourable Alan Griffiths, on an ABC radio program. During the debate he stated that there was no intention for PRRT to be passed on to consumers. What happened? There was a loophole in the federal legislation that allowed the Esso-BHP consortium to challenge that situation in the courts. Victoria has been arguing strongly that consumers should not have to pay for this tax. Victoria is the only state affected by it. That was another Labor Party debacle. It is no good the honourable member for Morwell saying that it is the responsibility of the Kennett government.

I shall not go into the productivity increases the honourable member for Morwell spoke about except to say that when the Labor Party reduced worker numbers in the SEC from about 24 000 to 11 000 there was a huge increase in productivity per employee. The same situation has applied with Gas and Fuel. Employees in both the SEC and Gas and Fuel have lifted their game and become much more productive. I give credit to employees in both those organisations. Their achievement is something that we should recognise.

The honourable member said that if the state owns it, it does not matter. Surely, even the honourable member for Morwell would recognise that if the state owned all the business enterprises it must run them on proper business lines so that the people of this state can benefit from the outputs of those organisations.

I turn to the matter of tranches of gas that was raised by the honourable member for Morwell. I am not sure whether he was talking about the actual future supply availability or the ability to supply more gas on a daily basis. Both are important in this exercise because the bill will enable more gas to be sold. The maximum daily quantities (MDQs) which can be provided will be stretched further with more daily sales.

The government and Gascor recognise that and are looking seriously at additional storage facilities. To ensure that we have this MDQ availability with a growing market over the coming years storage at the Parrate fields in the Otway Basin is being evaluated. There are spent wells at Parrate and with a pipeline from Corio through to Parrate that will have a dual purpose of bringing BHP gas from the Otway fields into the Victorian system and ultimately into the eastern states of Australia. The pipeline will also allow gas from both Gippsland and interstate to be pumped down into those spent Parrate wells as a storage area to provide extra MDQ to be fed back into the system as needed.

Those two tranches of gas that the member for Morwell referred to comprise gas that Esso-BHP has contracted to Gascor, and there is other uncontracted gas available in the Gippsland Basin. The gas from the Otways will also come into the Victorian market. A connection from Wagga Wagga to Albury will give the opportunity for central Australian gas to come into the Victorian market. It will help to increase the size of the eastern states markets and ultimately to give us the maturity of market to be able to afford the infrastructure to bring gas from the North West Shelf, where there are vast amounts of natural gas to be had, into the eastern states markets.

This is not something that has been overlooked; it is an important point the honourable member for Morwell raised, and I am happy to clarify it for him.

The honourable member also spoke about the crooks and failures in the private sector and said that a nationalised industry does not have any trouble with that. I remind the honourable member about

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Brian Bourke and WA Inc. There are plenty of public sector crooks. What is important is good management and monitoring of the situation to ensure that any crooks are kept out of the picture. Finally, I believe this is an opportunity to give people a democratic choice about whether they want to have natural gas extensions.

Dr Coghill interjected.

Mr S. J. PLOWMAN — The honourable member for Werribee probably has natural gas, and I do not believe he would want to deny the people of northern Victoria the opportunity to make a democratic choice. If they want natural gas they should have the opportunity to get it at the standard tariff plus an incremental tariff for the infrastructure.

Government members, particularly those who represent country Victoria, have consulted widely with their constituents and have told me that their constituents want this opportunity. This legislation will provide them with that opportunity. It is an opportunity for all Victorians to enjoy the benefits of natural gas. I commend the bill to the house.

House divided on motion:

Ayes, 50

Ashley, Mr	MacLellan, Mr
Bildstien, Mr	Maughan, Mr
Brown, Mr	Napthine, Dr
Coleman, Mr	Paterson, Mr
Cooper, Mr	Perrin, Mr
Davis, Mr	Pescott, Mr
Dean, Dr	Peulich, Mrs
Doyle, Mr	Phillips, Mr
Elder, Mr	Plowman, Mr A.F.
Elliott, Mrs	Plowman, Mr S.J.
Finn, Mr (Teller)	Richardson, Mr
Hayward, Mr	Rowe, Mr
Heffernan, Mr	Ryan, Mr
Hyams, Mr	Smith, Mr I.W.
Jasper, Mr	Spry, Mr (Teller)
Jenkins, Mr	Steggall, Mr
John, Mr	Stockdale, Mr
Kennett, Mr	Tanner, Mr
Kilgour, Mr	Tehan, Mrs
Leigh, Mr	Thompson, Mr
Lupton, Mr	Traynor, Mr
McArthur, Mr	Treasure, Mr
McGill, Mrs	Turner, Mr
McGrath, Mr J.F.	Weideman, Mr
McLellan, Mr	Wells, Mr

Noes, 22

Andrianopoulos, Mr	Loney, Mr
Baker, Mr	Marple, Ms
Batchelor, Mr	Micallef, Mr
Carli, Mr (Teller)	Pandazopoulos, Mr
Coghill, Dr	Sandon, Mr
Cole, Mr	Seitz, Mr
Cunningham, Mr (Teller)	Sercombe, Mr
Dollis, Mr	Thomson, Mr
Garbutt, Ms	Thwaites, Mr
Haermeyer, Mr	Vaughan, Dr
Hamilton, Mr	Wilson, Mrs

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

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Second reading

Debate resumed from 12 October; motion of Mr COLEMAN (Minister for Natural Resources).

Ms MARPLE (Altona) — The commodity the bill deals with is fundamentally important to all of us. In fact, without water our world as we know it could not function. It is important to the earth we live on, and it makes our planet different from all the others. Our bodies consist of 70 per cent water; and the liquid is essential to grow the food that keeps us going. So no-one would question the importance of managing the resource in the best possible way to ensure that we do not pollute it, lose it or allow it to cause degradation of our land. Our water resource has been misused for some years. I am not blaming anyone; it is just a fact. Because our continent has such a low rainfall, we have tried our best over the years to preserve our water.

An honourable member interjected.

Ms MARPLE — Ours is the driest continent in the world, as the honourable member points out.

Therefore it is very important that we manage water in the best possible way. I believe most governments have always attempted to do that. The former Labor government certainly did and this government has continued that work. The opposition supported the last water bill that the government introduced, just as we are supporting this bill. However, I will

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mention a couple of concerns during my contribution which I believe will probably be taken up by the shadow minister when the bill is before the other place. The opposition will put forward amendments which I hope the government will accept.

The second-reading speech of the Minister for Natural Resources provides an overview of the aim of the bill. The amendments follow on from an earlier policy announcement by the minister and the government, particularly with regard to the transfer of the headwork responsibilities to Goulburn-Murray Water. The bill will allow prices and tariffs to be set by water authority advisory committees with the Minister for Natural Resources still having the overriding power not to accept those prices. That is an important provision. The minister also says that the bill will provide scope to delegate price setting, which will enable greater customer involvement in the management of irrigation distribution networks. Of course it is always important to include the players using the water in the decisions that are made. I am sure no-one would disagree with that.

The last time a water bill was before the house the opposition proposed amendments to require the minister to consult with the Victorian Farmers Federation before selling any water interstate. Although the government did not accept the amendments at that time, I am sure it is behind the provision in this bill to consult with the community, including the Victorian Farmers Federation.

The bill further facilitates the transfer of bulk entitlements of surplus water and enables the minister to create bulk entitlements to irrigators on a permanent basis. In Victoria water rights and entitlements account for 50 per cent of the water that is available in the main irrigation area. Of course, our irrigation areas and the areas that use that water are part of the Murray-Darling Basin. If we consider the whole Murray-Darling Basin — that is, Victoria, New South Wales and Queensland — we would see that the amount of water that farmers hold as right is greater than the amount of water in the catchment. All those involved in discussions on how we manage water in the Murray-Darling Basin are well aware of that.

We know we must look to better management of the water in that great basin which provides a wonderful agricultural industry for all the states involved and Australia as a whole. We must ensure that that water is used in the best possible way.

Although it sounds rather horrific that we are enabling farmers to hold rights greater than the amount of water in the whole catchment, it has not been as great a problem as it may first appear because many farmers do not use their full entitlements. In some cases water rights remain dormant for many years, which is an advantage.

As a result of the changes in managing our water, over the past years there has been a steady increase in the price of water and a move towards greater transferability of water rights which are now being redefined as bulk entitlements. In theory that should lead to better allocation of a scarce resource. We should acknowledge that all people who have been working in this area have in good faith been working towards the better allocation of the scarce resource. We must continue to make sure we are working for the benefit not only of the farmers involved but of the land for which they are using that water.

It is believed the increased transferability of water rights which can be subjected to engineering constraint will create a market for water in the Murray-Darling Basin. It means that dormant rights may be activated and sold, which may mean increased pressure on this finite resource. However, there does not have to be that pressure. Everybody has the best interests at heart with this bill and with the other measures we are working towards.

If we were all under the one jurisdiction in the Murray-Darling Basin it would be difficult to justify the creation of new bulk entitlements in one area. As I said, the water is really overcommitted. We have always taken great pride in the fact that Victoria has traditionally been very conservative in water allocation and still has uncommitted water entitlements. It is important that we continue to take that careful approach with our water. It is desirable that the plans that have come forward, the act and these amendments will enable irrigators to plan their farms and to obtain finance, which has been difficult in the past.

I believe this is perhaps an experiment and, given our history of making some mistakes, even with the best of intentions, it would be better at this stage for the entitlements to be initially for five years so that we could monitor the situation and decide whether permanent allocations are desirable. The bill provides for permanent allocations. I think it would be well worth the government's while to have a think about whether it would be better if the entitlements were for five years and monitored the

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situation so that we could make sure the decision for permanent allocation is one that is in the best interests of all concerned.

I am foreshadowing an amendment that will be taken up in the other house. The minister and others who have been working on putting the bill and its amendments together are confident that this is the way to go about making sure that we use our water carefully and responsibly. Knowing the people who work in the area, I suggest that we do some close monitoring to ensure we are not making the mistakes we have made in the past. As the minister pointed out in his speech, the bill amends the Water Act to clarify that ground-water management plans can be used to ensure the long-term sustainability of ground-water resources. I have been touching on the importance of managing ground-water resources to preserve their long-term sustainability.

All honourable members would agree with the minister when he pointed out that we must ensure that ground-water resources are managed in an equitable manner. Other objectives in developing a plan of use include stopping the destructive effect of saline ground-water. Some 10 or 15 years ago we were not aware of how widespread salinity was; now we are much more aware of it. We will be able to manage that problem better with all the knowledge we have gained over the past 15 years.

Under the former government a considerable effort was put into educational programs about saline ground-water for the people managing the water now and the people who ran school programs. It is important to consider the new generation of farmers and their families, as well as families outside the farming area — people who are dependent on farming and make up the regional and rural towns. Educational programs are important because they will increase their knowledge on the need to use and manage our water carefully.

I have spoken before about country people being aware of the importance of being careful using water, especially anybody who has lived on water tanks, as we say. That awareness must extend to people in other areas as well. Although the bill is about irrigation water, it is worth mentioning that people who live in cities such as Melbourne are now well aware of the importance of using water carefully.

As the minister pointed out, we are fortunate in Victoria in that unallocated parcels of water that are not needed to meet the needs of some of the users

can be used in areas that are in more need. As I said, I am pleased that the minister, while being advised of the price of water, has the overall command of how much water is to be sold. We hope that any future minister is as aware as the current minister about the need to manage water carefully.

The minister referred also to authorities being able to transfer their unused bulk entitlements to irrigators permanently. That issue should be looked at more carefully before it is applied permanently. The minister also said that the authorities have to prove their case to the minister and demonstrate that any water is surplus after they have met their obligations to supply water. Currently authorities are able to transfer surplus water on a temporary basis. The issue should be considered over the next five years. Other people will have other views about that. I am sure we will hear those views expressed in contributions from people on the other side of the house.

Other items in the bill need to be addressed, including some that we are in agreement with. The minister said in his second-reading speech that:

The licence provision of the act will also be broadened so that a licence to take and use water can be issued in relation to the works of any authority as well as to the works of the holder of an operating licence under the Water Industry Act.

I am pleased also that it is noted that:

Neither of these provisions has the effect of allowing a bulk entitlement or licence to be issued which would erode any entitlement to water held by an authority or operating licensee.

In other points the minister made it clear how the bill will operate. I have not made a lengthy speech on the bill because we have spoken in this house before on the importance of the use of water. I emphasise that people on both sides of the house understand the importance of our water use and the importance of ensuring that water management is as good as it can be given the information we now have. I hope the minister will ensure that we always have enough resources for research into the use of water and for education programs that will enable farmers to understand more fully the new methods that are being introduced.

I am fortunate enough to know a good many farmers who work to ensure water is delivered in the best possible manner and not wasted, whether

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that be through covering water channels, piping water or using drippers instead of flooding the system through irrigation.

Everybody is becoming much more aware of what can be done to save water. There are opportunities for farmers to exchange information, and research has been supported by government and industry. I encourage the minister and the government to ensure enough resources are committed to enable the support of such research and education. That will be of great benefit to our agricultural industry in the future.

Opposition members do not oppose the Water (Further Amendment) Bill. I foreshadow that the opposition will move an amendment dealing with what could happen over the next five years to ensure the appropriate, permanent management of our water.

Mr STEGGALL (Swan Hill) — The Water (Further Amendment) Bill is a small but important bill. Its first purpose is to enable an authority to delegate its power to set tariffs. That is an important advantage. Water services committees will be able to formalise the role some of them are now playing. The second purpose is to enable the sale of unallocated water in certain water storages. I also draw attention to clause 4, which inserts a new object of the ground water management plan:

... and so as to ensure the long term sustainability of the resources.

That object should have been included from day one as it was one of the reasons for ground water management plans in the first place. It will help set the tone of future decisions.

The bill adds to the transferability of water entitlements throughout Victoria. Much play has been made of the benefits of TWE and what has been achieved in Victoria through its introduction. The bill clarifies the transferability of water, particularly with regard to unallocated water in storage and trading by authorities.

I will spell out what the transferability of water entitlements entails because the transferring of water throughout Victoria is quite complicated. There are different types of water districts, irrigation districts and authorities. Farmers can trade water from some parts of the state but not others. I will also point out the changes the bill brings about to give people the

opportunity to better understand the extent of the transferability of water entitlements.

In the pump districts of Robinvale, Red Cliffs and Merbein — dried fruit, wine grapes and table grapes are grown in those north-west areas — the permanent TWE allows for water trading rights within, into and out of the district. The trading of water within and into the district results in no sales component. For the trading of water out of those pump districts a sales component is allocated to the receiving district. A translation factor makes the transfer a little more complicated; to understand that the local rules that apply when water moves upstream or downstream would have to be considered, particularly in the case of the River Murray. There is no permanent TWE arrangement in any way, shape or form outside Victoria.

The temporary TWE for those pump districts allows the trading of water within, into and out of the district. Any water going out of the district has no sales component. A temporary TWE can apply only within Victoria; there is no interstate trading from those pump districts.

The other two pump districts in my electorate are Tresco and Nyah. The permanent TWE is allowed within each district only. There is no trading outside the district. Nyah has an additional requirement that each property hold 3 megalitres per hectare until 1 January 1997. That local requirement is to ensure some order in the changes affecting that irrigation district. In Tresco and Nyah the temporary transfer of water entitlements is allowed within, into and out of the district. The temporary TWE out of the district has no sales component.

The other pump district is the First Mildura Irrigation Trust, which by ministerial direction has no trading at all. The FMIT has no individual water trading rights. That pump district operates under a totally different set of principles to those of districts.

For the private diversion of regulated streams, the permanent TWE requires a volume licence or other diversion licence. A person holding a licence can trade with a person holding a licence in another place. He can also trade with irrigation districts, in which case a translation factor will apply as the volume will change depending on the local rules applying. Permanent transferability is allowed within Victoria only; there is no interstate trading from a private diversion of a regulated stream.

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In the case of the temporary TWE for regulated streams, the licence volume may be traded, with no sales component being attached. Trading is to be within Victoria only. Transfers from interstate on a temporary basis are subject to the local rules in various regions.

Any sales component attached to TWE does not apply if the transfer of water entitlements is on a temporary basis. That is because in Victoria only 58 per cent of the volume available under diversion licences is used; between only 1 and 2 per cent by volume of the sales component is utilised. The usage capping on sales and transfers for diversions from the Goulburn-Murray river system is in part a result of Victoria's effort to manage and maintain the security of water supply the state's irrigators enjoy.

For private diversion from unregulated streams where we do not have any locks, weirs or controls over water flows, the permanent licence volume, known as the TWE, may be traded as per agreed or approved management plans. It is hoped that most of our unregulated streams will eventually have approved management plans applying to them which will set rules for transfer within those river or stream catchments.

Temporary transfer would also be covered by approved management plans where such plans exist. Where no plan is approved, in summer a licence volume may be transferred to a point downstream and any buyer using water downstream can use only 80 per cent of volume being transferred. These are local rules.

In winter there are generally no restrictions on licence volumes for downstream users but licence volumes going upstream are subject to water being taken without undue impact on other water users or the environment. Generally water can be traded only within the river catchment on an unregulated stream.

I now turn to the permanent transfers of water right in gravity irrigation districts, the main one of which is the Goulburn Murray Irrigation District. In the GMID, water right with sales can be traded permanently within, into and out of the district. Water right to diversion volume licence, which means a water right coming out of the district being transferred to a diversion licence holder on the river, has the sales component of the new licence area. So, if the area to which water is transferred has a different sales component, the water right picks up the new characteristics of the licence area to which it is traded.

I turn to temporary transferability of water entitlements from GMID. Water rights can be traded with sales within, into and out of the district and water right without sales is also within, into and out of the district. In relation to water right that is traded interstate, because the GMID is the only area set up to have interstate trading, the sales component of that water is forfeited and any holder of water within the GMID who trades water interstate will forfeit his or her sales component of the water traded. Under Victorian law and the laws of other states water volume from interstate coming into Victoria can come in only on a temporary basis and is subject to the local laws of the area in which it ends up.

The Campaspe irrigation district is the other gravity irrigation district in northern Victoria. The situation there is the same as in the GMID, except that no interstate trading of water is allowed from those catchments.

The principles the government has put in place are many and varied. Although many have interesting peculiarities, as time goes by they are becoming more clearly understood. It is of enormous advantage for many of our irrigators to be able to understand the trading of water so that they and water authorities will be able to make best use of the benefits and flexibility granted to them under appropriate legislation, including the bill before the house tonight.

Most trading of water to date has not involved large volumes of used water but has been of water not previously used — water supplied under what are called sleeping licences. There is no better example of that than the water in the area from Nyah to the South Australian border. The Nyah salinity plan has identified high-impact zones and low-impact zones in accordance with trading rules in the area. Many of Victoria's huge developments are taking place in the low-impact zones, although some are in higher-impact areas.

The government has set rules under which people who hold water in high-impact zones around Mildura are able to trade water to low-impact zones — for example, the area around the Robinvale-Boundary Bend area. They can also trade high-impact water to another high-impact zone in situations in which that high-impact water is actually being used and is not sitting around in name only. The area from Nyah to the South Australian border is probably one of the most significant of all of Victoria's salinity plans because

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it is the area that is handling the huge growth in vegetable production and the great increases in vine fruits, viticulture and the vine fruit industries, particularly in the Nangiloc and Colignan areas. That whole area, including all new investment there, is being managed via the rules set through local salinity programs.

The transfer of water entitlements in this state has been a great boon to the irrigation industries and to opportunities for investment in the food development and processing industries, which have been proceeding strongly over the past three years. The investment of approximately \$350 million in the food processing industries that have been developed in the Goulburn Valley area from Shepparton through to Echuca has led the way to country Victoria having a higher employment growth than the metropolitan area.

The food industry is vital. In exploiting opportunities for that industry water is our greatest asset and the key to investment and development. The lives of people in country Victoria revolve around the production of food and fibre. It is vital that Victoria maximises its assets. Although for many years Victoria has had a magnificent asset in its system of water harnessing and delivery, we have not put in much work over the past 30 or 40 years to the quality of the production for which that water is used. That work is now being done and if we are good enough we will see huge increases in future investment and development in those areas.

The transferability of the water is the key that gives Victoria an advantage over most other areas of South East Asia. Investors look for the best place to source product, and if they can source product more comfortably from New Zealand, South Africa or South America they will do so. We in Victoria must make sure that our assets are well developed and well understood, and that we use them to the best of our ability. That is our challenge.

This bill continues the long range of changes the minister has introduced since the Kennett government was elected. It is part of the ongoing plan to get a better investment profile and understanding of the way the water asset can be moved around so that people who own that water — our farmers and our water authorities in some cases — will be able to use it to their advantage and to the advantage of Victoria. The water will go where it will be used best.

I support the bill and wish it a speedy passage through the Parliament. I hope we will be able to work with the departments and with members of the opposition to give people the opportunity to fully understand the flexibility of the transferability of water entitlements so that the people in each of the areas will know exactly what their rights are in trading water. All the fears in the early days of 1989 when Victoria first introduced this concept are well behind us. Regional Victoria can enjoy the advantage it has with the application of water, which is the biggest advantage Victoria has.

Mr COLE (Melbourne) — I support the bill and the comments of the shadow minister. This is a very important bill. The honourable member for Swan Hill made a very educative contribution for me, if not for everybody else. Probably one of the problems for city members like me is that they do not get to hear often enough about complex issues such as the transferability of water and irrigation generally. For many years the honourable member for Swan Hill and I were on the Economic Development Committee. Many of these issues are more important to the people of Swan Hill than we in Melbourne ever appreciate.

Water is vital to the state and we have heard much over the years about salinity problems and the cost of irrigation. It was good to hear such a valuable contribution on the transferability of water, which this bill effects. Going back to the bill of 1989, as a government back bencher I remember all too well that it was not an issue that enthralled or excited me. However, it became very exciting because when it was debated in 1989 two major problems emerged. As I recall one problem was that there were 900 amendments. The second was that the then Minister for Water Resources, a former member for Albert Park, issued a press release condemning the then opposition for delaying the bill. That led to the most vitriolic debate in this house.

It was only then that I realised how serious the water issue is to country members. It is a very important issue. More people have come into the gallery and the chamber to hear my comments on the debate than for everybody else. It is a shame there was controversy, anxiety and vitriol. All I can do is quote the famous Samuel Goldwyn who once said, 'We have all passed a lot of water since then'. I could not resist making that comment.

I acknowledge the work of my friend Jane Hill, the former member for Frankston East. I shared a room with her. She talked about many things, and one in

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particular was water. She fancied herself as a bit of an expert on water. It would not be unreasonable to say that she had quite an extensive knowledge of it. Her contribution over the years to the Public Bodies Review Committee or the former committee on natural resources was profound.

I recall her contribution to this debate. Her input has been indelibly printed on my mind. The main reason was that she came from the country. I think she worked as a shearer's cook for a considerable period of her life. I do not know whether she could cook, but that is another story. I recall being in the dining room, minding my own business, as I usually do, and suddenly being dragged into the Parliament, on the ground that I was a lawyer and that we had 900 amendments to the bill. I had to assist the then minister, Bunna Walsh, to solve the problems. It was quite intriguing to see the forces of the opposition — just about everybody was there — attacking Bunna Walsh, and Jane Hill and I were sitting there beside him. We were left to our own resources. That was not quite what was needed to take on such a force on issues to do with water.

The arguments are recorded in *Hansard*. I remember the then honourable member for Benambra, Lou Lieberman, speaking persistently about some of the issues and some of the amendments.

We never got an opportunity to put our defence for the 900 amendments to the bill. Believe it or not, it was not due to ministerial incompetence. Honourable members opposite might find that hard to believe. The 900 amendments were due to the fact that there was a debate between the chief parliamentary draftsman and the deputy chief parliamentary draftsman as to whether the clauses went from 1 to about 500, or whatever it was, or whether they went from 1 to 10 or 1 to 15. Because he lost and she won there were 900 consequential amendments!

In fairness to the government of the day, I should say that we allowed something like 19 hours of debate on the water bill, which was not a bad effort. One could not say the debate was in any way truncated. When looking back, it is very important to note the effort that went into producing that very important water bill. I was not going to sit through the debate on that bill for 1 minute, but I ended up sitting through about 8½ hours of debate and 900 amendments! And they were only the government amendments! I do not know how many opposition amendments there were, but I seem to recall quite a few. It was an important bill. The

amendments were caused by a change in procedure by parliamentary counsel.

A press release was issued condemning the opposition for delaying the bill in the upper house, even though the opposition was not doing so. The opposition, quite rightly, wanted an apology, but the minister refused to give one.

I wish to reflect now on a few issues that are important in this bill. We are talking about irrigation programs. We are talking about what is probably the most important industry to our country today — the agricultural sector. We can talk about food processing and a whole range of matters, but when push comes to shove and sales of live cattle, wheat and so on are analysed, this is the most important industry to our country. People get carried away with hyperbole about value adding, food processing and so on but they forget there is more value added when a product such as wheat is produced and sold overseas. There is more than just a family involved in that process, and that is value adding. The sooner we forget about this nonsense that it has to be put in a can, processed and sent overseas to make it valuable, the better it will be because, quite frankly, we are very good in the agricultural sector.

We put a lot of time into research and our irrigation programs. That is important. The honourable member for Swan Hill has opened up a new understanding of the topic for me concerning the transferability of water — something the South-East Asian rice-growing areas do not have. We have that advantage over our northern neighbours.

The transferability right enacted by this bill is important in bringing about an improvement in our capacity to deliver where water is not available. The honourable member for Swan Hill has gone to great lengths to explain that; and the community and I will be grateful for that.

It is easy for city people to sit in judgment. For a long time, on issues such as salinity, we have sat on our hands. There is as much, if not more, concern in the farming community about these issues as there is from those who regard themselves as experts. It is important to concern ourselves with salinity, land degradation, and so on. We must respond to the needs of our land according to the latest expert advice. The farming community is doing a very good job in dealing with the farming problems, such as salinity, with which we must concern ourselves.

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We could go back to the fundamentals. The conservation of water is crucial. The question of conservation in the metropolitan area has become more controversial. I am not an anti-gardener — it is simply that I do not like gardening! I am concerned at the proliferation of suburban gardens and the enormous strain that will be placed on water reserves in years to come. The greatest drain on our water supplies are the gardens of Melbourne.

To some extent, it is all about the question of pricing. That will worry me because as water becomes less available, the prices may increase, thereby affecting conservation values. However, I am always conscious that we could change the pattern of water usage rather than rely on pricing mechanisms in years to come.

Having read the second-reading speech and other material, I believe the provision for customer involvement in setting the price of water, with a power of veto by the minister, is good. It is important to have a veto over the minister because, as has often been said on another subject — that is, the arts — sometimes consumer groups have become involved in protesting while its members were consuming the product and pricing it for themselves. I have seen some unacceptable actions take place in that area.

I am concerned about what has happened with the wool floor price on which water usage has a bearing. Once we get into control marketing systems, we are entering into dangerous issues. The honourable member for Swan Hill and I have argued about this before. Controls are very dangerous matters in which to become involved.

If the consumer, whose interests are being considered today, can lobby to set prices, we will see very dangerous activities. Prices will be set not according to consumption or to what is available but according to what is in the best interests of the consumer — which is not necessarily in the best interests of the supplier and the community.

The second-reading speech refers to proposals for waste management of ground water. I was interested to see the situation in Shepparton. Issues of, for example, salinity control cannot be underrated. We cannot remove ourselves from projects that would reduce salinity levels in country Victoria.

Water rights account for approximately 50 per cent of available water in main irrigation areas. The

amount of water held by farmers as of right is greater than the actual amount of water in catchments. This has not been as great a problem as was at first thought because many farmers do not use their water rights and in some cases, water rights remain dormant for years.

In past years the direction of water reform has seen steady increases in the price of water and a greater transferability of water rights which are being defined as bulk entitlements. This should lead to a better allocation of a scarce resource. That is why the opposition supports the bill. If there is a capacity, as there is in this bill, to see the transfer of water in the way proposed, we will all be the winners.

I commend the bill to the house. It is a great step forward. It is a shame that on such an important issue, on which in 1989 the house in committee considered 900 amendments, tonight very few honourable members have bothered to speak about this community issue.

Mr SEITZ (Keilor) — The honourable members for Swan Hill and Melbourne have led me to speak on this bill, and to express my support for it. As a member of the Public Bodies Review Committee, I was involved in examining the agricultural bodies which had controls over water usage. That was particularly important in an examination of water catchments and water transfers.

The Labor government proposed changes to water boards and the selling of surplus water, which caused a commotion in the community. This bill has taken the issue a step further and will further the aims of the community.

Water is a valuable commodity. Many people in the irrigation areas of Victoria express concern about salinity and ground-water controls. The community has learned to consume water as efficiently as is necessary. That is also something that needs to be considered in the development of the technology for water use. In areas such as Mildura the irrigation of orange and lemon trees is done with tiny plastic sprinklers and is measured electronically so that only a small amount of water is used rather than, as used to be the case, flooding channels and using large volumes of water in the groves. The technology has changed and the focus is on saving water and protecting land from salinity and the rise of ground water. That is a good practice that I hope will continue.

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The ability to purchase surplus water for people that need it in different areas is of advantage to all rural areas, particularly when some parts of the country are dry and almost drought stricken and other areas are flooded. Honourable members know what our continent is like, and the system proposed by the bill is better than the demand for water resulting in the expensive construction of dams and other water storages. The method provided for in the bill enables those problems to be overcome and does not restrict people through regimental policies and decisions made by water control authorities, of which there was a proliferation in the past, in obtaining water.

The bill will also be of assistance to market gardeners in Werribee, Keilor and other parts of my electorate because they rely on rivers that sometimes run dry. It will be of benefit to be able to let the rivers flow rather than storing the water further upriver; often market gardeners in Keilor cannot get sufficient water from the rivers and need to get it from other areas. The creation of diversion channels in different areas still needs to be considered in the future. Rather than being restricted to one district, people will be able to gain access to water from elsewhere.

If water is sold as a commodity and some of the money is set aside to improve and develop water management, Victoria will continue to be at the forefront of farmland productivity — for example, wheat productivity in Western Australia is about 6 bags to an acre, whereas in Victoria when we have a good season it is about 16 bags an acre. In all those matters Victoria is in front. In earlier days, well before my time, people commenced and developed the irrigation system, and I hope this bill will enable maximum use to be made of water at the lowest cost to the farmers, who use it for irrigation, and to other taxpayers. I support the bill.

Mr COLEMAN (Minister for Natural Resources) — I thank the honourable members for Altona, Swan Hill, Melbourne and Keilor for their contributions to the debate. Obviously water is central to the sustenance of life, and the comments that have been made acknowledge that.

The opposition has foreshadowed that it will propose an amendment on monitoring. It did not flag exactly what form that amendment would take, and I look forward to discussing it prior to the bill going to the other place.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

Remaining business postponed on motion of Mr COLEMAN (Minister for Natural Resources).

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Mr COLEMAN (Minister for Natural Resources) — I move:

That the house do now adjourn.

Multimedia centre

Mr SERCOMBE (Niddrie) — In the absence of the Premier I raise with the Minister for Natural Resources the government's position on the development of the multimedia industry in this state. It is a subject in which the Premier, to his credit, has on a number of occasions expressed an interest and about which he has expressed his views, but at present there seems to be a need for the government to clarify its position on some important matters.

Recently the government supported a bid from a single Victorian consortium for the commonwealth government to establish what is called a cooperative multimedia centre in Victoria. Essentially, the aim is to bring together in the bid a number of higher education institutions, commercial operators and some creative people. The bid was unsuccessful and the commonwealth is currently dealing with a second round of applications under that program.

On this occasion a number of Victorian consortia are involved in putting bids to the commonwealth. I should indicate at this stage that I am assisting a potential consortium of people involved in my electorate and the areas adjacent to my electorate, so I declare that at this stage.

There is some concern in the multimedia community that the Victorian government is seeking to pick a winner so it can throw its support behind one particular consortium rather than attempting to consider the overall interests and wellbeing of Victoria. If the Victorian government is seeking to adopt the approach of picking a winner, it is a particularly unhelpful approach and one I believe the government would be well advised to reconsider. It should think about throwing its

support behind any successful Victorian bid that may emerge.

It seems to me that, as the Premier has acknowledged in this house on a number of occasions, there are immense benefits, both educational and financial, in the multimedia industry — in fact, there are huge benefits for government administration in it. However, the approach of picking a winner and seeking to support only one bid — it is, frankly, a suggestion I do not believe sits at all comfortably with the Victorian government's approach generally — is short-sighted and unhelpful in this important area.

I call on the Premier to clarify the Victorian government's position as early as possible and indicate that the Victorian government will get behind any Victorian consortium that is successful in obtaining commonwealth government assistance.

Moorabbin Airport

Mr LEIGH (Mordialloc) — The matter I raise for the attention of the Minister for Planning concerns the federal government's attempts to sell or lease Moorabbin Airport to whoever will participate in it. It intends to sell the lease with what is called the shield of the Crown intact, which means effectively it becomes the wild west because developers will be able to do whatever they want. It means, as I found out in the past during the attempted prosecution for pollution of some operators on the site, that the lessees are exempt from the EPA rules and regulations and from anything the state has in place.

Indeed, the minister will be well aware of the fairways development on the site a couple of years ago put in place by the federal government. A number of developers appear to be now chasing the concept of being able in 1997 to participate in this crazy arrangement of leasing Moorabbin Airport with the shield of the Crown intact. My concern is that the retailers and people who live in the community will have no control over the planning requirements that are put in place. I ask the minister to approach the federal government and obtain some form of guidelines from it about what may take place.

I warn the federal government that if it persists with this it will be the end of Moorabbin Airport. This shonky deal with the shield of the Crown intact is nothing other than a crazy attempt by the federal government to come up with a nonsensical

privatisation plan — in this instance to flog off the airport and the land. Many developers are interested.

In my community increasing outrage has been caused by these attempts. Westfield Corporation took legal action against the fairways development on one occasion. As I found out from dealing with that great federal Minister for the Environment, Sport and Territories, Ros Kelly, the federal Parliament refused to prosecute people for environmental vandalism at the airport on a couple of occasions.

I seek the support of the minister, and I hope the state Labor Party will support the government in this because the fact of the matter is it is its political party that is entering into this disgusting arrangement that will result in disadvantaging many people in the community.

The Leader of the Opposition thinks it is funny! Let me tell you: if you have aircraft flying over you and the next thing the federal government is planning jets out at Moorabbin and taking the public golf course, I don't think that is funny. He may think it is a great idea but I don't think it is.

Maternal and child health services

Ms MARPLE (Altona) — I raise an issue with the Minister for Community Services concerning the outrageous legacy that has been left by this government and its lap-dog commissioners in the destruction of maternal and child health services.

New mothers and their babies are being denied the services generations of Victorian families came to depend on. In particular I wish to speak about Geelong, where 19 centres have been closed under funding cuts by this government and on the direction of commissioners. My attention has been drawn to specific problems in the Clifton Springs area where I now reside. A new resident — we will call her Grace — arrived with her first child under the age of one year to find that what would have been her closest centre, Beacon Point, is to be closed. And this is at a time when young families are moving into the area.

What have Grace and her baby found? That centre and its staff are under considerable stress and pressure. Where they could have walked to the Beacon Point centre, Grace and her baby must now have a car to get to the nearest maternal and child care centre. Grace could not get an appointment, a regular visit, until December. When she was in need

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of an appointment for help and support, she and her baby had to wait at least three days before they could see the district nurse.

Because staff are overloaded, during the appointment that she was able to get many phone calls were taken by that staff member from mothers seeking help, so Grace's appointment was very much interrupted.

As these cuts have been in place for over a year I ask the minister to conduct a study into what has happened to our maternal and child health service. The service has collapsed to the level of a glorified child-weighting centre. Will the minister and his department put in place action to return the maternal and child health services to a level acceptable to a society that cares about the next generation and the parents who look after those children so the staff can support their clients according to their needs and not simply be guided by the economic-rationalist theories so favoured by this government?

Moira: Muckatah drainage scheme

Mr JASPER (Murray Valley) — I raise a matter for the attention for the Minister for Natural Resources. I refer to major problems that have developed in the western end of my electorate of Murray Valley and in the Shire of Moira. Flooding has occurred in recent months in the area and serious problems have developed. The minister will be very much aware that the Muckatah surface drainage scheme has been developed over a number of years.

Extensive investigation has been undertaken into this problem over a number of years. It goes back to the late 1970s when the original work was undertaken by the former State Rivers and Water Supply Commission. It produced a report about what was at that time called the Dowdle Swamp in the former Shire of Yarrawonga. There was flooding in the area called the Muckatah depression, down through the former shires of Yarrawonga, Tungamah, Cobram and Numurkah through into the former Shire of Nathalia. Those shires have now combined to form the Shire of Moira.

Over the years extensive investigations have been undertaken into a scheme that would provide appropriate drainage down through the Muckatah depression. In fact, the scheme put forward to the minister involved expenditure of approximately \$8 million. Although there has been general

approval for the implementation of the scheme, complications have arisen in relation to that part of the Broken Creek that runs through from the former Shire of Numurkah into the former Shire of Nathalia.

The Minister for Planning, who is in the house, will be aware that he visited the offices of the former Shire of Numurkah and met with shire representatives. They expressed concern about the water that might be distributed down through the Broken Creek as a result of the works in the Muckatah depression. It is now the subject of a report, and an investigation has been set up by the minister. I seek an assurance from the minister about the viability of the Muckatah depression scheme and the importance of proceeding with it in the short term to take account of concerns that have been expressed by people who are living in the former Shire of Nathalia. The minister is well aware of the problems. I seek some indication of the action that will be taken in the area.

Preschools: funding

Ms GARBUTT (Bundoora) — I seek from the Minister for Community Services a reassurance about increased funding for kindergartens. He should admit that cutting funding to kindergartens by 20 per cent was a mistake.

Mr Leigh interjected.

The SPEAKER — Order! Will the honourable member for Mordialloc remain silent.

Ms GARBUTT — I seek an assurance that the minister will increase funding from next year. We know cost increases are on the way. Staff received increases of \$8 a week which kindergartens had to meet out of their resources in May. And another increase is in the pipeline. Agreement is imminent on the teachers' federal award, which will include pay increases. There is the possibility of other pay claims and also kindergartens have reported to me that they are being forced to pick up increases that local government commissioners have pushed on them.

There is evidence that kindergartens and parents are already facing increased financial pressure and they cannot increase fees. Students are already missing out because their parents cannot afford the current fees. If fees were increased further more children will be pushed out of the system. Kindergartens cannot increase their fundraising activities because

they are already at a maximum level. You can't get blood out of a stone!

There is no capital left in the bank because kindergartens have used it over the past two years to keep going. They have spent nothing on maintenance and new toys, books and equipment that need replacing. No alternative is left. Kindergartens have left no stone unturned trying to survive and they have no options left.

I understand that enrolments for next year appear to have decreased as parents realise they cannot afford the fees. The combination of increased costs and fees will make many kindergartens unviable and they will have to close their doors at Christmas. They will not reopen unless the minister is prepared to give an assurance when kindergartens are doing their budgets, making their projections and sorting out fees that he will guarantee to meet the unavoidable cost increases; otherwise kindergartens across the state will continue to struggle or fees will go up and even more children will be dragged out of kindergarten and forced to begin their school years behind from the start.

Victorian Athletic League: Stawell Gift

Mr KILGOUR (Shepparton) — I ask the Minister for Natural Resources to direct to the Minister for Sport, Recreation and Racing what I believe to be the greatest scam that has ever occurred in professional foot running. I ask the Minister for Sport, Recreation and Racing to work with the Victorian Athletic League to ensure that similar incidents do not recur.

The issue I raise involves the winner of the 1995 Stawell Gift, Glenn Crawford, the fastest person to ever come from Katamatite. Glenn Crawford won his heat of the Stawell Gift but then, on the instruction of the then President of the Victorian Athletic League, was disqualified. It has since been revealed that the former president of the league had heavily backed another runner in the Stawell Gift and had bid for him in the Calcutta on the Friday night to cover his gambling debts.

Glenn Crawford appealed against his disqualification. Following a lengthy meeting of an independent appeal committee, Crawford was found not guilty of the offence with which he had been charged and was reinstated. He won his semifinal and then the final, but he was subject to tremendous criticism — and the media had a field day. The former president backed the runner-up in the event. He has since been disgraced and I am sure

the league is unhappy that he was ever involved in the sport.

Glenn Crawford was fined \$2000, but on appeal that was reduced to \$600. Crawford did nothing wrong, but because crooks were involved in the sport at that time he was severely penalised. The fine is a sham and should be reviewed. Many other runners have been in the same position as Glenn Crawford, but they have not been victimised to the same extent.

I ask the minister to guarantee that the crooks are removed from the sport and to work with the Victorian Athletic League to ensure that it has a reputable board. The president of the league, Chris Perry, has a good reputation and I know he will make sure no scams occur in future.

B-double trucks

Mr SEITZ (Keilor) — I ask the Minister for Public Transport to raise with the Minister for Roads and Ports in another place a report in my local paper, *The Advocate*, regarding a reclassification by Vicroads of main access roads that will allow B-double trucks to travel through the City of Brimbank. It will be disastrous for the people of Keilor, St Albans and Keilor Village. Everyone knows how difficult it is to cross the St Albans railway crossing, but imagine B-doubles coming off the ring-road and travelling past shopping centres and community facilities. It is unbelievable! No-one has been consulted and the city is opposed to the concept, yet Vicroads has said certain roads are suitable for B-double trucks.

I ask the minister to take up the issue with the Minister for Roads and Ports to ensure that the decision is reversed. I hope the ring-road is finished so that those large trucks do not need to use alternative routes.

Secondly, those roads have not been built to a standard that will take the weight of those trucks. Regardless of whether it is so many tonnes per axle and wheel, the B-double trucks are still a danger.

On behalf of the people of the electorate of Keilor and the new City of Brimbank in particular, I support the commissioners and their staff in the concerns they have expressed on behalf of the people they represent. The commissioners have worked hard to give us a chance to have a good lifestyle. We now have to battle for the roads to be constructed in such a way that we do not have to go over potholes.

Everyone in my electorate has complained about the matter and a petition has been circulated to be forwarded to the minister asking him to review the situation with compassion. I ask him to take up the issue with the community and consider the short-term damage that will be done to those roads that have not been built for B-double trucks, in spite of what everybody tells me.

BCF fire extinguishers

Mr LUPTON (Knox) — I ask the Minister for Natural Resources to direct to the attention of the Minister for Conservation and Environment in the other place BCF fire extinguishers, which will be illegal as of 31 December 1995. The reason they will become illegal is because of the serious effects they have on the ozone layer. One kilogram of the chemical coming from the extinguisher can destroy 50 000 kilograms of ozone. The known effects of ozone depletion include: fatal skin cancers and cataracts, longer recovery times after illness, early ageing, wrinkling of skin, and so on.

The concern I have is that at the moment inspectors can go around looking at launches, which have to be registered to operate in Victoria, and they can find that the launches have BCF extinguishers on board. The inspectors can also go to properties, factories and so on to inspect those particular extinguishers. The fire brigade or the inspecting officer can say they are no longer legal after 31 December this year. However, they have no right or authority to confiscate the extinguishers. Therefore, it is quite probable, and it has happened in the past, that the people who own the extinguishers will take them and put them in their motor cars. There is nothing to say that the fire extinguishers are illegal in motor cars, although they are illegal to operate. There is no power for the investigating officer to confiscate the extinguisher and there is nothing to stop a person placing a BCF fire extinguisher in a motor vehicle apart from the fact that using it is illegal.

I am concerned that there could be a number of people driving vehicles around with BCF extinguishers who do not know they are illegal; that they will operate them in the case of a fire and will damage the ozone layer and so on. There is also the problem that when the fire brigade inspector confiscates a particular extinguisher it costs something like \$16 per kilogram to dispose of. Many of these extinguishers weigh up to 3 kilograms so it works out at about \$48 to dispose of one. Regrettably some owners are being charged \$48

when it is really a cost that should be carried by the commonwealth government.

I ask the Minister for Conservation and Environment to have a look at this matter. I am concerned that these illegal extinguishers could continue to be used by private individuals and that people are being ripped off by having to pay \$16 per kilogram to dispose of the extinguisher when it is not their responsibility.

Rail: aerosol fumes

Mr BATCHELOR (Thomastown) — I raise a matter for the attention of the Minister for Public Transport. I have been contacted by a resident of Thomastown, Mr Spiros Tsetsos, who is a regular user of the Epping railway line. Mr Tsetsos wants the Minister for Public Transport to explain what he expects from Met passengers and customers who are confronted by groups of young people sniffing aerosol sprays on trains and at railway stations. I would also like to hear the explanation.

Mr Tsetsos has advised me that on three occasions over the past couple of months he has been confronted by groups of young teenagers as young as 13 years of age sniffing aerosol sprays from plastic bags. That is clearly a foolhardy and dangerous habit but it is often carried out in broad daylight in the open and even in front of other passengers seated in the train carriages showing brazen contempt and disregard for others.

On the most recent occasion Mr Tsetsos was travelling between Thomastown and the city and was confronted by such an incident in a railway carriage. He got off the train at Rushall to seek help, only to find that there are now no longer guards or station staff on our suburban trains. Mr Tsetsos finds this practice disturbing in itself, but is also repelled by the idea of having to breathe the fumes that escape into the carriage.

Mr Tsetsos tells me that in his opinion the presence of Met staff provides the human face of the Public Transport Corporation because of the extra things the staff do that could not be done by machines if we ever see them installed on our public transport system. In his letter to me he says:

It was hopeless, no-one to make a complaint to. The stations were without stationmasters and the train without a guard. I felt that my rights as a passenger were violated and that these children were incapacitating themselves.

We would like advice from the minister on what people should do when confronted with such tragic situations. On the one hand it is clearly a risk to the individuals, yet on the other hand one could almost argue that it is a group of people crying out for help.

Responses

Mr MACLELLAN (Minister for Planning) — The honourable member for Mordialloc raised the matter of the commonwealth leasing Moorabbin Airport and leaving the protection of the commonwealth Crown in respect of that property so that local government, environmental and planning laws would not apply to the site. Indeed, as the honourable member might put it, it would be an outlaw zone in which it would be possible to carry out any development or activity, ignoring environmental protection, ignoring the requirements of state planning laws and ignoring local government responsibilities and regulations.

The commonwealth is concerned to achieve a good price, and certainly the Federal Airports Corporation has shown a propensity to look for activities unrelated to the operation of aircraft to produce a string of revenue. There has been some voluntary restraint on what the corporation is prepared to do. It has been the corporation's self-imposed rule that it would not allow forms of gambling that were not legal within the state. In the past the commonwealth has ignored licensing laws and been responsible for environmental emissions and discharges that have remained unprosecuted and unchecked by any commonwealth action.

I am sure the honourable member will be successful in his suggestion that the opposition would be pleased to support the government in directing this matter to the attention of the commonwealth government, because we all know what a heroic stand the commonwealth member Mr Chynoweth has made in relation to the Optus and Telstra towers with his recent conversion to the view that they should be subject to state and local government laws, and we could be sure that the opposition would not want a substantial spatial area of Moorabbin, or indeed of Essendon or Tullamarine airports, to be without any reasonable control with regard to uses that are not in any way connected with the direct operation of the airports.

The state government has long since accepted that in aviation matters the commonwealth should be the responsible government. Victoria does not have state

airport or aircraft rules. The issue can be summed up by saying: if it flies it is a federal matter.

However, the commonwealth owes it to the Victorian community to return the compliment by saying that, if we are sensible enough to allow national control of aircraft matters, whenever airport facilities are used for ancillary and commercial operations, such as discount stores or peripheral sales, those activities should be subject to the same local government and community consultation processes as any other commercial operation. They should not in effect be privileged zones that do not provide for local or state government input.

At the invitation of the honourable member I will certainly take up the matter again with the responsible commonwealth minister. Mr Brereton, the federal Minister for Transport, is not always notable for his sensitivity in these matters; but as there will soon be a federal election and as Moorabbin Airport is significant to a number of finely balanced federal seats, it may be that between now and the end of this calendar year the commonwealth's receptiveness to the good arguments of the state will be at its highest.

Mr JOHN (Minister for Community Services) — I will respond to two matters, one raised by the honourable member for Altona and the other raised by the honourable member for Bundoora.

The honourable member for Altona raised the problems she has encountered, or alleges she has encountered, with the maternal and child health service in her area, extending down to Geelong — which is not very close to Altona. She spoke about a constituent who needed an appointment next month but who is having trouble making it. I will be very happy to take up the matter she raised. If she gives me the name and address of the person —

Ms Marple interjected.

Mr JOHN — No, give me the name —

Honourable members interjecting.

Mr JOHN — Do you want the problem fixed, or don't you? Are you just trying to make a political stunt of it? You give me the name and address and I will fix the problem for you because this government cares, not like your lot!

Honourable members interjecting

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Mr Seitz interjected.

The SPEAKER — Order! I warn the honourable member for Keilor that if he makes another outburst like that I will deal with him straightaway. I ask the honourable members for Altona and Bundoora to listen to the minister's reply. The minister should address the Chair.

Mr JOHN — There is no limit on the number of visits and there have been no cuts to the budget. The budget is \$14.6 million, the same as it was the year before, despite the scaremongering and Labor's undermining of the service. We are seeing a beating up of the arguments, political scaremongering and stunts.

Ms Marple interjected.

Mr JOHN — If the member for Altona were genuine in her concern she would give me the name and address and the details — and I would try to help her fix the problem, because we value the maternal and child health system.

There has been a 12 per cent increase in the usage of the service for three to four-year-old children since 1993. About 98 per cent of Victorian families use the service in the first year. If the honourable member for Altona were to go to the *Hansard* record instead of going for the easy option all the time and read the record of last week's Tuesday and Thursday questions without notice she would see that all of these matters were raised. I think it is very demeaning of her to undermine the system and scare and worry people. It is very convenient to have appointments. If someone has trouble with the service they should come and tell me and I will do my best to alter the situation.

The honourable member for Bundoora raised the question of kindergartens. I have never heard such rubbish. I refer her to the *Hansard* report of last week where I set out very clearly the situation in Victoria. There are 1344 kindergartens — 34 more services than last year and 2300 more children — and 58 000 children are accessing the service in this state. What is your problem? Are you upset about it because we have a good system? Some 80 per cent of Victorians think it is a marvellous system. You just want to rubbish the system and undermine it. What a dreadful —

Honourable members interjecting.

The SPEAKER — Order! The level of interjection is too high. The minister should address the Chair.

Mr JOHN — When the government was in opposition the Auditor-General brought in a report which said we could make the reforms we ultimately did. Labor tried it, but it didn't have the guts or courage to bring them through. It listened to its union mates all the time. Two and a half years ago when we first came to government we made those reforms. More than 80 per cent of Victorian families are happy with a very good system. What we are getting from the honourable member for Bundoora is a beat-up, an ALP scare campaign to undermine the system. If there is a problem, give me the details and I will endeavour to solve it.

Mr BROWN (Minister for Public Transport) — I thank the honourable member for Keilor for his warm commendation of the coalition government's policies. I was particularly pleased to note his glowing tribute to the appointment of commissioners in local government. He singled out and emphasised the excellent role of the commissioners at Brimbank and went further to commend their staff for the excellent service they are providing to that community. It is refreshing to hear at least one member of the Labor opposition give praise where praise is due and credit where credit is due.

Mr Cooper — Well done, George!

Mr BROWN — Yes, well done. It is rare that an opposition member will get 10 out of 10, but in this instance he does.

The SPEAKER — Order! The honourable member for Mornington is interjecting out of his place and is grossly disorderly.

Mr BROWN — The honourable member then went on to commend the coalition for its policies on the City Link project. Today he asked me to make representations to my colleague the Minister for Roads and Ports to further the policy statement that my colleague the Treasurer made in this house earlier today for his own area. That is, when under this government a new upgraded, world-class freeway — and I refer to the major new ring-road that is being constructed in the area near the honourable member's constituency — is completed, we look at the other existing roads to see whether traffic changes can be made so that commercial vehicles and B-doubles can use the ring-road.

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That is the identical policy statement, the identical request, the sensible request that was put forward as policy by my colleague the Treasurer earlier today in this house.

Of course the honourable member for Keilor would be conscious that it was a former Labor government that brought B-doubles into Victoria and therefore that former Labor ministers are responsible for their being in Victoria. So I am sure, although some could interpret it differently, that there was no implicit criticism in what he said or that he was criticising former Labor ministers for having brought the vehicles into Victoria.

But he is now asking that when the new, upgraded road is completed traffic changes be put into place. Because of the warm, friendly, cooperative and sensible spirit in which the honourable member for Keilor puts the proposition forward, I will ensure — particularly again acknowledging his support for the government and our policies — that the matter is brought to the attention of my ministerial colleague in another place. Given time, of course, I would expect the Minister for Roads and Ports to communicate an outcome to the honourable member.

Unfortunately the same cannot be said for the honourable member for Thomastown. He has raised an issue concerning young people, and if it is a true story — I say 'if it is true' because there have been instances in the past when the honourable member for Thomastown has raised matters that have proven after thorough investigation not to be true.

Honourable members interjecting.

Mr BROWN — If he is left long enough, one day he will get one of the stories right.

The SPEAKER — Order! During the adjournment debate the Chair expects the minister to refrain from reflections against another member.

Mr BROWN — Certainly, Mr Speaker, I would not for a minute countenance mentioning that the honourable member for Thomastown said this morning that one of my ministerial colleagues was a liar and it wasn't rescinded — of course I wouldn't ever do that!

The reality is that the Leader of the Opposition is on the record as being a supporter of the use of marijuana and has made it clear publicly that he has used it himself. This is an extension of the same

issue. Only in this case we are not talking about marijuana, we are talking about the alleged — and I underline 'alleged' because it is not yet known whether this is true — sniffing of aerosol that was sprayed into a plastic bag. One of the things that makes me a bit suspicious about this is that usually when young louts carry aerosol cans onto the trains it is not to meekly spray their contents into the inside of plastic bags. It is usually to spray the contents all over the inside of the train.

I have outlined in the house, this week in fact, a dramatic increase in patronage because of improvements in the service and one is in the area of the removal of graffiti. So I would be concerned if any young person is carrying spray cans, for whatever reason, inside a train.

I might say it is a little disappointing that the honourable member has singled out the western suburbs for this attack. If there is a problem out there with young people the fact that they are from that area should not be homed in on as being a reason for the problem. Wherever young people are sniffing glue or other substances from aerosol cans would be a matter for themselves. It is a tragedy for young people if they are engaging in that sort of activity. I certainly do not want to find such behaviour on trains. I have just announced a substantial increase in penalties for loutish behaviour on trams, trains and buses and in public transport environs. The government wants to ensure that the decrease in crime that has been sustained since the Victoria Police took over the policing of public transport continues.

A number of issues arise out of the matter the honourable member for Thomastown has raised. It seems a little strange that Spiros Tsetsos would go to the Labor Party and not the Victoria Police with a policing problem. The properly trained Victorian police — not the Labor Party — are responsible for such matters. Many stations have closed-circuit television, which can be used to assist the Victoria Police in identifying offenders, as was the case with a rapist. Firstly, that gentleman should have gone to the right authority — namely, the Victoria Police — and reported the matter.

The honourable member for Thomastown sits dumbfounded. The first thing Tsetsos should have done was to go to the police.

Mr Batchelor — We are asking what you expect him to do.

ADJOURNMENT

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Mr BROWN — I expect him or any law-abiding citizen who sees a crime or activity being carried out that is not in the community's interest to go to the police and report it. Did the honourable member say that Tsetsos witnessed three separate incidents of the same type?

Mr Batchelor — That is what he tells me.

Mr BROWN — And do you believe that?

Mr Batchelor — Yes.

Mr BROWN — The honourable member for Thomastown is now on record as saying he believes the claim by Spiros Tsetsos that he has witnessed three separate incidents, which is amazing. I have not heard of such an occurrence before. In that case, I assume that many others have witnessed three such incidents. People witnessing such incidents should come forward publicly with the corroborating information to be passed on to the Victoria Police. If young people have perpetrated a crime on public transport, it may be that they boarded at a station where they were videoed. The first thing the police will do to test the veracity of such a serious claim is check the video. In the case of a claim raised in Parliament by a member of Parliament, naturally it is expected that the member would have checked the claim's veracity so that he could be sure in his mind that there had been three separate incidents. One woman claimed certain things had occurred on a Traralgon train service but they were later proven to be absolutely false, baseless claims.

The matter will be investigated on the basis of reference to the Victoria Police. The honourable member for Thomastown, in raising such serious allegations, should be sure of his facts because claims in the past have often proved to be untrue.

For a long time such claims brought public transport into disrepute. That is why when the Labor Party was in government and did not tackle the problems people deserted the system in droves. The government has put in place customer service employees who rove the system; they are a human presence day and night. Their correct names are on their lapel badges. There are 200 fully trained Victorian police on the system day and night, and they have the power of arrest. They are doing an excellent job.

Public transport patronage improved by 4 per cent in the past financial year, and in the first quarter of

this financial year improved by 6 per cent. Such an increase in patronage was unheard of by public transport employees, some of whom have been working in the area for 30 years. I hope for the honourable member's sake that the claim proves to be true. If so, the young people involved will be assisted and counselled. It is a matter for the Victoria Police. I hope the claim does not prove to be utterly baseless and false, as has been the case with some stories paraded before the Parliament.

Mr COLEMAN (Minister for Natural Resources) — The honourable member for Murray Valley raised the issue of the Muckatah surface drainage scheme and sought some advice on its current status. The scheme involves approximately 60 kilometres of drains and is designed to drain an area just under 300 square kilometres. When completed, this significant project in northern Victoria will ensure the productive capacity of the area is maintained.

The Minister for Planning currently has before him an issue for resolution. He has appointed a panel, which I understand has sought to redefine its activities, and there will be further hearings before the Administrative Appeals Tribunal later this month and early in December. The cost of the scheme is said to be somewhere between \$8 million and \$10 million. It is expected that a major water project based on the Murray-Darling Basin will be undertaken in the lead-up to the centenary of federation. In working towards improving water quality in the basin through the federal project we may be able to make a major contribution to the drainage scheme.

Obviously the matter is one for determination initially by the Goulburn-Broken Catchment Management Board, which is required to put a priority on funding. Although the level of required funding is beyond its reach at the moment, if commonwealth funds become available the planning process could be advanced to take advantage of it.

The delay is a matter of concern and I understand the tension it is causing in northern Victoria. I point out to the residents there that unless the scheme proceeds in the relatively near future the financial and economic health of the area will start to decline. There is a need for a resolution with a view to easing community tensions and trying to get the scheme under way.

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The honourable member for Niddrie raised a matter concerning a cooperative multimedia centre for the attention of the Premier. I will ensure it is referred to the Premier for his response.

The honourable member for Shepparton raised a matter for the attention of the Minister for Sport, Recreation and Racing concerning the Stawell Gift and allegations of a scam and betting inconsistencies. I will refer the matter to the minister for his comment.

The honourable member for Knox raised for the attention of the Minister for Conservation and Environment in another place a matter concerning fire extinguishers. I will refer the matter to the minister for his comment.

Motion agreed to.

House adjourned 10.48 p.m.

Thursday, 2 November 1995

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:

Ti-Tree Crescent, Seaford

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

The humble petition of the undersigned citizens of the state of Victoria sheweth the local residents and others on this petition object to the proposed development.

The existing area is currently used for recreational bushwalking and study of flora and fauna unique to this locality.

It represents an environment typical of pre-European settlement.

We propose that the area is preserved for current and future generations as a parkland/flora and fauna reserve attached to and part of the existing sporting grounds abutting it.

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

By Mr McLellan (390 signatures)

Moira shire budget

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

The humble petition of the undersigned citizens of the state of Victoria sheweth concern at the following items addressed in the Moira shire budget for 1995-96:

- (1) The introduction of \$100 municipal charge per assessment.
- (2) The raising of a \$1.5 million loan.
- (3) The introduction of a \$80 refuse charge on rateable and non-rateable land.

Your petitioners therefore pray that these items in the Moira shire budget 1995-96 be revoked.

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

By Mr Jasper (1276 signatures)

Laid on table.

PAPERS

Laid on table by Clerk:

Dandenong Hospital — Report for the year 1994-95

Geelong Hospital — Report for the year 1994-95

Hamilton Base Hospital — Report for the year 1994-95 (two papers)

Hesse Rural Health Service — Report for the year 1994-95 (two papers)

Otway Health and Community Services — Report for the year 1994-95 (two papers)

Penshurst and District Memorial Hospital — Report for the year 1994-95 (two papers)

Physiotherapists Registration Board — Report for the year 1994-95

Queen Elizabeth Centre, Ballarat — Report for the year 1994-95 (two papers)

Westernport Memorial Hospital — Report for the year 1994-95 (two papers)

Wonthaggi and District Hospital — Report for the year 1994-95

Yarram and District Health Service — Report for the year 1994-95.

BUSINESS OF THE HOUSE

Adjournment

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

That the house, at its rising, adjourn until Tuesday, 14 November.

Motion agreed to.

PUBLIC SECTOR MANAGEMENT AND PARLIAMENTARY OFFICERS (AMENDMENT) BILL

Second reading

Mr GUDE (Minister for Industry and Employment) — On behalf of the Premier, I move:

That this bill be now read a second time.

This bill makes a number of amendments to:

the Public Sector Management Act 1992;

the Parliamentary Officers Act 1975;

the Ombudsman Act 1973; and

the Parliamentary Salaries and Superannuation Act 1968;

as well as a number of consequential amendments to the Employee Relations Act 1992.

PARLIAMENTARY OFFICERS ACT AMENDMENTS

The most significant amendments in this bill are those which modernise the procedures and requirements in the Parliamentary Officers Act. These provisions are to be brought into line with equivalent provisions in the Public Sector Management Act but will have regard to the special position of the Parliament.

Members will be aware that at present, most decisions under the Parliamentary Officers Act are made by the Governor in Council. That act currently requires the Governor in Council to determine a number of matters which are of the sort which should not require the involvement of the state's highest executive body. Those matters include:

determining the number of persons employed in the various departments;

making the appointments to individual offices;

altering the classification of individual offices; and

determining the duties and classification of new offices.

In making these determinations, the Governor in Council currently receives recommendations from

the Presiding Officers in their various capacities or, on rare occasions, the Parliamentary Offices Committee.

Part 3 of the bill will allow for a more appropriate treatment of the functions currently performed by the Governor in Council. This involves transferring many of the Governor in Council's functions to the Presiding Officers and providing the function of making recommendations to the relevant department head. Following the enactment of the bill the creation and abolition of positions, the determination of the work value and remuneration of offices and making appointments to offices other than that of department head will be the function of the relevant Presiding Officer acting upon the recommendation of the relevant department head.

Members will note that the Governor in Council will retain the function of appointing department heads and the determination of the level of their remuneration. These determinations will be made on the recommendation of the relevant Presiding Officer.

As a consequence of these amendments, most of the current functions of the Parliamentary Offices Committee will be held by the Presiding Officers or the relevant department head. That committee has had a limited role since its inception in 1975 and the transfer of a number of its functions by the bill will remove the need for that committee. The bill, therefore, also removes the remaining references to that committee from the act.

The bill also updates other provisions of the Parliamentary Officers Act by:

providing a statutory basis for the office of Clerk of the Parliaments;

providing the Presiding Officers with a power of delegation;

providing that merit is the only qualification for appointment;

specifying that the Employee Relations Act 1992 applies to officers and employees under the act; and

removing references to 'classification' from the act and replacing them with 'work value'.

The bill also updates the procedures under the act for dealing with grievance procedures and

PUBLIC SECTOR MANAGEMENT AND PARLIAMENTARY OFFICERS (AMENDMENT) BILL

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disciplinary matters. Currently the act makes no provision for a staff grievance process and requires the involvement of the Governor in Council and a board of inquiry comprising representatives of the Attorney-General and of the party leaders for dealing with all disciplinary charges under the act.

A more complete, flexible and appropriate treatment of these issues is provided by the bill by:

expanding the regulation-making power concerning grievances and discipline;

adopting and adapting the Public Sector Management Regulations concerning grievances and discipline until such time as the Parliament's own regulations are made; and

providing a separate discipline procedure based on the current discipline provisions for matters concerning department heads.

PUBLIC SECTOR MANAGEMENT ACT AMENDMENTS

A number of amendments are made by part 2 of the bill to the Public Sector Management Act. The most significant of these measures is to create a new employment category for judicial employees — that is, associates and tipstaves of Supreme Court and County Court judges and secretaries of Supreme Court and County Court masters.

These employees have a peculiar personal responsibility to the judges or masters to whom they are assigned. That responsibility affects the nature of the duties performed as well as the terms of their employment. The new category is required as the act does not currently cater well for those responsibilities.

The bill will allow these employees to be employed by the appropriate department head on terms which are not subject to the majority of the normal public service conditions and requirements. The new part will allow judicial employees to be employed for an indeterminate period although their employment can be terminated by notice. Due to the personal nature of the responsibilities of these employees, it is anticipated that the department head will delegate the powers under the new part to the individual judges and masters for use in relation to their judicial employees.

Members will note that one normal public service requirement that will apply to judicial employees is

that selection for employment is to be based solely on merit. Employees in this new employment category, like all of the other employees and officers under the Public Sector Management Act, will be subject to the Employee Relations Act.

Part 2 of the bill will also:

allow the holders of prerogative offices to be declared by order in council to be subject to specified provisions of the Public Sector Management Act;

amend the period of notice provisions concerning fixed-term, temporary employees and executive officers to increase the minimum period in most cases;

simplify the provision which deals with officers being paid excessive salaries;

remove the requirement that the cost of paid leave for executive officers is to be included in the remuneration of those officers;

provide for the terms and conditions of officers who have been compulsorily transferred between departments; and

increase the minimum salary for former executive officers who exercise a right of return to the public sector.

The Public Sector Management Act will also be amended to remove the uncertainty as to whether section 24, which requires merit to be the sole criterion for appointments, and section 29, which requires vacancies to be advertised, apply to fixed-term, temporary and casual employees. The bill will clarify the position by providing that sections 24 and 29 both apply to fixed-term employment while only section 24 applies to temporary and casual employment.

OMBUDSMAN ACT AMENDMENTS

The Ombudsman Act currently has two weaknesses, which part 4 of the bill will remedy. They are that:

appointments as Acting Ombudsman or Acting Deputy Ombudsman cannot be made under the act where there is a vacancy in the office concerned;

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the Ombudsman cannot exercise the functions of the Deputy Ombudsman (Police Complaints) even where the latter office is vacant.

These defects are remedied by the bill as it contains provisions which will:

allow appointments as Acting Ombudsman and Acting Deputy Ombudsman when the relevant office is vacant; and

vest the functions of the Deputy Ombudsman in the Ombudsman when the office of Deputy Ombudsman is vacant and no acting appointment has been made.

The remainder of the bill:

makes a minor amendment to the Parliamentary Salaries and Superannuation Act to remove the ambiguity concerning the title of the Parliamentary Secretary of the Cabinet; and

makes a number of consequential amendments to the Employee Relations Act concerning the employment categories 'judicial employees' and 'ministerial officers' and 'parliamentary advisers'.

The amendment concerning the latter category commences on 16 November 1993 so as to accord with the date of the introduction of that employment category into the Public Sector Management Act.

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 22 introduces a number of new provisions into the Parliamentary Officers Act. One of those provisions, proposed section 12E, provides that it is the intention of that section to vary or alter section 85 of the Constitution Act 1975. This provision precludes the Supreme Court from entertaining applications for prerogative relief where those applications are prohibited by the Parliamentary Officers Act as amended by the bill. The provision also precludes the Supreme Court from entertaining any action relating to a complaint under the Equal Opportunity Act 1995 where a person has chosen another avenue of review in relation to that matter under the Parliamentary Officers Act as amended by the bill.

The reasons for limiting the jurisdiction of the Supreme Court by clause 22 are these. The main purpose of part 3 of the bill is to improve the

administration of the Parliamentary Officers Act. To that end, and in the interests of increased efficiency, it allows for employment conditions under the act to be more flexible. A multiplicity of appeals and review processes and the delays which follow from them tends to reduce the efficient operation of the Parliament and make employment conditions less flexible. It is for this reason that prerogative remedies have been excluded in relation to certain employment-related matters and also that a person dissatisfied with the decision under the act as amended by the bill may choose only one forum of appeal or review under the act, or may complain to the Equal Opportunity Board, but cannot choose all of these forums.

Clause 13 introduces a new subsection into the Public Sector Management Act, section 105(4). That provision also provides that it is the intention of that section to alter or vary section 85 of the Constitution Act. That provision precludes the Supreme Court from entertaining actions for compensation where the Public Sector Management Act as amended by the bill provides that no compensation is payable.

The reason for limiting the jurisdiction of the Supreme Court by clause 13 is as follows. The main purpose of part 2 of the bill is to improve the administration of the Public Sector Management Act. The bill provides in part for the termination of employment in the public sector in certain circumstances. It would reduce the effectiveness of the act if compensation were payable or action could be entertained in relation to these matters.

I commend the bill to the house.

Debate adjourned on motion of Mr BRACKS (Williamstown).

Debate adjourned until Thursday, 16 November.

COMPETITION POLICY REFORM (VICTORIA) BILL

Message from Council relating to amendment considered.

Council's amendment:

Clause 3, page 4, line 12, after "beginning of" insert "a day of".

The SPEAKER — Order! As it is a requirement that the amendment be carried by an absolute majority of the house, I ask the Clerk to ring the bells.

MELBOURNE CITY LINK BILL

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Bells rung.

Members having assembled in chamber:

Amendment agreed to by absolute majority on motion of Mr GUDE (Minster for Industry and Employment).

MELBOURNE CITY LINK BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

OUTLINE OF THE PROJECT

The Melbourne City Link project is the next key element in Melbourne's overall transport system. Alone neither public transport nor roads can provide for Melbourne's needs. There must be an integrated, balanced transport system and that is what the government is now moving to provide.

The Melbourne City Link will perform the simple, but vital, task of joining up three of Melbourne's most important freeways. The South Eastern, West Gate and Tullamarine will become an integrated freeway system. This is a logical much-needed project that has long had bipartisan support. This will enable traffic to move freely along these roads to their destinations, whether it is in the central activities district or around the CAD. Contrast that with the present situation, where cars, trucks and other vehicles run into traffic lights at the end of the freeways and have to find their way, in inner suburban traffic, to the next freeway or to their destinations.

In simple terms, the link will mean that you can drive from Dandenong to Tullamarine or Geelong without a traffic light.

Travel times on the link will be reduced markedly compared with present day travel times, especially during peak periods. The long Burnley Tunnel will carry traffic east from the West Gate Freeway to the South Eastern Arterial. The shorter Domain Tunnel will take west-bound traffic from the South Eastern Arterial near Punt Road to the West Gate Freeway. Construction will be completed and the new roads will be opened in stages. The whole project is scheduled for completion by the year 2000.

One of the major beneficiaries of the new link road system will be the freight industry. The link will open the way for freight vehicles to move freely between the main manufacturing and industrial centres to the north, south, east and west of the city and to the key export points — namely, the port, the rail-heads, the airport and major highways. The link will take this heavy traffic out of the inner city streets, where it does not belong.

Typical travel savings for freight transport are expected to be up to 30 minutes between Dandenong and the main sea terminal. For cars, the time savings are estimated at up to 15 minutes between the city and Melbourne Airport, and up to 20 minutes between Dandenong and the city.

PRIVATE INFRASTRUCTURE INVESTMENT

This is the first major roads project under the government's infrastructure investment policy for Victoria. The project will be a build, own, operate and transfer (BOOT) arrangement. This means that the road will ultimately be surrendered back to the state, at no cost to the state.

The general philosophy for risk allocation is that Transurban, the successful bidder for the project, bears the risk of all events except for those which the state alone is able to manage and for which the state has accepted specific responsibility. Other risks which are outside the control of both the state and Transurban are shared between the users of the link and Transurban.

Proceeding on a BOOT basis means Transurban bears the risk of construction, financing, operation and maintenance, and traffic usage. This is consistent with the infrastructure investment policy. The state's contribution to the project will be in the following areas. The state is to provide the necessary land for the purposes of the project. The state is to coordinate the granting of necessary approvals from state authorities for the construction and operation of the link. The passing of the bill before the house will fulfil the state's obligation to provide the necessary legislative framework for the link's construction and operation.

The state has requested Transurban to carry out some additional works complementary to the project to meet the state's requirements for urban planning, landscaping and design. The cost to the state for these works and the cost of providing the land for the link is estimated at \$247 million in June 1995

dollars. Under the agreement, the state's costs may be recoverable.

The state will also share in revenue higher than projected revenue. The state may also benefit through the removal of tolls and the surrender of the link back to the state earlier than the expected concession period if the project exceeds expectations.

ENVIRONMENTAL AND PLANNING MATTERS

The environmental impacts of the project will be kept to a minimum through design work and other measures. A maximum noise level of 63dB(A) has been adopted as the standard for the whole project. Air quality will be monitored in the vicinity of the link to ensure the highest standards are met. Even with the expected increase in the number of vehicles using the link when completed, air quality is expected to meet all required standards because of freer flowing traffic and the reduction of traffic on alternative routes. The route of the link will be enhanced by both exciting design features and extensive local improvement works. And the city will gain two new landmarks.

A striking contemporary sculpture forming an international gateway to Melbourne will be constructed near the intersection of the Tullamarine Freeway and Flemington Road. And the design of the new Yarra bridge, incorporating 120 metre high twin towers, will add a graceful new feature to the city's western skyline.

Other features of Melbourne City Link include two tunnels under the Kings Domain and the Yarra River. On the western section of the link, an integral part of the project will be the rehabilitation of the Moonee Ponds Creek. In addition, a wildlife corridor will be established and a new pedestrian and bicycle path built alongside the creek, with a crossover to Royal Park. Substantial landscape improvements and opportunities for pedestrians and cyclists are also planned on the southern section of the route, including a new shared pathway along the north bank of the Yarra east of Punt Road.

OVERVIEW OF THE BILL

The project is large and complex and this is reflected in the size and highly technical nature of the agreement and the bill. The bill has three main purposes.

Firstly, it ratifies the agreement for the Melbourne City Link between the state and Transurban, which

took effect from 20 October. That agreement is set out in schedule 1 of the bill. Under the terms of this agreement, Transurban will bear the risks of the project's commercial success or failure. The interests of taxpayers have been protected and there will be no additional debt burden on future generations of Victorians.

Secondly, the bill facilitates the link's construction. Construction will be carried out under authorisations issued by the Melbourne City Link Authority and under the oversight of an independent reviewer. Fair compensation will be paid for all land acquisitions.

Thirdly, the bill sets up the management framework for the link's future operation. Transurban will have obligations and powers similar to Vicroads in constructing and operating the link.

THE AGREEMENT

The principal agreement between the government and Transurban is called the concession deed. Transurban signed through principals of its three major project vehicles — Transurban City Link Ltd, Perpetual Trustee Company Ltd as trustee of the Transurban City Link Unit Trust and City Link Management Ltd as manager of that trust.

The body of the concession deed, schedules and an appendix are all set out in schedule 1 of the bill. Because of their size and complexity, the exhibits to the concession deed are not included in the bill but are available for inspection in the Parliamentary Library.

The agreement, as it is described in the bill, provides for a grant of a concession to Transurban. The concession relates to the design, construction, financing, commissioning, operation, tolling, management and repair of the link for the concession period. The period will run for 34 years, as defined in the agreement. The period may be shorter or longer depending on certain contingencies set out in the agreement.

Transurban will pay the state annual concession fees for the period of the concession. These payments will provide the state with a full return on its financial assistance for the project, such as the provision of land to Transurban for the concession period and certain state works needed in association with the project. The concession deed also outlines the circumstances in which a share of any revenue higher than the projected revenue may be payable to

the state. The agreement also deals with the relationship of the link with Melbourne's transport network — both road and public — and government policies on these matters.

Overall, the project has set new boundaries for project financing in Australia. The outcome reflects a strong adherence to the principles of the infrastructure investment policy for Victoria. Investors have confidence in the process of negotiation and finalisation of documentation with the state government under this policy, and the allocation of risk between the government and the private sector reflects newly established benchmarks of risk allocation.

The general principle guiding the allocation of risks between the state and Transurban is that each risk is best borne by the party best able to control that risk. Thus, for its part, Transurban bears, for example, the design, construction, financing, operation and maintenance, and tolling risks. The state will bear, for example, the risks of acts of prevention by the state or its authorities which would materially adversely affect the project; state law which could fundamentally prevent Transurban from constructing, operating and maintaining or collecting tolls; and changes to state law which could materially adversely affect the project.

The concession deed sets out those circumstances where redress is required for certain events. The redress may not necessarily be in the form of a direct financial contribution. In certain limited circumstances, both parties have the right to terminate the agreement. These circumstances are outlined in the concession deed.

In a transaction of this size, complexity and importance, achievement of the level of risk assumption by the private sector was always going to be difficult. Overall, the agreed basis for the Melbourne City Link project has achieved a favourable outcome for investors, for the state and for Victorian taxpayers.

This augurs well for future infrastructure projects in Victoria as it sets a very high standard against which all other projects will be compared.

I also draw the attention of members to the provisions of schedule 3 to the agreement which sets out the process for toll setting. The toll prices announced for the City Link compare favourably with interstate toll prices. The decision to levy tolls on the City Link is the preferable course of action.

Direct users benefit and pay for infrastructure. The alternatives of higher petrol taxes, vehicle registration charges or government debt funding, among others, are unacceptable.

The deed outlines how tolls are calculated and how they may change over time. The deed also ensures a limit on the tolls that can be charged. There is a range of other provisions common to infrastructure project contracts.

PROVISIONS RELATING TO LAND

The project area for the link is defined by a series of maps lodged in the Central Plan Office of the Department of Treasury and Finance. The project area covers the land affected by the construction of the link. The area can be extended or reduced by the Governor in Council, subject to disallowance by the Parliament. A set of the maps of the project area has been provided for the parliamentary library.

The agreement requires the state to make the necessary land available to Transurban with a minimum of delay, and part 3 of the bill enables that to be done. It facilitates the necessary planning scheme amendments, enables land to be acquired and made available to Transurban and authorises the construction of the link.

Both Crown land and private land will be required, but the number of residential properties affected has been kept to a minimum. Land required for the project will become Crown land and freed from all encumbrances. It will then be reserved for the purposes of the project and made available to Transurban under licences to be issued by the Melbourne City Link Authority. These licences will also provide the authority for Transurban to construct the link.

Existing Crown land reservations within the project area may be revoked by the Governor in Council. In the case of private land, the Melbourne City Link Authority will acquire land under the Land Acquisition and Compensation Act 1986.

Acquisition processes under the Land Acquisition and Compensation Act are fair and efficient, but delays can occur if there are interests in land which are not disclosed by the usual title searches. The sums of money involved in the project mean that any undue delay in land acquisitions would be very costly. To minimise that risk to the state the bill authorises the Melbourne City Link Authority either to use existing processes or to opt to acquire land in

accordance with an alternative process provided by the bill.

The main difference from the usual process is that notice of intention to acquire the land will be published in the *Government Gazette* in addition to being served personally on land-holders. The time lines for the acquisition process will run from the date of gazettal. The time lines for the alternative acquisition process are based on those in the Land Acquisition and Compensation Act. At the end of the gazetted notice period the authority can acquire all interests in the land, including those which had not been revealed by title searches. That does not affect compensation entitlements for such interests.

Public authorities and privatised utilities also exercise controls over land in the project area under various acts. They include broad powers to manage or develop particular areas, such as Docklands, and ownership and control of pipelines and cables running through the area. The construction of the link will require the acquisition of some interests and the relocation or diversion of some of those facilities. So far as possible, those matters will be dealt with by agreement between the Melbourne City Link Authority, Transurban and the relevant authority or utility. If agreement cannot be reached, the relevant ministers can determine the issues or appoint an arbitrator.

To enable the Domain and Burnley tunnels to be constructed under reserved and privately owned land, the bill resumes all interests in the land below specified depths. In the case of private land, that depth is 50 feet, or 15.24 metres. For many years, that has been the standard depth for private land titles issued in Victoria, but the bill's provisions are technically necessary to allow tunnelling under some old titles which are not limited as to depth.

Compensation will be payable in accordance with the Land Acquisition and Compensation Act for private land acquired for the project. Compensation will also be available for private interests in Crown land, provided they are formal interests such as Crown leases and statutory licences in the nature of leases. Local councils will not be paid the value of the public land they administer but can claim for expenses.

CONSTRUCTION OF THE LINK

Construction of the link will proceed in stages. As each stage is completed to the standard required by the agreement, a lease will be granted to Transurban

or its nominee on the terms specified in the agreement. Surplus land will be returned to public use or sold, as appropriate. Design and construction will be overseen by an independent reviewer appointed under the agreement. The primary role of the independent reviewer will be to ensure that the link is built to the technical standards specified under the agreement. However, the reviewer will also have emergency powers under the legislation to issue rectification orders or evacuate construction sites.

Security of major works and construction sites is important in the interests of public safety. The bill allows the authority to declare restricted access areas and makes it an offence to interfere with project works.

OPERATION OF THE LINK

Except for the allocation of road management functions, the usual traffic and road-management laws will apply to the link. Transurban has contracted to manage and maintain the existing freeways within the project area during the construction phase as well as managing and operating the new link roads. State authorities will retain their normal responsibilities in relation to emergency management.

The bill provides for the appointment of a company to exercise management functions over the link roads. This company is referred to in the bill as the link corporation. Under the bill, the link corporation will have a number of statutory powers relating to road management normally performed by Vicroads or local councils.

The bill also allows for regulations under the Transport Act to be modified to confer powers on the link corporation. It is intended that before the link road is leased to Transurban, regulations will be made which reflect road management arrangements under the agreement. The bill also provides for the appointment of another company as link operator to carry out certain operational functions delegated to it by the link corporation. New companies can be appointed as the link corporation or the link operator in accordance with the agreement.

Provided Transurban performs its functions in accordance with its obligations under the agreement and the legislation, it will have the same protections and immunities as Vicroads. That is intended to ensure that both legislation and common law relating to the construction and operation of

highways will apply to the link road in the same way they apply to other public highways in the state.

Part 4 of the bill authorises the link corporation to charge and collect tolls in accordance with the agreement. Toll levels must be formally gazetted before taking effect and advisory signs will be posted on approaches to toll zones.

The link will be one of the first fully automated tolling systems in the world. The system will allow users to travel uninterrupted over the 22 kilometres of the link road. Transurban has undertaken to provide the state of the art technology required for the automated tolling. There will be no toll booths. Instead, customers will have accounts with Transurban. For most users they will be prepaid accounts and users will be issued with transponder tags for their vehicles. Infrequent customers will have the option to purchase day passes which will allow unlimited travel on the day of purchase. Special arrangements can be made for large-scale users, such as freight companies.

It will be an offence to evade payment of tolls. The commercial viability of the project depends upon there being an effective deterrent to toll evasion. Toll evasion is analogous to the evasion of public transport fares and similar penalties are proposed. The bill provides for a fine of \$100 for toll evasion, plus toll and costs. As with fare evasion, higher penalties can be imposed if the matter goes to court or for more serious offences, such as fraud and tampering with tolling devices.

There will be a number of safeguards protecting the interests of link users. The government has been concerned to ensure that in cases of genuine mistake or emergency drivers will not necessarily be prosecuted for toll evasion. A number of safeguards will exist for this purpose.

Firstly, inadvertent failure to pay a toll will normally result in a letter requesting payment. Under the arrangements negotiated with Transurban, infringement notices would normally be issued only if the person still refused to pay the toll or if the driver has a record of toll evasion. Secondly, Transurban will establish an independent and speedy dispute resolution process. This process will enable Transurban's customers to query tolling accounts. An infringement notice cannot be issued while a dispute is pending. Thirdly, the bill appoints Vicroads as an independent enforcement agency. The link corporation may report apparent toll evasions. But the enforcement agency will make the

final decision on whether an infringement notice should be issued, having regard to the usual principles of prosecutorial discretion. Finally, as with all infringement notices, there is the option of defending the matter before a magistrate in open court.

There will be strict measures to protect the privacy of link users. It will be an offence for the link corporation or its employees to misuse or to divulge without authority personal tolling information or motor registration records. Severe penalties are prescribed by the bill for such offences. The link corporation will be required to maintain proper records. But link corporation records of non-payment of tolls which identify individuals or vehicles must be destroyed within two years or the period fixed by regulations.

Vicroads is subject to privacy safeguards under the Road Safety Act. Although the regulations can specify another body to be the enforcement agency, this would not occur unless equivalent privacy safeguards were created for that body.

STATEMENT FOR THE PURPOSES OF SECTION 85 OF THE CONSTITUTION ACT

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons why clause 117 alters or varies section 85 of that act in relation to the jurisdiction of the Supreme Court.

Honourable members interjecting.

The SPEAKER — Order! I warn the honourable member for Thomastown and the honourable member for Yan Yean. This is not a second-reading debate. The Treasurer, in silence.

Honourable members interjecting.

The SPEAKER — Order! I warn the honourable member for Tullamarine. He is interjecting from out of his place. I earnestly ask the honourable member for Thomastown to come to order, otherwise I will be forced to take action against him.

Mr STOCKDALE — Clause 117(a) provides that it is intended to alter or vary section 85 to the extent necessary to prevent the Supreme Court reviewing matters or entertaining actions of the kind described in subsections (7) and (8) of section 39 of the Planning and Environment Act 1987, as modified by clause 21.

Section 39(7) currently provides that an approved planning scheme amendment is not made invalid by any failure to comply with certain specified provisions of that act. The specified provisions are divisions 1, 2 and 3 of part 3 and part 8. They relate to the exhibition and notice of planning scheme amendments, public submissions on proposed planning scheme amendments, the process for adoption and approval of amendments, and the appointment of panels to consider submissions on proposed amendments.

Section 39(8) provides that a person cannot bring an action in respect of a failure to comply with the same specified provisions in respect of a planning scheme amendment which has not yet been approved, other than the process prescribed by section 39 itself.

Honourable members interjecting.

The SPEAKER — Order! The Chair is issuing a final warning to the honourable member for Thomastown. The Chair has been more than patient. There will be ample opportunity to debate the bill in the second-reading debate, but this is not the time.

Mr STOCKDALE — Clause 117(a) affects the jurisdiction of the Supreme Court in relation to three categories of matters.

The first category consists of matters which are described in the provisions of the Planning and Environment Act to which subsections (7) and (8) of section 39 currently refer but which will be modified by clause 21. Clause 21 of the bill will modify a number of the provisions specified in subsections (7) and (8) of section 39 in respect of their application to the project by clause 21. Thus, the limitation on jurisdiction already contained in subsections (7) and (8) of section 39 is indirectly extended to cover the modifications to the listed provisions.

The second category relates to section 12(1) of the Planning and Environment Act. Section 12(1) sets out certain duties of planning authorities. Clause 21(5) proposes to modify section 39(7) so that an amendment is not invalid because of a failure to comply with section 12(1). Clause 21(6) proposes to modify section 39(8) so that a person cannot bring an action in respect of a failure to comply with section 12(1). The third category is the exclusion, by clause 21(6), of the review process set out in section 39 itself.

The reason why the Supreme Court is not to have jurisdiction in these matters is as follows. By

enacting this bill, the Parliament will be giving its explicit approval to the construction and operation of the link on the terms set out in the bill and the agreement. Clause 21 will authorise the minister administering the Planning and Environment Act to amend planning schemes applying to any land in the project area so as to facilitate the project. These planning scheme amendments will, in effect, be consequential on the Parliament's decision to approve the project. Many of the necessary amendments have already been identified in the project documents referred to in the agreement. In these circumstances, the usual processes and criteria for the development and evaluation of proposed planning scheme amendments are unnecessary and inappropriate. For the same reason, the exclusion of the Supreme Court's jurisdiction is necessary to prevent actions which challenge the validity of the amendments on the grounds of non-compliance with the Planning and Environment Act as modified by this bill.

Clause 117(b) provides that it is intended to alter or vary section 85 to the extent necessary to prevent the Supreme Court entertaining actions of the kind described in clauses 18(2) and 95 or in respect of which a protection or immunity is given under clause 94. Clause 18(2) provides that neither the state nor a public authority is liable for the acts or omissions of any other party to the agreement or of a licensee in relation to the project.

The reason for excluding the court's jurisdiction in these matters is as follows. A fundamental principle of the arrangements between the state and the Transurban consortium is that Transurban is to bear all the risks associated with the carrying out of its functions under the legislation and the agreement. Transurban will not be an agent of the state. The state and its authorities should therefore not be liable to third parties for the acts or omissions of Transurban or its agents. Clause 18(2) does not limit any liability of the state or of its authorities arising out of their own acts or omissions, nor does clause 117 limit the jurisdiction of the Supreme Court in relation to such liability.

Clause 94(1) confers on the link corporation, licensees and lessees the same legal protections and immunities as the Roads Corporation has in relation to certain matters. The protections and immunities apply only where the link corporation, licensee or lessee is carrying out functions in accordance with the agreement or the provisions referred to in clause 94(1). The protections and immunities do not apply to other areas of activity or where the

functions are not carried out in accordance with the agreement or the specified provisions.

Similar protections and immunities are conferred by clause 94(2) on the company appointed as link operator where it exercises functions under delegation from the link corporation in respect of a matter for which that corporation has a protection or immunity under clause 94(1).

The reasons for excluding the court's jurisdiction in relation to these matters are as follows. As far as possible, there should be one uniform system of laws applying to all of the state's public highways. It is desirable that, except to the extent specifically provided under this bill, the legal framework applying to the construction, operation, maintenance, management and control of the link should be identical to that which applies to the Roads Corporation. Anomalies and uncertainties would arise if the operation of the common law and of legislation of general application were different on the link from other public highways.

An example may serve to illustrate this point. The common law has developed specific rules defining a highway authority's liability for negligent non-feasance in respect of road maintenance. It would be absurd if the common law applied in one way on a Vicroads controlled freeway but applied differently 100 metres away on the link. It is not intended to curtail the development of common law or legislation as it applies to public highways generally or the link roads in particular. Rather, the purpose is to ensure that the laws which govern the construction and operation of highways will apply equally to the Roads Corporation and the link corporation, and to limit the Supreme Court's jurisdiction only to the necessary extent.

The fact that one road is managed by a public authority and the other by a private body with a statutory charter should be irrelevant to road management laws except in one respect. Clause 94 puts Transurban in the same position as the Roads Corporation only if it is acting in accordance with its functions under the agreement and legislation.

Clause 95 provides that no action is to lie against the link corporation or a licensee or lessee for or in respect of any obstruction to the navigation of any river occasioned by the link road or its associated structures and facilities or by construction work. The reason for the limitation on the Supreme Court's jurisdiction in these matters is as follows. The construction of the project, as required by the bill

and the agreement, will inevitably cause an obstruction to the navigation of the Yarra River and other waterways. For example, the construction of the Domain Tunnel will involve the partial damming of the Yarra to enable excavations of the bed of the river. While the flow of water will not be stopped, navigation of vessels in the vicinity of the dam could be impeded. The construction of the planned 23.5-metre-high bridge over the Yarra in the vicinity of the Docklands will prevent access of ships and high-masted vessels upstream and to Victoria Dock.

The limitation on the court's jurisdiction is necessary to prevent liability in respect of impediments to navigation which arise directly out of the proper performance by Transurban, the licensee or the lessee of their functions. It should be noted that clause 95 does not prevent actions in relation to other matters, such as negligent actions or omissions of Transurban, and that the court's jurisdiction is not limited in relation to such matters.

Clause 117(c) provides that it is intended to alter or vary section 85 to the extent necessary to prevent the Supreme Court entertaining actions in relation to matters in respect of which the bill provides that no compensation is payable. There are several provisions to which clause 117(c) applies. I will now outline those provisions and the reasons why no compensation should be payable and why the Supreme Court's jurisdiction should be restricted accordingly.

Clause 24(1)(b) provides that no compensation is payable under part 5 of the Planning and Environment Act 1987 in respect of land in the project area except by the Melbourne City Link Authority. The reason for providing that no compensation is payable by other bodies is that the City Link project will take priority over other public purposes in relation to the control and use of the project area. This provision should not adversely affect any person because there will be a claim for compensation under part 5 against the Melbourne City Link Authority. If the land ceases to be part of the project area then any basis for claim against another body is automatically reinstated by clause 24(2).

Clause 33(2) has the effect of restricting claims for compensation by municipal councils in respect of the revocation of a Crown land reservation in whole or part or in respect of the closure of a council road. The reason for this restriction is that such land is, in effect, public land of the state and not an asset of the

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municipality. It should therefore be available for use by the state as authorised by the Parliament. While councils will not receive compensation for the value of the land, clause 36 will provide a right to compensation in respect of actual expenses incurred by a council as a direct result of the revocation or closure.

Clause 37 provides that, except as provided in the compensation provisions of division 3 of part 3, no compensation is payable by the Crown in respect of anything done or arising out of the provisions of division 2 of part 3. The reason for the provision is that the compensation provisions of the bill have been designed to provide a statutory compensation claim for all persons who would properly have a claim for compensation for loss of property interests. In addition, further rights to compensation have been created in respect of landholders adversely affected by road closures and to reimburse councils' expenses.

But compensation should not be available for all matters. It is for the government and the Parliament to determine the most appropriate use of public land. Therefore, no compensation right should exist for the removal of reservations and other interests in and encumbrances on public land, except for formal private property rights as specified in clause 33. No compensation right will exist for public authorities' land because this is more appropriately handled as an internal government budgeting matter.

Clause 117(d) provides that it is intended to alter or vary section 85 to the extent necessary to prevent the Supreme Court entertaining actions of a kind described in section 207F(3) of the Local Government Act 1989 to be inserted by clause 123 of this bill. Section 207F currently allows councils to recover damages for extraordinary expenses incurred in repairing a road that has been damaged as a result of the passage of extraordinary traffic or excessive weight along the road. The damages can be recovered from any person who was responsible for causing the traffic or weight along the road.

Proposed section 207F(3) will prevent damages claims against the Roads Corporation, the link corporation or other highway authorities arising out of the operation of the link road or other main roads. The reason for this limitation and the consequential restriction of the Supreme Court's jurisdiction is as follows. It is not appropriate for bodies responsible for the management of highways to seek damages from each other in respect of traffic flows along the state's public road network. The roads in question

are public roads constructed and operating in accordance with statutory authority. The bodies responsible for road management cannot regulate the volume of traffic on the roads, nor prevent vehicles of excessive weight passing on to council roads.

CONCLUSION

The Melbourne City Link project will bring major benefits to the state.

I commend the bill to the house.

Debate adjourned on motion of Mr BRUMBY (Leader of the Opposition).

Mr STOCKDALE (Treasurer) — I move:

That the debate be adjourned for two weeks.

Mr BRUMBY (Leader of the Opposition) — I move:

That the words 'two weeks' be omitted with the view of inserting in place thereof the words 'three months'.

We have just had tabled in this house the most extraordinary piece of legislation that I believe has been tabled here in the whole three years of the Kennett government. Here we have a 331-page bill that makes major changes to the way Melbourne will run in the future: changes to the environment, changes to transport and changes to financing. After three years in office, the government drops this 331-page bill on the table. It doesn't have a clue what it contains, yet it wants us to agree to a resumption of debate in just two weeks. That is totally unacceptable. It is an insult to Victorians. It is a contempt of the Parliament.

The opposition has moved that this debate be adjourned for three months so that Parliament, members, and Victorians generally can actually get a good idea of just how disastrous the bill will be for the people of Victoria, because it has the potential to bankrupt the state of Victoria to leave us with a freeway system — —

Honourable members interjecting.

Mr BRUMBY — We will come to that — —

The SPEAKER — Order! While the Leader of the Opposition can illustrate his argument and use

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various facts to reinforce his amendment, he is not to engage in a debate on the bill at this stage.

Mr BRUMBY — I have seen the bill for only 20 minutes during the Treasurer's speech, but I shall outline a number of reasons why it is essential that debate on the bill be adjourned for three months because members of Parliament, the public generally, and a long list of interest groups to which I shall refer later should and must be consulted about the measure.

It is a huge project. Whether you support the project or oppose it, you cannot deny it is the largest single infrastructure project we have seen in the state. Because the project is worth \$7 billion the bill will affect the next 10 governments over the next 34 years and force Victorians to pay tolls of up to \$1500 a year; and because the total project will cost in excess of \$7 billion, I should have thought Parliament deserves more than two weeks to consider the bill!

However, it is not just the bill that will have to be considered in the two weeks; all the other volumes of material in the parliamentary library will take many weeks for interested groups to consider. Given that the bill affects the future shape of Victoria, the transport system, the environment, state finances, household incomes and transport management in Toorak Road, Footscray Road and a whole range of major arterial roads throughout Melbourne, you would think Parliament deserved more than two weeks — that is, 10 working days — to look at this document. I should have thought the people of Victoria were entitled to a period of adjournment so that they can give full and proper consideration to these issues.

The second reason why three months is needed to consider the bill is because it will bind the next 10 governments in Victoria. It does not matter whether those governments are Liberal, Labor or some other combination of parties: for the next 34 years the governments, whatever their persuasion, will be bound by the legislation.

No mandate for the legislation was sought during the election campaign. There is no bipartisan support for it, yet the government — because of its majority, because it has gone too far, because it could not care less about the interests of Victorians — wants to ram through the legislation to bind the next 10 governments over 34 years and lock them into freeway tolls and a transport system and build a sort of second-rate Los Angeles! We will have a freeway spiral running over Melbourne with

changes to roads and the traffic system, all designed to feed cars into the tollways.

Mr McArthur interjected.

Mr BRUMBY — I would not have thought the voters of Monbulk would be big fans of this proposal. I would have thought they would want time to look at the bill.

Honourable members interjecting.

The SPEAKER — Order! The Chair has a feeling the debate is getting out of hand. I ask the honourable member for Monbulk and other government members to remain silent.

Mr BRUMBY — As I said, for the next 34 years the next 10 governments will be bound by this legislation. We know this only as a result of the questions we have asked in Parliament: that there are material adverse impact clauses in the legislation which will mean that if governments in the future want to improve the transport system — such as by putting in a fast-rail link from Tullamarine to the Melbourne central business district or making other improvements to the transport corridor in the south-eastern suburbs, they will have to pay compensation to the tollway consortium.

For that reason and because of the contingent liabilities that will be created by the bill of more than \$7 billion over the next 34 years, we deserve more than a two-week adjournment to examine the bill. We deserve a three-month adjournment to examine the bill!

The third reason why there should be a longer adjournment of debate is that the government has no idea at all about what it is signing.

Honourable members interjecting.

The SPEAKER — Order! The Chair is having difficulty with the honourable members for Benambra, Tullamarine and Frankston East. I ask them to come to order to allow the Leader of the Opposition to speak on the amendment he moved.

Mr BRUMBY — The third reason for adjourning debate for a longer period is that it is patently clear, self-evident and obvious to Parliament and to all Victorians that the government and the Treasurer — the person who introduced the bill — have no idea of what they are signing. We saw this during question time yesterday when the Treasurer was

forced to give an entirely different answer from the one he gave in Parliament just a few weeks ago.

This matter is entirely relevant to the question of the time of adjournment because it is apparent in the 331 pages of the bill and in the answer the Treasurer gave yesterday in Parliament that he does not have the faintest idea of what he was signing Victoria up for! On 12 October when I asked him about reducing the width of Footscray Road, closing sections of Alexandra Avenue and allowing parking along Toorak Road so that it would no longer be a clearway, the Treasurer said they were:

... fanciful suggestions ... the first I have heard ... They would be unacceptable to the government in any form ...

However, yesterday the Treasurer came out and said, 'We have not only done that but we have actually gone a bit further'. Apparently, these things are now acceptable to the government. The question that Victorians need to know the answer to is why were the changes that I spoke about two weeks ago fanciful and unacceptable and what has made them acceptable today? It is clear the Treasurer has no idea of what he has signed under the legislation in this contract. We need the maximum possible scrutiny so that Victorians can assess that.

There is another reason that there should be a further delay in the adjournment of debate on the bill. Whichever way you analyse it, when you look at the reports of independent transport engineers, the work of the Economic Planning Advisory Council and others, you can see there is no doubt that this project has been badly designed and badly managed. It is the wrong size and scale for Melbourne. It has the wrong public transport mix.

The SPEAKER — Order! The Leader of the Opposition must not debate the merits or demerits of the bill. He must advance an argument as to why his amendment on the question of time should be accepted by the house.

Mr BRUMBY — I am well aware of the limit of the debate on the question of time of the adjournment. If one looks at the bill in terms of its size and scale, its public transport mix and its financing requirements over the next 34 years one finds it will have a major impact on Victorians, and more than two weeks needs to be provided to examine it.

The fifth reason that we need more than two weeks adjournment is that what the bill proposes is totally inconsistent with the recent reports of the Economic Planning Advisory Council and the New South Wales Auditor-General. I am not sure, because of the rushed nature of the legislation and the way the Treasurer has introduced it, whether he has had time to consider those reports. I do not believe he has. I do not see how any good government that is interested in sound public policy could introduce this legislation after reading those reports. It would not have done it!

We need a delay of three months or perhaps longer. And where is the Premier today? This is his project — a new vision for Victoria — and he has gone missing again! Last time the project nearly fell over, the fall guy was the Minister for Roads and Ports in another place but today the fall guy is the Treasurer. He has carriage of the legislation because it looks bad. That is because the Treasurer has mucked it up and the Premier has mucked it up. Today they ran out the Treasurer, fall guy no. 2!

During the float of Tabcorp the Treasurer was roundly criticised for the role he played. In fact, one stockbroker said he was a useless Treasurer. And the same applies today. The recent EPAC report recommends against this type of project. If people want to understand the reasons for that they need look no further than the transport management system that will affect Toorak Road, Boundary Road, and Alexandra Avenue by feeding traffic into the tollway system.

Victorians should have time to appreciate the impact of the changes, and the EPAC report recommends against the project for exactly that reason.

Honourable members interjecting.

The SPEAKER — Order! The Chair has appealed to government members to remain silent and they have complied with that appeal. I ask the opposition benches to come to order.

Mr BRUMBY — Local communities will be affected. The legislation will impose restrictions on Toorak Road, Footscray Road and other roads. The government believes it can force cars onto the tollway. The Victorian experience of a tollway on the West Gate Bridge is that many motorists went to extraordinary lengths to avoid paying the toll. The same will happen with this.

Honourable members interjecting.

Mr BRUMBY — I am coming to the issue of time. The honourable member for Essendon will go.

The SPEAKER — Order! I ask the Leader of the Opposition to limit his provocation and deal with the question of time.

Mr BRUMBY — I shall cite a list of organisations that should be consulted during the next three months. I encourage the government to consult with these organisations in the interests of good government. The opposition will consult with these groups and the consultation will show the legislation is a disaster for Victoria. The Royal Automobile Club of Victoria has a keen interest in the project. A representative spoke on the radio this morning and said the organisation had not consulted with the government. It is not sure that the proposals will work and it is worried about the impact on residential communities. The RACV is the largest motoring organisation in Victoria, but the arrogant Premier will not consult and will not listen to a body such as the RACV.

The government has not consulted with couriers who deliver documents all over Melbourne to make it a more efficient city. Small business, the backbone of Victoria, the engine room of economic growth, is profoundly affected but it has not been consulted. The Victorian Automobile Chamber of Commerce has not been consulted about the changes. How will all the motoring groups and organisations belonging to the VACC wade through the 331 pages of the bill in the next two weeks? Obviously they can't.

Honourable members interjecting.

Mr BRUMBY — Even if members of the government started reading the bill today they would still be going in three months! The Victoria Police and the fire and ambulance services have not been consulted. An ambulance will not be able to manoeuvre in Toorak Road and will be forced to travel at excessive speeds through small suburban streets endangering lives. How will fire trucks get to fires in Toorak Road during peak hours when there are no clearway restrictions, or on the other roads that will be affected by the legislation? The fact is that lives will be put at risk, yet the government will not consult with those groups!

Doctors have not been consulted over the changes. I would have thought it is crucial for the health and wellbeing of Victorian families to consult the medical profession. This morning on radio station 3AW a former police traffic expert described the

changes as appalling and a disaster for Melbourne. He said they would not work. No wonder the government did not consult the Victoria Police because it knew its experts would bag the project. They know it is a dud and a sham and will not work. This government is trying to create a facade of progress — a 120-metre tower, big buildings and big projects.

Operators transporting dangerous goods have not been consulted. The proposals raise important occupational health and safety issues, but the operators have not been consulted about road closures. Resident groups in the honourable member for Melbourne's electorate, in Hawthorn, Toorak, South Yarra and Prahran have not been consulted. Where will people go if they cannot use Toorak Road? Will they turn into Caroline Street? Will thousands of cars travel through residential suburbs every day causing a major impact on people's lives? How will people challenge these proposals if people's lives are disrupted and residential amenities destroyed? The answer is that they cannot challenge it in the courts. Darling Street, South Yarra will be affected. Schools and preschools have not been consulted.

Honourable members interjecting.

Mr BRUMBY — Members of the opposition have the courage to take a position on an issue, unlike the government backbench who always vote along the party line and do what the Premier says whenever issues like this arise.

The government just sways and bends in the breeze; it does not have a position about life; it does not have a view about Victoria's future; it cannot take the hard decisions.

Honourable members interjecting.

The SPEAKER — Order! I understand the temptation that the Leader of the Opposition is being subjected to, but I ask him to come back to the question of time.

Mr BRUMBY — I am speaking strictly on the question of time, Mr Speaker, and there are other groups —

Mr Haermeyer interjected.

Mr BRUMBY — The honourable member for Yan Yean is naturally enthusiastic. This morning he had

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a very good run in the *Age* and he is excited about that.

Other groups have to be consulted as well, including retailers, the chamber of commerce and others that I have outlined. The bill will have a major impact on shopping centres and commercial development and those groups deserve to be consulted. They have not been consulted and it is impossible to contemplate that over the next two weeks they will be consulted.

Has the federal government been consulted about the major changes provided for in this legislation given what the City Link means to the public sector as a transport link between Tullamarine airport and the Melbourne CBD?

The public transport organisations have not been consulted about these changes. None of them have been consulted and during the next three months they deserve to be. More importantly over the next few weeks it is important that the Treasurer and other ministers be consulted because they have no idea whatsoever of what is in this bill!

Mr Leigh interjected.

The SPEAKER — Order! I warn the honourable member for Mordialloc that the house was relatively quiet before he came in; I ask him to restrain himself.

Mr BRUMBY — Has the Kensington residents association been consulted? The answer is no. Will it be? The answer is no. That is why the opposition believes there must be a delay of three months. Have the casino operators been consulted? The answer is yes, they have been because when you look at this matter you see that every road leads to the Melbourne casino; every road feeds in and leads in to the Melbourne casino.

There are further reasons why debate on the bill should be adjourned for three months. It has major implications for people's rights to compensation; it has major implications under the Victorian constitution; and it has major implications for people's privacy. It is impossible to assess the impact of these proposals on the constitution, on people's rights and on the federal government's privacy legislation within two weeks.

All members must have been shocked and horrified today when in his second-reading speech the Treasurer detailed the further curtailment of Victorian's rights to seek redress under the state constitution. This bill fundamentally rips up the

state constitution; that is what it does. All of the rights to justice that people have when seeking legitimate access to the Supreme Court if their properties are confiscated and they want decent compensation are removed. What do we hear today in terms of privacy legislation? If you use a freeway and you do not pay the toll you will get a letter. Who holds the mailing list?

The SPEAKER — Order! The honourable member is now debating the bill; I ask him to come back to the question of time.

Mr BRUMBY — There is an eighth reason why this bill needs more time to be considered — that is, we need proper time for an impact study on the environmental and the residential amenities of the people of Victoria. This government has an obsession with freeway development. Some 500 000 Victorians already suffer from asthma in our state and the biggest contribution to asthma is motor vehicle emissions. This bill locks us into a future development pattern that will make Melbourne the carbon copy of Los Angeles. That is what it will become: a spaghetti spiral system of freeways where all of the road transport and traffic mechanisms are designed to encourage —

The SPEAKER — Order! The honourable member is now debating the bill; he must stay with the question of time.

Mr BRUMBY — There is a ninth reason the opposition wants a further delay, and that is the severe impact of this bill on the taxpayers of Victoria. Taxpayers have already been hit with motor registration bills which have been doubled.

Mr Leigh — On a point of order, Mr Speaker, despite the fact that the Leader of the Opposition has mentioned the word 'time', he is debating the bill. I have sat here for about 5 minutes and he is debating the bill. I suggest you ask him to comply with your previous ruling that he debate the issue of time.

The SPEAKER — Order! The Chair is the best judge of whether the Leader of the Opposition is debating the question of time and whether he has strayed. I have instructed him. I do not uphold the point of order.

Mr BRUMBY — The ninth reason is the bill's impact on the taxpayer, including the doubling of motor registration fees, the 3-cent-a-litre Better Roads levy, tolls, and the future liabilities created by

this bill, which will amount to more than \$7 billion over the next 34 years.

The tenth reason for an extended adjournment is the voluminous documentation and the element of risk allocation. They need careful consideration before there can be a meaningful dialogue and debate in the house. Two weeks is not sufficient.

There are further reasons. The opposition needs time to check the legislation to see whether the Premier's promise and commitment that this project will not cost Victorians a dollar are correct. The opposition needs time to determine whether that is accurate because I do not think it is. We already know that \$300 million has been allocated; we know that another \$200 million will go to fixing up the docks, so that is \$500 million.

What the opposition wants to know from the 321-page document is how many other commitments lock in Victorian taxpayers and have not been spelt out? It is outrageous that this government wants to push this bill through in just two weeks. It should have been introduced in this Parliament last Thursday; it went missing. It should have been introduced on Tuesday; it went missing. It should have been introduced on Wednesday; it went missing. It has been introduced today, but it cannot be dealt with in just two weeks. It needs three months.

The bill will have a huge impact on Victorians, on our environment, on taxes, on residential amenities and on constitutional rights, and the opposition wants time to consider it before debating it.

Mr STOCKDALE (Treasurer) — The government will oppose the amendment. As long ago as the 1950s proposals were put forward for the introduction of a bypass and distributor route around the Melbourne central business district. The people of Melbourne have had various freeway upgrades in that time, which have tended to move the bottlenecks in our road and freeway system from one point to another. The government believes it is critical that Victorians not have to wait any longer for the magnificent improvements in our freeway infrastructure which this project will deliver.

This is a generational change in Melbourne's freeway network. In the past we simply moved bottlenecks from one place to another. Indeed, under the previous government various steps along the South Eastern Arterial were simply bottlenecks to which people travelled faster along a magnificent

freeway but then sat in queues for 10 or 15 minutes waiting to get across an intersection or to exit the freeway. This project will cure those delays. The project will deliver quite enormous improvements in lifestyle and very significant improvements in the economic infrastructure supporting our economically competitive domestic and international producers.

The documents for this project are appended to the bill, and the balance of the documents are available in the library. There is a long history of the project having bipartisan support. I put it to the house that the ALP is not bona fide in the position it is taking on this motion, nor indeed on the project itself. This is not a bona fide attempt to get time to consider the bill.

Mr Brumby — On a point of order, Mr Speaker, during this debate, which is a procedural debate about adjournment, you cautioned me on numerous occasions about sticking to the aspect of the reason for time and delay. The minister has been speaking for 2 minutes and has not once mentioned the issue of time or delay. Clearly he is debating the substance of the bill, the nature of the project and its implications on transport.

I put it to you, Mr Speaker, in the interests of consistency, that you should direct the Treasurer's attention to the requirement to speak about delay and time rather than the substance of the bill.

Mr Stockdale — On the point of order, Mr Speaker, before I was interrupted my point was that the opposition is not bona fide in moving this amendment. I was speaking directly on the question of time and questioning the bona fides of the amendment. The point of order is completely erroneous.

The SPEAKER — Order! I assure the house that I was listening very carefully to what the Treasurer was saying and I understood the Treasurer was advancing an argument as to why he and his government could not agree to a three-month adjournment. The Treasurer is in order and there is no point of order.

Mr STOCKDALE — I question the bona fides of the ALP in moving this amendment. This is not a motion to get more time; it is a stunt to express opposition to the bill. The people of Victoria will see it as having exactly that purpose.

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This project was proposed in various forms as long ago as the 1950s. The people of Victoria should not have to wait for it any longer. It has been supported by the Australian Labor Party, and it was the ALP in government that initiated this project. The Labor Party is simply not bona fide; it is hypocritical compared with the position it took when in government.

Mr Brumby — On a point of order, Mr Speaker, again on the question of the amendment before the house, we are seeing a pattern of behaviour that has been evident in today's debate and in previous question times where the Treasurer misleads the house. He is misleading the house now and he misled the house on 12 October during question time.

The SPEAKER — Order! Reflections and imputations against members are disorderly. The Leader of the Opposition may not by way of a point of order reflect on the Treasurer in that way.

Mr Brumby — Again in terms of consistency, you, Mr Speaker, have ruled that one must not impugn or make those sorts of remarks about other members in the house, but the Treasurer has made comments about the bona fides of my amendment and about the position of the ALP. He has a habit of misleading the house and I ask you, Mr Speaker, to ensure that he sticks to the amendment, which is about allowing adequate time for the people of Victoria and for members of this Parliament to consider legislation which is 321 pages in length and which is backed up by voluminous documents in the library. I put it to you, Mr Speaker, that the amendment is not unreasonable and I ask you to pull the Treasurer into line.

The SPEAKER — Order! The Chair is well aware of standing order 108, which deals with what can be said about other members. The Treasurer, I understand, is mounting an argument why the question before the Chair should be defeated. He is putting his point of view on the amendment; he is advancing an argument and is attempting to refute the reasons advanced by the Leader of the Opposition for the amendment to the motion. The Treasurer is completely in order.

Mr STOCKDALE — This is not a genuine attempt to gain time to examine the bill. The ALP has publicly made its position very clear in relation to this bill in opposition, in this debate — even on the matter of time — and again this morning. The opposition's position is clear, in contradistinction to

its position when it was in government. In May 1992 the ALP initiated the process that led to the bill we have today by calling for expressions of interest in the construction of the City Link project.

Shortly before the 1992 election the ALP short-listed Chart Roads and Transurban, the very party that is now waiting to commence the project, ready to start the necessary work and to turn the first sod.

Mr Brumby — You muck everything up!

The SPEAKER — Order! I ask the Leader of the Opposition to remain silent.

Mr STOCKDALE — The ALP initiated this project and invited submissions for expressions of interest; the ALP short-listed the bidders and the ALP set in train this very project. This amendment illustrates the monumental hypocrisy of the opposition.

Mr Dollis interjected.

The SPEAKER — Order! I ask the Deputy Leader of the Opposition to come to order. The Chair has endeavoured to give every speaker this morning a fair go without interruption and I ask that the same courtesy be extended to the Treasurer.

Mr STOCKDALE — Mr White in the other place is making the running in opposing this bill and will no doubt move the same sort of motion in that house. He announced the commencement of this project.

The Leader of the Opposition has made great play today of the need to investigate traffic management initiatives. When Mr White first proposed the commencement of the project by the ALP he called for people expressing interest in constructing the project to nominate traffic management issues. The ALP's position is not legitimate. This is not a genuine attempt to gain time to consider the bill; it is simply a delaying tactic, and the government will not allow the hypocritical position of the Australian Labor Party to frustrate the government on delivering what is in the interests of people.

When in government the ALP wanted to undertake the project, but now that we are in government we are commencing to deliver this important project to the people of Victoria. The ALP is not bona fide; it is hypocritical, and the government will oppose the amendment.

Mr BATCHELOR (Thomastown) — In support of this amendment I point out that what we have seen today is the most outrageous attack on the constitution of Victoria. To add insult to injury, the government wants us to respond to that within two weeks. When one looks at the two weeks in which we are asked to respond, one can see that the effective working time frame will be less than that because of the cultural imperatives of the Melbourne Cup holiday period when many of the people with whom we will want to consult will not be around.

In addition, as the Leader of the Opposition indicated, there are groups, individuals, communities and businesses that must be consulted. It goes far beyond the ability of any organisation to consult in such a short period. It is for that reason that we have moved the amendment, because it takes into account not only the cultural imperatives and realities of what is happening in Melbourne but, more importantly, will provide the opportunity for ordinary citizens, organisations and communities to respond to this draconian legislation. This is the worst piece of legislation that has come before the house and it is unacceptable to expect the opposition to have a formal response within that time period.

We have seen over the past couple of days the trouble the government has got itself into, indeed the trouble the Treasurer has got himself into and the trouble the Minister for Roads and Ports has got himself into when they did not allow themselves enough time to read the fine print. All we need to do is to examine the *Hansard* record of 12 October where the Treasurer denied that some provisions in this bill were fanciful. He said that they would not be there. He did not agree with them, but when we examine the detail, the fine print, we can see that they are in fact there, which indicates that this bill is complex, important, detailed, and requires more time than that which the government has allowed for the opposition and the community to consider these issues.

The most important reason why we need time to consider this bill is that it has implications for the constitution of Victoria. We have been told today that pages and pages of the constitution will be ripped up by the Treasurer. The government expects us to consult with the wider community and to have a response to the bill within this very restricted time frame. It is just not possible. This government has shown absolute contempt for the Victorian constitution. Within this time frame it cannot expect anybody to consult with the wider community on

each of the clauses in the bill that effectively change clauses in our constitution.

Let me deal with the second-reading speech, which is not primarily about the impact of the bill. The greatest part of the substance and detail of the speech explains how the government will attack the Victorian constitution. The second-reading speech contains eight pages of detailed explanation, clause by clause, line by line, of how the Melbourne City Link Bill will rip apart our constitution. The government has the audacity to expect the opposition and the community at large to have the ability to come to grips with and complete the consultation process required on such important and monumental changes within this short period of time. It has taken the Victorian constitution and ripped it up, page by page.

The SPEAKER — Order! The Chair has given the honourable member a great deal of latitude in illustrating his opposition to the motion and his support for the amendment. Now he is straying into the details of the bill. I ask him to come back to the question of time.

Mr BATCHELOR — Thank you, Mr Speaker. This fundamental attack on our constitution will be the death knell of this government. Once the bill has been explained, the implications of it are known — that people's rights have been taken away from them in all manner of circumstances — there will be such an electoral backlash that even the honourable member for Hawthorn will have trouble holding his seat.

This legislation will affect 70 per cent of the population of Melbourne. That is the estimate provided by the City Link Authority, which says the project is so big and so invasive that it will impact on 70 per cent of Melburnians. As the population of Melbourne is well over 3 million, the legislation will have an impact on nearly 2.25 million people. Yet the government expects the opposition and the Parliament to process legislation that will affect 2.25 million Melburnians within, effectively, one parliamentary sitting week — it is less than two parliamentary sitting weeks.

That number of people living and working in Melbourne would have to own or use close to 1.5 million vehicles, so the bill will have a huge impact. We are talking about community consultation with and the need to represent people who live and work in Melbourne and the surrounding areas and who live and work in the

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suburbs that about City Link. It will take more than the number of parliamentary sitting days the government is proposing to consult with 70 per cent of Melbourne's population!

As part of the Westminster system, the opposition and the Parliament should have access to information. Already the papers office has run out of copies of this bill. If a member of the public or a member of Parliament went to the papers office to get a copy of the bill, none would be available. If a member of the press wanted to examine the implications of this bill and report on it to Melbourne's population, none would be available. The papers office ran out of copies a long time ago. Members of Parliament have approached the papers office this morning and have not been able to get copies. Members of the press gallery have come to us and we have had to lend them our personal copies so that they know the contents of the legislation. It is an absolute disgrace. The government knew the bill would be of vital interest not only to the Parliament but also to the press gallery and the wider community.

What about the community groups that will make their way to Parliament to get copies of the bill now that the second-reading speech has been delivered? They will be turned away. They will be told, 'You have been kept in the dark, and that is where you will stay'. No copies will be available for a long time. One wonders whether copies will be available and distributed by the time the bill comes back for debate. This shows the contempt the government has not only for the parliamentary process but also for the people of Victoria and their entitlement to get basic and important information about a project that will affect the daily lives of so many of them, not just in the weeks and months ahead but for the next 34 years.

This is not the only area of secrecy surrounding the introduction of this bill. Lately the government has been trying to make a virtue of making available some of the information it is providing to the Parliament. If the government had not made that information available now, it would become available under the requirements of the companies law when the float is proceeded with. The government is trying to make a virtue of providing now what will be required at a later stage. We are not falling for that, and the people of Victoria will not fall for it either. We have learnt from experience. The government is still preventing us getting access to important and vital information we have sought on the City Link project. We have

claims before the Administrative Appeals Tribunal — —

The SPEAKER — Order! The honourable member is now straying from the question of time and the amendment before the house — unless he can illustrate to the Chair that what he is saying is in support of the concepts.

Mr BATCHELOR — Certainly, Mr Speaker. The relevant point is that we have claims for access under freedom of information to material that has not been made available to us today. We would like time to pursue those claims before we are forced to debate the bill. The government could overcome that difficulty by making the documents available to us. It has indicated to us thus far that it will fight us tooth and nail and at every turn through the Administrative Appeals Tribunal.

The SPEAKER — Order! The honourable member is now straying from the question.

Mr BATCHELOR — No, Mr Speaker, I am pointing out to you the importance of the documents that are being kept from us as an opposition. We are seeking time to get access to them so that we can bring the information forward, because it is crucial to the debate on this bill. If the government uses its numbers to defeat our amendment, we will be denied access to important information and the Parliament will be denied access to important information when we debate this matter in a couple of weeks time.

We are seeking copies of the project brief, which have been given to both tenderers but access to which is being denied to the people of Victoria and the Parliament. Why won't the government give us a copy of the project brief? Why is it trying to deny us the opportunity of talking about the details in the brief during the debate on this bill? I also point out that we are seeking advice on some Treasury documents.

The government has hidden a lot of information. The opposition has lodged with the Administrative Appeals Tribunal a request for an urgent examination of our applications. The government is clearly trying to prevent us from getting access to the information so that when we come back to debate the bill we will not know about important details in the relevant Treasury documents. They are important because they go to the Treasurer's assessment of the financial matters and the proposed City Link Authority budget. There are 25 documents

in all. If we are given the time we are seeking, we will be able to gain access to the documents and use the information in the debate. But if the government goes ahead with its proposal to ram this through, both the opposition and the Parliament will be denied that opportunity.

The other point on the question of time relates to the role of statutory authorities. Under the Westminster system an authority like the City Link Authority should brief the opposition and provide it with the necessary information — and in this case extra time is needed to allow the authority to do so adequately. Mr Speaker, you may say the City Link Authority could do that over the next couple of days, before the bill comes back to the Parliament. But that is not the authority's form. It does not provide the information; it withholds, conceals and denies access to it — the absolute antithesis of what it should be doing under the Westminster system. When you go to meetings or briefings with executives of the authority to seek information, after a while the executives will suddenly say, 'We will have to get back to you on certain matters'. Our experience is that when they say they will get back to you, they do not.

On 23 August 1995 the opposition attended a briefing at which it requested a host of technical details about the City Link project, including construction information and heights, which at that stage the City Link Authority, the government and Transurban knew about. The opposition needs that information as part of its briefing — and to date we have not received it. On a number of occasions I have chased up Mr Alf Smith, one of the two key executives who gave the briefing, the other being Richard Parker. Alf Smith has told me they have the answers. He has told me he has checked the answers to all my questions and my requests for information — but they keep going through changes. To date we have not had a response to the request we made on 23 August for that vital and detailed information.

The SPEAKER — Order! The Chair has some difficulty in determining whether the honourable member is responding to the question or to the amendment. The honourable member for Thomastown must convince the Chair that what he is saying is in support of the amendment moved by the Leader of the Opposition.

Mr BATCHELOR — I will certainly do that, Mr Speaker, because it is fundamental to our ability to consider the bill in the short time proposed by the

government — and it is why we have moved the amendment. As a result of the briefing we were given on 23 August, we believe extra time needs to be given not only to us but also to the City Link Authority, which needs to get the letter off its word processor! The opposition also expects a very detailed briefing session on the bill. Given the government's previous form in taking months to respond to technical questions asked during briefings, it will be three years before we get the information.

Mr Gude interjected.

Mr BATCHELOR — We understand plenty about it — and we certainly understand more about it than the Treasurer. We also understand more about this bill than the Minister for Roads and Ports, because we have other means of gaining access to information. However, that does not justify denying us the opportunity to be adequately briefed, which is why we — and the City Link Authority — need the extra time.

We also need time to consult widely with the communities and interested groups who will be affected by City Link and who should have the opportunity to provide input. I refer, for example, to the business interests that are responsible for delivering dangerous goods throughout the metropolitan area. It is likely that dangerous goods will not be allowed through the tunnels, so trucking businesses will have to use the roadways. At the moment they will be blissfully unaware of the implications of the proposal. We need time to meet with the independent small business operators that transport waste. How will they do it? They will not be allowed to go through the tunnels; and, as we now know, access to the alternative surface routes will be restricted. We need to be able to sit down with that small but important industry sector and consider the consequences of the bill.

We need to consult residential communities all along the important alternative routes. I refer to the communities of Prahran and South Yarra and Richmond and Burnley. We need to consult the Malvern community, because nobody looks after their interests. We need to consult communities in Flemington and North Melbourne and Essendon and Strathmore, as well as communities further afield in Pascoe Vale. We need to consult communities throughout the metropolitan area, because the project will have a huge impact on them. We need time to do that. We cannot do it quickly; we cannot do it overnight.

The government and the City Link Authority have conducted a series of public consultations — although we have not heard of too many. That community consultation has necessarily taken an extended period to complete. Yet the government expects us to be able to consult with all those communities in a couple of days. It expects members of the community to be able to consider the issue when the bill is not available from the Parliament and when they cannot get access to the information they need. How can the government expect them to comment when it is intent on keeping detailed and important information secret?

The opposition wants to talk to the people who will be the regular users of this thoroughfare. The Premier has made much of the fact that on completion of the project you will be able to drive from Dandenong to Tullamarine without stopping. But we will have a hard task finding the people who will do that. Who are those people who intend driving from Dandenong to Tullamarine? We need to discuss with them the implications and the costs. We want to be able to find them. We also want to find the people who will travel in the reverse direction — those residing in Tullamarine who will travel to Dandenong each day. It will be a hard task finding them — not because there are thousands of them, but because there are so few of them. It would be like trying to find a needle in a haystack to discover the number of people who will travel the whole length of the project daily. The last time the Australian Bureau of Statistics conducted a survey it found that only 21 people from both directions made that journey each day to get to work. Out of the 18 472 people who travel from Dandenong to get to work only 6 go to Tullamarine. How are we supposed to find them: get out at Tullamarine airport with a sign saying, 'Are you from Dandenong?'.

The SPEAKER — Order! The honourable member for Thomastown, on the question of time. I appreciate the skill of the honourable member in contributing to the debate and the way he is trying to stick within the limits of the debate on the question of time, but I feel he is now straying a little. I ask him to come back to the amendment.

Mr BATCHELOR — It will be impossible for opposition members to carry out the tasks that are before them. We will not be able to find the six people from Dandenong who travel to Tullamarine each day, just as we will not be able to find the 15 people who travel in the other direction. We want to be able to talk to them. We want to be able to find

these needles in a haystack. We want to be able to find the people the Premier said will benefit directly and mostly from this bill — the 21 people who make that daily trip to and from work. We want to be able to find out their views and discover how this project will advantage them.

Similarly, we want to find the other 2.25 million people who will also be affected by the project impeding their journey to work or because the journeys to work of others will destroy their residential amenity. It is for those daunting tasks that have been laid before us that we need the additional time.

We are prepared, within that difficult framework, to do that over the summer period. We are very interested in pursuing this issue and we are prepared to do it over the holiday period, as I am sure many of the people who are affected by it are equally prepared to consider the issues. As each page of the bill unfolds before us it reveals a particular aspect or dimension that requires extensive and detailed consideration.

In summary, the opposition needs additional time to fulfil its obligations under the Westminster system, to carry out consultations with local communities, organisations and businesses. We need extra time so that the Melbourne City Link Authority can carry out its obligations to brief the opposition and provide information. We need extra time so that the opposition can use the forms of the Administrative Appeals Tribunal to get access to the information which the government still seeks to keep secret and about which it will fight us at every turn within that legal tribunal.

We need extra time so that we can understand the bill properly and advise people how the government has literally ripped up the constitution. We need time for the wider community to understand the full implications of how the government has trampled on and ripped away the rights and privileges bestowed upon citizens of this state by the constitution.

The bill is a complete outrage. It is the worst piece of legislation in a bag of many that have come before this Parliament, all of which attack the civil and constitutional rights of Victorians. It will be the death knell of this government.

At the end of the day the government needs a bit of time if it is to save itself from the impending electoral disaster that this measure will bring.

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Government members need extra time to understand the bill and its implications. We have seen the preparedness of the Minister for Roads and Ports and the Treasurer to sign documents without knowing what was in them. The opposition is not prepared to do that. We are not prepared to have this government have us participate in a parliamentary debate when we have not had sufficient opportunity to read the fine print. We are not prepared to commit the same sins that the Treasurer and the Minister for Roads and Ports were prepared to commit in commenting on documentation before they actually signed it.

We want the opportunity to have a full and realistic debate here. When the legislation is brought on for debate we want a commitment from the government that the bill will go into the committee stage and that plenty of time will be made available to us. We do not want this bill to be rammed through the parliamentary timetable in the fashion that many other bills are. If the government seeks to do that, not only will it have —

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

Mr GUDE (Minister for Industry and Employment) — I will not take anywhere near the same amount of time as the previous two speakers because —

Mr Thwaites — Sit down!

Mr GUDE — I would not mind sitting down, smartypants. Let's just get on with the proceedings of the house instead of having a whole lot of crocodile tears flowing out of the eyes of the Leader of the Opposition and his colleague.

It is clear that the Labor Party was the instigator of this process of change in providing infrastructure for the community. It was initiated some years ago. For as long as I can recall — and I am older than most in the place — there has been a desire by the people of this community to have an improved thoroughfare from one side of the city to the other. Business wants it, the community wants it, and now it is being delivered by the Kennett government in a way that is efficient and effective and will most certainly bring the benefits that the community has wanted to see.

The honourable member for Thomastown said the adjournment of the debate was not really two weeks and he mentioned the cultural imperative of the

Melbourne Cup. I should have thought if this piece of legislation was even remotely near the sensitivity, the importance and the relevance that the two speakers from the opposition have indicated today they would not let a little cultural experience like the Melbourne Cup stop them from getting on with the job and doing a bit of work.

I recognise that work is anathema to people on that side of the house. You don't really want detail. You don't really want information. You are just confirming yet again today what you do best — whine and carp, whinge and moan, knock, knock, knock! It doesn't matter what the project is, what the issue is, this lot over here will oppose it. They have demonstrated that day in, day out.

Adjournment of debate on the bill for two weeks would take us through to 16 November and make it highly likely that the bill would be debated in the last week of the sitting. That would add another five days to the time available for it to be considered, so effectively we would be looking at around 21 days by the time it came on. I have not yet looked at the schedule, I will look at it later. I do not have a hang-up about the bill being considered in the last week of the sitting, but let's not have this nonsense and a diatribe about the problems of the legislation.

Mr Batchelor interjected.

Mr GUDE — Don't you give me that nonsense about guillotining bills. Time after time the government has had to keep speakers on the floor of the chamber to cover the incompetence of the opposition — it cannot organise speakers because opposition members have not done the work on the bills.

Opposition members are a lazy, good-for-nothing lot. That is one of the reasons why Labor was thrown out of office at the last election, and it is the reason why it will continue to wallow in opposition for years to come. Opposition members cannot sniff out the view of the electorate — they have no idea. The only thing the opposition is first class at is whining, carping, whingeing and moaning.

The ALP has clearly indicated it intends to oppose the legislation irrespective of its content. Opposition members seem to have made up their minds entirely and I am amazed they did not move to debate the bill forthwith. The previous speaker suggested —

Mr Batchelor — Are you going to bring it on now? Is that what you want to do?

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Mr GUDE — We deferred consideration of the bill for two weeks. We were the ones who set the time of two weeks. Close your mouth and give your ears a chance — you might learn something. I know it is a difficult task.

The ACTING SPEAKER (Mr Cooper) — Order! The minister should speak through the Chair and the honourable member for Thomastown should remain silent.

Mr GUDE — The honourable member for Thomastown was trying to make something of the fact that he had some difficulties with briefings he had sought in the past. Briefings in the past on this or any other subject are irrelevant to the issues before the house. Of relevance now is that the final bill and documentation are before Parliament. Now is the appropriate time to obtain and receive full and appropriate briefings on the legislation.

When Labor was in government its members never gave the then opposition a briefing on a draft. They would never do that because it makes no sense. Therefore, what the honourable member attempted to introduce in that regard is as fallacious as his arguments on the question of time and on the bill.

It is clear that today's exercise is a stunt. In a poor attempt to gain some media attention, the Labor Party decided to try the little stunt of moving for additional time. The honourable member for Thomastown succeeded in doing one thing: after five words of his miserable whining and carping, he cleared the press gallery!

Mr Thwaites — They have not come back to hear you. Where are they now?

Mr GUDE — The press went 5 minutes after he started to speak. They won't come back for me. I don't want them back!

The ACTING SPEAKER — Order! The minister should be speaking through the Chair and honourable members on my left should not be encouraging him to do otherwise. I ask the minister to speak through the Chair.

Mr GUDE — I assure opposition members that, unlike them, the last thing I am looking for is the attention of the press. Members of the press are well aware of what this is all about: it is just a pathetic stunt. It is crocodile tears and attention grabbing. It is saying, 'Please, press, look at us. We need some attention because we don't have any genuine

argument, policy or direction. We don't have anything to offer the people of Victoria'. Instead opposition members pull a stunt to try to get a bit of attention.

The ACTING SPEAKER — Order! The minister should concentrate on the question of time. It is a narrow debate.

Mr GUDE — On the question of time, the government will not support the motion before the Chair moved by the Leader of the Opposition because it is a very shallow, shabby attempt at attention grabbing. It has little or nothing to do with the legislation before the house. There is adequate time and there will be appropriate briefings. If opposition members are not up to the mark and are not prepared to work during the next two weeks, irrespective of that cultural experience called the Melbourne Cup, let the community judge them for the lazy laggards they are.

Mr BRACKS (Williamstown) — I support the opposition's amendment to provide for an adjournment of three months. The Melbourne City Link Bill is a substantive bill and will tie up future Victorian governments for the next 34 years.

The arguments of the Leader of the House and the Treasurer in support of a two-week minimum adjournment were premised on two claims. One claim centred on the notion that the project was the Labor government's project when it was in office. That is not true. There was never a Melbourne City Link project under the former Labor government and it never supported a toll system. At best, the former Labor government talked about a shadow toll that was effectively a petrol levy; and a petrol levy is the existing policy of the Labor Party.

The Melbourne City Link project bears no relationship to what Labor was pursuing in the case of the Western and Southern bypasses. That proposal did not require that four berths of Victoria Dock be moved. Why would the West Gate Bridge have been built as high as it was if berths beyond it were to be moved? It is ridiculous for the government to propose a low-level bridge — the Premier's preference — against the recommendations of the Melbourne City Link Authority and the bidders, Transurban and Chart Roads.

The second claim was that the opposition's motion is disingenuous and that it is not serious about the extension. That is also not true. Recently, when an

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omnibus bill that proposed minor amendments to 17 minor acts of Parliament was introduced, the Treasurer was prepared to concede to me across the table that if the opposition required more time he would undertake to provide that time. The Melbourne City Link Bill has 321 pages and amends in numerous instances 36 acts of Parliament — the Planning and Environment Act, the Land Acquisition and Compensation Act and the Crown Land (Reserves) Act are amended not once but time and again.

The opposition is not disingenuous in raising the question of time. As recently as two days ago, the Treasurer said there could be an extension in the case of an omnibus bill that amended about 17 minor acts of Parliament, yet today he will not permit an extension of time to allow for briefings on a bill which will commit future governments of all political persuasions to a project that will extend over 34 years and which will amend 36 acts of Parliament.

I will mention some of the 36 acts that are to be amended — I have not had time to list comprehensively all acts dealt with in the 321 pages of the bill. It is proposed to make numerous changes to the following major bills. The Planning and Environment Act 1987 is an important act and the proposed changes surely justify an extension of the time allowed for consideration of their implications. The Land Acquisition and Compensation Act 1986 is another important bill that will be the subject of much future litigation, and a future Labor government will be faced with the consequences of the changes to it proposed in the bill before the house.

Why should we not have more time? Why not have three months, given the extent of the acts to be amended? The acts to be amended include the Crown Land (Reserves) Act, the Transport Act, the Interpretation of Legislation Act, the Constitution Act, the Crown Proceedings Act, the Water Industry Act, the Road Safety Act and the Historic Buildings Act, which is to be subverted by this legislation and needs considerable investigation. An adjournment of two weeks will not get to the bottom of just what will be affected by the new traffic routes.

Other acts to be amended include the Cultural and Recreational Lands Act, the Emergency Management Act and the Summary Offences Act, which, of course, will impose fines on those who do not pay tolls. It may be a moot point, but we need to be briefed on a significant point — namely, the bill

may provide for \$100 fines and letters of warning, but what will be the consequence for driver demerit points? Will the points accrue as a penalty for not paying the link toll? Will that lead to a loss of licence?

The Melbourne City Link Authority Act is to be changed again, as is the Local Government Act, the Port of Melbourne Authority Act, and the Docklands Authority Act, and the project will rip into the Docklands! The proposal is for a low-level bridge affecting Victoria Dock. Four berths will need to be shifted at a cost of \$50 million each. That act has to be amended because the intention is to build a road or bridge barrier between the Docklands and the remainder of Melbourne — the exact opposite to what was intended for the Docklands development.

The Melbourne Exhibition Centre Act and the Ports Services Act are to be amended. The Minister for Industry and Employment should be concerned at the disruption to be caused by this project to port services at the whim of the Premier, who would not go for a bridge of 43 metres in height or a tunnel but wants a low bridge, which will cost \$200 million. The minister will have to find — —

The SPEAKER — Order! The Chair has given the honourable member for Williamstown considerable latitude. I ask him to return to the question of time.

Mr BRACKS — I am pointing out that the 321-page bill contains details on the acts requiring amendment and about which the opposition must be properly briefed so it can properly debate the bill. I am going through the list of 36 acts which will need to be amended.

The bill will amend or repeal the Richmond Lands Act, the Richmond (South-Eastern Freeway) Lands Act, the Tullamarine Freeway Lands Act, the Pipelines Act, the State Owned Enterprises Act, the Gas Industry Act, the Electricity Industry Act, the National Rail Corporation (Victoria) Act, the Melbourne and Olympic Parks Act, the Transfer of Land Act, the Building Act, the South Melbourne Land Act, the Extractive Industries Act — an important amendment that I will turn to later — the Mineral Resources Development Act, the Magistrates' Court Act, the Melbourne and Metropolitan Board of Works Act and the Public Sector Management Act.

In my cursory examination of the bill, 36 acts of Parliament are to be amended, some in fundamental ways. Some of the acts will be amended 15 or

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20 times. It is not a minor matter that can be catered for in briefings lasting only two weeks.

This project will last for 35 years and will bind future governments; it will change land tenure arrangements. For instance, the opposition questions the amount of land to be returned to the government at the end of the project. Not only do we need time to examine the acts to be amended but also to study what else has been included in the addenda to the bill; they require the appropriate briefing.

As well as the 321 pages in the bill, it also has in it an exhibit to the concession deed which takes up approximately 100 pages. That goes to the scope of the project and the technical requirements. Surely those matters require a significant time for proper briefing. The bill also contains exhibits and documents marked A to V — 22 documents! — of A3 size dealing with significant changes to the landscaping of Melbourne. It also includes the Melbourne City Link title briefing arrangements — a document of 40 x A3 pages! Surely any bill which contains such changes to acts and which also has attachments of considerable technical, financial and land title arrangements deserves proper discussion and dialogue.

The Treasurer and the Minister for Industry and Employment say we are ingenuous — yet the house now has this documentation tabled; it has to deal with a large number of acts which require scrutiny. This project is different to the one envisaged by the former Labor government. This bill requires significant investigation, given the extent of the attached title deeds, financial arrangements and concession deeds which I have had a chance only to glance at. The opposition wants to examine them in considerable detail.

I contrast the government's attitude about the extent of the documentation in the bill with the Treasurer's response only two days ago when an omnibus bill was introduced. He said, 'It's okay if you require more time for briefing' — yet, that bill will amend only 17 acts! It is totally inconsistent for the Treasurer to say one thing only two days ago on minor amendments but on an important bill to defend his position and say we should have only two weeks in which to be briefed. The government's agenda is clear. It wants the legislation to be passed in a summary way with as little debate as possible. It wants to ensure there is no wide discussion of aspects of the bill.

I turn to examine other reasons for the need for a comprehensive briefing of the opposition. This significant City Link project will last for 35 years and will bind future governments; it will lead to compensation payments for this and future governments. It is a \$1.7 billion project. As the Treasurer and the Premier have said on several occasions, this project will be as big as if not bigger than the Snowy Mountains scheme. It will be one of the biggest traffic-transfer schemes in Australia and perhaps the world.

If it is so big and if the project is to span so many years, why is the opposition not given time to examine the bill and its consequential effects for the next 35 years? If it is of such size — a world-breaking scheme, as the Premier says — there should be a discretion to extend the adjournment period from the usual two-week briefing to allow the opposition sufficient time to discuss aspects of the bill. The sheer size of the project dictates that the opposition requires a proper briefing on it.

Mr Gude interjected.

Mr BRACKS — It is interesting that the minister interjects because our only briefing on this project has been government leaks! The ship is leaking and taking in water! This project has taken water sooner than any other project in my experience! It is also one about which the opposition has gathered information only through government sources.

Yesterday the Treasurer confirmed that our information from those sources was correct, particularly concerning road closures. He had said we were in fantasy land, but he now says we were correct. He says the road closures identified by the opposition were correct. Although we may have got the Alexandra Avenue closure wrong we were substantially correct. That is a good reason for extra time. We do not want to be briefed simply on continuing government leaks but on aspects of the bill and its implications for other acts.

As well as being briefed on the size of the project and the period for which it will bind all governments, we also need a proper briefing on the very complex 10-year land leasing arrangements. We do not yet have a clear understanding of actually who will have title to and ownership of the land while the project is being built and during the 35-year period before it is handed back to the government — and I am not sure that either the Melbourne City Link Authority or the government has a clear understanding of who that will be.

Matters requiring significant consideration concern whether the project can avoid global borrowing limits; the question of ownership — that is, who owns these tracts of land; and whether the project can proceed under the BOOT system outside the borrowing limits and outside the problems of the government. If it is deemed that under the 10-year arrangements the land is owned by the government, the project will be subject to the government's global borrowing limits and will not be able to be proceeded with.

The opposition needs a briefing on the land tenure and leasing arrangements: on what leasing arrangements are contained in the addenda to the bill, how they might work in practice and what they might bind governments to over the next 35 years.

The Treasurer would understand that the financial arrangements in this bill and in relation to the project are extraordinarily complex. Given the rhetoric of and comments made in this house by the Premier and the Treasurer, one would think the opposition would be granted an extension to three months of the time provided for consideration of the bill. On numerous occasions during question time, the Treasurer has said in answers to questions that this is a very complex matter, that the financing arrangements are large and complex and that there is a lot of detail. Given that he has said it in the house, he has an obligation to provide the opposition with a significant amount of time to examine and consider the documentation relating to what he and the Premier have said are very complex matters.

We need also time to examine the anticompetition measures contained in the bill. We need to examine whether the bill and the project conflict with the competition policy legislation adopted by Parliament and amended today.

Clearly the anticompetition measures in the bill will place restrictions on, for example, the operation of a future Very Fast Train which may want to stop at Tullamarine and go on to the city. That will not be able to happen in Victoria under a private consortium because of anticompetition measures in this bill. That means that when the Very Fast Train speed rail line is built from Canberra to Sydney — it is hoped to have that done in time for the Olympics and they are talking about whether it will go to Brisbane or Melbourne as the next leg — Victoria may be out of the running because there is an arrangement under this bill which for the next 35 years will restrict competition and conflict —

Mr Gude — Come on! On the question of time!

Mr BRACKS — I am speaking on the question of time. We need time to examine whether the bill conflicts with the recently passed legislation on competition policy. I believe it does. The opposition needs a proper briefing on the matter and on the conflict between the provisions of this bill and other legislation introduced during the past three weeks.

It is important to note that the anticompetition measures will not enable roads or the Very Fast Train rail system to compete adequately with the Melbourne City Link project.

The opposition needs a minimum of three months in which to receive briefings on the bill and the project, conduct proper discussions with and engage in proper consultation with constituent groups. Matters of concern include changes to section 85 of the Constitution Act, environmental issues, implications for historic buildings, the issue of relocation of port berths, toll collection, privacy, and fines and infringements. The minister will also have to consider how goods will be transported in what will be a very long tunnel — the Domain Tunnel. These are all matters that require proper discussion and dialogue because according to the bill there will clearly be a severe loss of amenity on the alternative routes that will be used to avoid the toll system.

In conclusion, we need time to examine what other groups are saying about the project and the bill. Honourable members will have noted that in its *Royalauto* magazine, the RACV is conducting an extensive survey of its members to determine their attitudes on the project.

Mr Perrin — They support it.

Mr BRACKS — The honourable member for Bulleen says the RACV supports it. However, even though the RACV supports the project, it would like to hear from its members. Why can't we have time to hear from the members of the RACV in response to the survey to get community debate and input? They might have supported the concept of a city link, but when they see the content of the bill and have time to examine it there is no way in the world they will support it. That is what the government fears, and that is why it wants to allow only a two-week adjournment of the debate on the bill.

Mr PERRIN (Bulleen) — I move:

That the question be now put.

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The **SPEAKER** — Order! The honourable member for Bulleen has moved that the question be now put. The debate has been going on now for more than 1½ hours. I have heard three opposition speakers and two government speakers. In view of the narrowness of the debate — that is, on the amendment — I am prepared to accept the motion.

House divided on Mr Perrin's motion:

Ayes, 46

Ashley, Mr	McNamara, Mr
Bildstien, Mr	Maclellan, Mr
Brown, Mr	Napthine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perrin, Mr
Davis, Mr	Pescott, Mr
Dean, Dr	Peulich, Mrs
Doyle, Mr	Plowman, Mr A.F.
Elliott, Mrs	Plowman, Mr S.J.
Finn, Mr	Reynolds, Mr
Gude, Mr	Rowe, Mr
Hayward, Mr	Ryan, Mr
Heffernan, Mr	Smith, Mr E.R.
Honeywood, Mr	Smith, Mr I.W.
Hyams, Mr	Spry, Mr (Teller)
Jasper, Mr	Steggall, Mr
Jenkins, Mr	Tanner, Mr
John, Mr	Tehan, Mrs
Leigh, Mr	Thompson, Mr
Lupton, Mr	Traynor, Mr
McArthur, Mr	Treasure, Mr
McGill, Mrs	Turner, Mr (Teller)
McLellan, Mr	Wells, Mr

Noes, 24

Andrianopoulos, Mr	Hamilton, Mr
Baker, Mr	Loney, Mr
Batchelor, Mr	Micallef, Mr
Bracks, Mr	Mildenhall, Mr
Brumby, Mr	Pandazopoulos, Mr (Teller)
Carli, Mr (Teller)	Sandon, Mr
Coghill, Dr	Seitz, Mr
Cole, Mr	Sercombe, Mr
Cunningham, Mr	Thomson, Mr
Dollis, Mr	Thwaites, Mr
Garbutt, Ms	Vaughan, Dr
Haermeyer, Mr	Wilson, Mrs

Motion agreed to.

The **SPEAKER** — Order! The question is:

That the words proposed to be omitted stand part of the motion.

House divided on omission (members in favour vote no):

Ayes, 46

Ashley, Mr	Maclellan, Mr
Bildstien, Mr	McNamara, Mr
Brown, Mr	Napthine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perrin, Mr
Davis, Mr	Pescott, Mr
Dean, Dr	Peulich, Mrs
Doyle, Mr	Plowman, Mr A.F. (Teller)
Elliott, Mrs	Plowman, Mr S.J.
Finn, Mr	Reynolds, Mr
Gude, Mr	Rowe, Mr
Hayward, Mr	Ryan, Mr
Heffernan, Mr	Smith, Mr E.R.
Honeywood, Mr	Smith, Mr I.W.
Hyams, Mr	Spry, Mr
Jasper, Mr	Steggall, Mr
Jenkins, Mr	Tanner, Mr
John, Mr	Tehan, Mrs
Leigh, Mr	Thompson, Mr
Lupton, Mr (Teller)	Traynor, Mr
McArthur, Mr	Treasure, Mr
McGill, Mrs	Turner, Mr
McLellan, Mr	Wells, Mr

Noes, 24

Andrianopoulos, Mr (Teller)	Hamilton, Mr
Baker, Mr	Loney, Mr
Batchelor, Mr	Micallef, Mr
Bracks, Mr	Mildenhall, Mr
Brumby, Mr	Pandazopoulos, Mr
Carli, Mr	Sandon, Mr
Coghill, Dr	Seitz, Mr
Cole, Mr	Sercombe, Mr
Cunningham, Mr (Teller)	Thomson, Mr
Dollis, Mr	Thwaites, Mr
Garbutt, Ms	Vaughan, Dr
Haermeyer, Mr	Wilson, Mrs

Amendment negated.

Motion agreed to.

Debate adjourned until Thursday, 16 November.

Sitting suspended 1.00 p.m. until 2.05 p.m.

ABSENCE OF MINISTERS

The **SPEAKER** — Order! I advise the House that the Attorney-General and the Minister for Energy and Minerals will be absent from question time today due to government business. The Minister for

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Community Services will handle any matter for the Attorney-General's portfolio and the Treasurer will handle any matter for the portfolio of the Minister for Energy and Minerals.

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City Link: Treasurer's answer

Mr BRUMBY (Leader of the Opposition) — I refer the Treasurer to his comments in the house on 12 October when he said that the proposals to reduce the width of Footscray Road, close Alexandra Avenue and allow parking on Toorak Road were 'fanciful suggestions' and were 'unacceptable to the government'. If these proposals were unacceptable to the government on 12 October, why did they become acceptable to it on 20 October when the government signed the contract with the City Link consortium?

Mr STOCKDALE (Treasurer) — The Leader of the Opposition has not accurately represented his question on 12 October. It is true that on the occasion I understood his question to relate to the possibility of the closure of those three roads. I was aware —

Mr Brumby interjected.

The SPEAKER — Order! The Leader of the Opposition has posed his question. I ask him to listen to the answer from the Treasurer.

Mr STOCKDALE — I interpreted his question as relating to proposals for closure of those roads. I was aware, in general terms, of the traffic management measures and I was aware of the fact there were not to be road closures on the roads to which he was referring. Accordingly, I answered —

Mr Brumby — On a point of order, I refer to the question of relevance. Today I asked a question relating to the Treasurer's answer to a question on 12 October.

Mr Kennett interjected.

Mr Brumby — He is not talking about it accurately, is he, Premier? The question asked of the Treasurer on 12 October referred to reducing the width of Footscray Road, closing Alexandra Avenue and allowing parking on Toorak Road. There was no reference to closing three roads, as the Treasurer is attempting to assert now.

The SPEAKER — Order! I have heard sufficient of the point of order: I do not want to risk wasting any more valuable question time. The Treasurer is in order and is relevant.

Mr STOCKDALE — When I had the opportunity to see the *Hansard* report I understood my answer to the question was appropriate as to its tone but not as to its substance.

Honourable members interjecting.

Mr STOCKDALE — I will come back. Just listen! Accordingly, yesterday I referred to the documents which were presented with the bill today and described in considerable detail what was contained in those documents.

I direct attention to the fact that the comments of the Leader of the Opposition in relation to these measures have been widely represented today on the electronic media as leading to the closure of Footscray Road, and so I was not alone in having understood that his question was directed at the closure of Footscray Road.

Mr Brumby interjected.

Mr STOCKDALE — Just wait a minute! When I obtained a detailed briefing in relation to these matters, the authority made the point to me that the question asked by the Leader of the Opposition was not accurate in its overall substance or in its detail.

Honourable members interjecting.

The SPEAKER — Order! Unless the house comes to order I will call the next question. If the house wants an answer from the Treasurer, it should remain silent.

Mr Batchelor — On a point of order, Mr Speaker, on the issue of relevance, the Leader of the Opposition asked the Treasurer about his answer to a question from the Leader of the Opposition on 12 October. The Treasurer must relate his answer to that issue and not challenge or say that the Leader of the Opposition should have framed his question differently.

Mr STOCKDALE — I am even more anxious to answer the question than the opposition is to ask it. If honourable members opposite stop interjecting I shall answer the question.

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The SPEAKER — Order! I do not uphold the point of order.

Mr STOCKDALE — Regarding Footscray Road, the answer was accurate in respect of a minor section of the southern end of the road. The vast majority of Footscray Road will not be affected in the way described by the Leader of the Opposition.

As to Toorak Road, less than half is affected in the way suggested by the Leader of the Opposition. In respect of Alexandra Avenue, the question was totally wrong. I understood the question to be directed at road closures.

Honourable members interjecting.

The SPEAKER — Order! I warn the house for the last time that unless it comes to order I will call the next question.

Mr STOCKDALE — The central thrust of the Leader of the Opposition's question today is, 'Will the Treasurer confirm these points are the major sticking points in the negotiations?'. That is not true, as I explained to the house earlier this week.

I regret that I did not correctly apprehend the Leader of the Opposition's question, but it was not accurate and when I established what his intent was — —

Honourable members interjecting.

The SPEAKER — Order! It is obvious the house has considerable interest in the Treasurer's answer. I ask it to remain silent.

Mr STOCKDALE — The essential point of the question is not accurate. Certain details are accurate about parts of the roads concerned, and when I discovered the facts I made them available to the house yesterday and explained the restrictions in detail. The material is now attached to the bill and is provided to the house. The government has nothing to hide and the facts were available to the house, not just in the documents attached to the bill but when Transurban was listed.

Leaders Forum

Mr TREASURE (Gippsland East) — Will the Premier advise the house of the priority issues for Victoria to be considered at the Leaders Forum in Brisbane tomorrow?

Mr KENNETT (Premier) — The house is aware that Premiers from around Australia will meet tomorrow in Brisbane in what is a regular conference between Premiers to examine issues that affect states, but particularly the relationship of the states to the federal government.

States now recognise that more needs to be done to advance Australia's international competitiveness. There is general acknowledgment that states have improved their performance by having surplus budgets, yet the commonwealth government lags far behind in delivering micro-economic reform. That is best represented by the failure of the federal government and the Prime Minister to address the sale of the Australian national shipping line and the further deferral of airport privatisation by implementing leases rather than actual privatisation.

Tomorrow there will be a reconfirmation of the need for a more efficient federal system to serve the Australian community into the 21st century. The leaders at the meeting have asked research to be done on a number of matters: the first is to eradicate duplication between the commonwealth and states of a number of functions undertaken by both governments; the second is to continue to pursue the issue that states should receive a guaranteed fixed share of commonwealth revenue, given it is derived from personal income tax and company tax; the third is to pursue a coordinated strategic approach to crime prevention.

The national anti-crime strategy involves the establishment of a national motor vehicle theft task force as part of an ongoing effort by states to put in place a common process to combat crime, specifically motor vehicle theft and drug trafficking, which affect the community, particularly parents — in New South Wales recently drugs led to the loss of life of a young person.

I hope the meeting further addresses support for the concept of state-initiated referenda, which do not occur regularly because of their lack of success. States should be able to initiate such referenda for certain reasons.

States are also concerned about their ability to participate fully in the selection of High Court judges. At the moment the federal government notifies states of the appointment, rather than having genuine consultation. I hope a recognition will come from the meeting that judges of the High Court represent the Australian community and that

states should have a larger role in determining who sits on that court.

Today's federal system has become lopsided in favour of the commonwealth government. That is clear from the increase in federal powers. We hope the honourable members for Niddrie and Pascoe Vale represent the views of states if they are elected to the federal Parliament. History shows that once people move from this place into the federal Parliament the quality of support for the state reduces and invariably we never hear from them again. I hope the honourable members bring forward the concerns we have.

I hope tomorrow's meeting is cooperative, that it produces outcomes agreed upon by all Premiers, and that we move towards a more flexible and relevant federal system as the nation proceeds into the 21st century, because Australia needs a range of competitive procedures to assist it in the next century.

City Link: Treasurer's answer

Mr BRUMBY (Leader of the Opposition) — I refer the Treasurer to measures of forcing traffic off Footscray Road, Alexandra Avenue and Toorak Road, which the Treasurer described on 12 October as 'unacceptable to the government' and I ask: when did the Treasurer first become aware of those proposals? Given that they were so unacceptable to the government then, why did he not intervene to have them removed from the City Link contract?

Mr STOCKDALE (Treasurer) — I have already explained the understanding I had of the question asked on 12 October. Not only are those traffic-management measures prudent but in my opinion they would be in place whether this project proceeded as a capital works project or a private infrastructure project.

I reiterate what I said on the last occasion that this matter was raised: when the ALP called for expressions of interest in the construction of the City Link project the then relevant minister, David White, contemplated in his press release that traffic-management measures would be introduced. These measures are acceptable to the government on traffic-management grounds. The closure of those roads was not an issue and I would not support the closure of those roads to which the Leader of the Opposition referred. The government has not proposed the closure of those roads.

Indeed, the concept of traffic-management measures is not something foreign to the Australian Labor Party. When he called for proposals of interest for this very project the then minister contemplated that traffic-management measures would be included in the development.

Small Business October

Mr TURNER (Bendigo West) — I ask the Minister for Small Business to inform the house of the outcome of the Small Business October initiatives.

Mr HEFFERNAN (Minister for Small Business) — Here is some more good news. Honourable members would be aware that the government made a commitment for the month of October to small business in recognition of its enormous contribution to this state. Small Business October has put the spotlight on some of the great achievers of the state who are making contributions both in economic and employment terms.

During the month some 27 000 people attended approximately 170 events across the state. They are wonderful figures. The scheduled events provided practical advice and a tremendous amount of networking went on between the small business participants during the month. The participants all looked at improving their businesses in many ways which were demonstrated right through the state.

I turn to the highlights. From which state did the winner of the 1995 State National Small Business Awards come? Melbourne! I believe that calls for a special congratulation. Just as expected, a Victorian company won because of the confidence small business has in the government.

Honourable members interjecting.

Mr HEFFERNAN — Can anyone see anyone from the private sector sitting over there on the opposition benches? There aren't any! I congratulate Modra Technology from Warragul, which I believe is in the electorate of Narracan. The other day the honourable member for Morwell made reference to the Latrobe Valley. It is even happening down there —

Honourable members interjecting.

Mr HEFFERNAN — Just be patient, it's all coming. The two-day small business showcase was

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held at the Exhibition Building and approximately 10 000 people attended. It was also a great success.

The Small Business Insight Forum was on how to make 1996 your best year in small business and for the first time it was beamed throughout Victoria to 23 venues across the state. It was the government's recognition that country Victoria is important to the state. The government is not concerned only about the city; the end of the tramlines is not the end of this government's concern as it was for the Labor Party.

The success of Small Business October has laid the foundation for it to become an annual event. People from other states who I met and discussed Small Business October with are now being encouraged to participate to give the proper recognition to the achievers and the people who will carry this country into the year 2000.

I would like to congratulate the joint sponsors of Small Business October — that is, Westpac and Yellow Pages Australia. They both contributed to the finances for the event; it was not government money. The Labor Party only knew how to spend government money! Westpac and Yellow Pages Australia supplied the money to fund the conference in recognition of the enormous contribution of small business in this state.

It is all happening for small business. For the first time the private sector is getting recognition from the real private enterprise party, not from the bureaucrats who sit on the opposition side of the house!

City Link: Treasurer's answer

Mr BRUMBY (Leader of the Opposition) — I refer to the Premier's comments on radio 3AW this morning when he answered a question from Neil Mitchell regarding the Treasurer's comments of 12 October. The Premier was asked:

Was he aware of planned changes when he answered that question?

The Premier replied:

Of course, of course, we've all been involved with it.

Why then did the Premier allow the Treasurer to wilfully mislead the Parliament on 12 October — —

The SPEAKER — Order! The reference to 'wilfully mislead' is a reflection on the Treasurer and should be omitted from the question.

Mr Kennett — Withdraw!

Mr BRUMBY — I haven't been asked to withdraw!

The SPEAKER — Order! The Chair has not asked for a withdrawal; the Chair has advised the Leader of the Opposition that reflections are not admissible.

Mr BRUMBY — Why then did the Treasurer allow the Treasurer to lie to the Parliament on 12 October — —

Honourable members interjecting.

The SPEAKER — Order! The Chair is having great difficulty in allowing this question to be asked. Reflections and imputations against members are not admissible, and that is well set out in advice to members on how they should pose questions.

Mr Stockdale — On a point of order, Mr Speaker, I take exception to the unparliamentary term the Leader of the Opposition has used and I request that you to ask him to withdraw.

Honourable members interjecting.

The SPEAKER — Order! The Treasurer has asked that the remark be withdrawn and I ask the Leader of the Opposition to withdraw.

Mr Kennett — Withdraw!

Mr BRUMBY — You're not the Speaker, stay in your place!

Honourable members interjecting.

The SPEAKER — Order! I ask the Leader of the Opposition to withdraw.

Mr BRUMBY — On a point of order — —

Mr Kennett — No, withdraw!

Honourable members interjecting.

Mr BRUMBY — You're not the Speaker!

The SPEAKER — Order! The standing orders make it quite clear that where an honourable

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member finds a word offensive and asks for a withdrawal it should be done so without debate. I ask the Leader of the Opposition to withdraw.

Mr BRUMBY — I was raising a point of order — —

Honourable members interjecting.

The SPEAKER — Order! I ask the Leader of the Opposition not to put the Chair through an embarrassing situation. He has been told by the Treasurer that certain words are offensive. The Treasurer has asked for a withdrawal and I ask the Leader of the Opposition to do just that.

Mr BRUMBY — On a point of order — —

Honourable members interjecting.

The SPEAKER — Order! Under the standing orders the request for a withdrawal is not a matter of debate or a point of order; it is a simple request. I ask the Leader of the Opposition to comply.

Mr Batchelor — On a point of order, Mr Speaker, I am attempting to assist you. A member can only ask for a matter to be withdrawn — —

The SPEAKER — Order! The Chair cannot deal with any further points of order until the request for withdrawal to the Leader of the Opposition has been complied with.

Mr BRUMBY — I shall withdraw and now continue with the point of order. I shall read your exact comments in relation to this matter in the Parliament on 21 March, Mr Speaker:

Order! The honourable member has been here long enough to know that he may say something is a lie but he may not call someone a liar.

I did not say that the Treasurer was a liar; I said that the Treasurer had told a lie. That is exactly what I said; and you have told lies to this Parliament. I want some consistency in your rulings, Mr Speaker.

The SPEAKER — Order! The Leader of the Opposition is quite correct. I made that statement and stick by that statement, but in previous cases I recall a withdrawal was not requested. A withdrawal has been asked for now. The Leader of the Opposition, to his great credit, has withdrawn.

Mr Batchelor — On a further point of order, Mr Speaker, it is not possible under standing orders for a member, in this case the Treasurer, to ask for a withdrawal of a statement that has not been made about him. Many people may believe what he is implying was offensive to him. He is too sensitive. No-one said the Treasurer was a liar, that what he said was a lie. There is no standing order that can require that to be withdrawn.

The SPEAKER — Order! The point of order has been dealt with. That is behind the house at the moment. I understand that the Leader of the Opposition is posing a question.

Mr BRUMBY — I am happy to start the question again. The question refers to the Premier and to the questions he was asked on radio 3AW this morning in relation to the Treasurer's answer in this place on 12 October. The Premier was asked by Mr Mitchell:

Was he aware —

that is, the Treasurer —

of planned changes when he answered that question —

that is, on October 12th?

Kennett: Of course, of course, we've all been involved with it.

I therefore ask: why then did the Premier allow the Treasurer to lie to the Parliament on 12 October when he said that these traffic measures were fanciful, that they were unacceptable and that they were not being considered by the government? Why did you lie to the Parliament about these changes?

The SPEAKER — Order! We have already been through the exercise and it has been made clear by the Chair that reflections in that manner in a question are not admissible.

Mr Stockdale — On a point of order, Mr Speaker, there was a direct imputation in the question which is out of order in both the statement and in the explanation afterwards. I seek the withdrawal of those inaccurate reflections.

The SPEAKER — Order! The Chair was under the impression that the Leader of the Opposition had withdrawn the imputation. However, he repeated it, which makes it very difficult for the Chair indeed. If the Leader of the Opposition were

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to pose the question again or, alternatively, withdraw what has been said — —

Mr Gude — On a point of order, Mr Speaker, given your previous rulings and other previous rulings in this place I suggest that there are not two options but one: the Leader of the Opposition should withdraw.

Mr Brumby — Mr Speaker, on the point of order that has been raised by the manager of government business, I refer you again to the ruling you made in this house on 21 March when you said:

The honourable member has been here long enough to know that he may say something is a lie but he may not call someone a liar.

That is the ruling you have made and I have complied with that ruling. I put it to you that my question is fully in order.

Mr McNamara — On the point of order, Mr Speaker, in support of the Leader of the House, your previous ruling makes it quite clear that the Leader of the Opposition has but one course: to withdraw the accusation and imputation that he restated twice after you clearly ruled that it was out of order on the first occasion. We then saw him defy you quite clearly. There is but one course for the Chair to take: to demand that the Leader of the Opposition withdraw the allegation and the imputation that he has repeated on two occasions since.

Mr Dollis — On the point of order, Mr Speaker, the Leader of the Opposition has not defied the Chair; the Leader of the Opposition is asking the Chair to make a consistent ruling similar to the one that the Chair made on 21 March 1995. In that regard, you have no alternative but to allow the question to be answered the way that the Leader of the Opposition has put the question to the Treasurer, if consistency is to apply in relation to your ruling — which is in black and white and very clear, and which I shall repeat:

Order! The honourable member has been here long enough to know that he may say something is a lie but he may not call someone a liar.

The Leader of the Opposition is saying that the Treasurer told a lie, and he is asking the Premier to explain to the house whether the Treasurer is a liar.

Dr Napthine — On a point of order, Mr Speaker, I believe the advice being given to you by opposition members is misleading. In the quotation from *Hansard* on 21 March they refer to your ruling with regard to saying something is a lie but that you shall not call somebody a liar. But in this particular case, in this question, the Leader of the Opposition has made a direct imputation against a member of this house, the Treasurer. That is clearly contradictory to standing order 108, which says:

No member shall use offensive or unbecoming words in reference to any member of the house and all imputations of improper motives and all personal reflections on members shall be deemed disorderly.

Clearly in this case it is about a reflection against a member of this house. It is quite different from saying something is a lie as opposed to calling somebody a liar. The reference in *Hansard* on 21 March is inappropriate in this case. There has been a clear imputation against the Treasurer in this case, and a withdrawal under standing order 108 is appropriate.

Mr Brown — In the 16 years that I have been in this house not once has there been ambiguity on this point. If there has ever been a reflection upon any member of this house on either side of the chamber to which that honourable member takes exception, without exception the ruling has been that whoever has made that statement has been obliged to withdraw.

That is the distinction, and you, Mr Speaker, made it clear in your previous ruling that the difference between this situation and the ruling that has been quoted by the opposition is that the honourable member against whom there has been a clear reflection has requested its withdrawal.

I put it to you, Mr Speaker that under the standing orders that is normally put without debate, without a point of order and without the opportunity for further debate. Therefore, you should rule forthwith that the Leader of the Opposition must withdraw.

The SPEAKER — Order! I have heard sufficient on the point of order. Let me deal with the quotation from a previous ruling. The situations are not parallel, and I will explain why to the Leader of the Opposition at some other time. The Leader of the Opposition posed a question that contained a phrase to which the Treasurer took offence. He was asked to withdraw, which he did. To further complicate matters, he asked the same question with the same

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expression. Because he used the same expression that he had withdrawn previously, I ask him to withdraw.

Mr BRUMBY — In deference to the Chair, I withdraw.

Government members — Withdraw!

Mr BRUMBY — I just did.

The SPEAKER — Order! The matter has been dealt with satisfactorily so far as the Chair is concerned. Does the Leader of the Opposition want to raise a fresh point of order?

Mr BRUMBY — I will continue with the question, if I may.

The SPEAKER — Order! I rule that the question had been started. Notwithstanding the fact that the time for questions without notice has expired, I will allow the Leader of the Opposition to ask his question if he deletes the reference to which there has been so much objection.

Mr BRUMBY — I will. I refer again to the Premier's comments this morning on 3AW —

Mr Kennett — To whom is it addressed?

Mr BRUMBY — To you. In relation to the Treasurer's comments to the house on 12 October, the Premier said, 'Of course. Of course we've all been involved with it'. Why then did the Premier allow the Treasurer to deliberately mislead Parliament on 12 October when the Treasurer said those traffic measures were fanciful, that they were unacceptable and that they were not being considered by the government? Why did you allow him to deliberately mislead the Parliament and the Victorian people?

The SPEAKER — Order! Reflections against a member are disorderly. To state that a member deliberately misled the Parliament is against the standing orders. I ask the Leader of the Opposition to withdraw that expression.

Mr BRUMBY — I withdraw. The question is correct. The speaker has misled the Parliament. You just won't own up to the fact that he misleads the Parliament.

Mr Kennett — You said 'The speaker'. Whom did you mean?

The SPEAKER — Order! Will the Leader of the Opposition pose his question.

Mr BRUMBY — To comply with the standing orders but not the ruling which the Speaker has previously made, the question is to the Premier. Why then did the Premier —

Mr Kennett — Could you start the question again?

Mr BRUMBY — You're a slow learner, aren't you?

Government members interjecting.

The SPEAKER — Order! The Leader of the Opposition has every right to ask a question. I ask the government members to come to order.

Mr BRUMBY — The question, again, is to the Premier.

Mr Kennett — Me?

Mr BRUMBY — Again, to you. See if you can answer it honestly, if that is possible for you.

The SPEAKER — Order! Will the Leader of the Opposition concentrate on the question.

Mr McNamara — On a point of order, Mr Speaker, perhaps we could grant some time out for the Leader of the Opposition to rehearse his question. When he has perfected it —

The SPEAKER — Order! The Deputy Premier will resume his seat.

Mr BRUMBY — My question is to the Premier. I refer the Premier to his comments on radio 3AW this morning —

Mr Kennett — Today?

Mr BRUMBY — Today — this morning — when the Premier was asked —

Government members interjecting.

The SPEAKER — Order! I advise the honourable members for Ripon and Mordialloc and a few other government backbenchers that I will not hesitate to take action against them. Will the Leader of the Opposition pose his question?

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Mr BRUMBY — When the Premier responded this morning to a question by Mr Mitchell he said, 'Of course. Of course we've all been involved in it'. I ask why in this house on 12 October the Premier allowed the Treasurer to mislead the Parliament when he said that those traffic measures were fanciful, that they were unacceptable and that they were not being considered whatsoever by the government?

Mr KENNETT (Premier) — Firstly, I thank the honourable member for his question. Secondly, I thank the honourable member for confirming again that every Thursday morning he spends most of his time listening to my interviews with Neil Mitchell.

Thirdly, I indicate that it is true that the Treasurer, the Minister for Roads and Ports and I have been involved in this process. The Treasurer and I have had more to do with the financial details; and, as members will be aware, in the last few weeks of consummating this contract we tried to get the best deal we could for the people of Victoria. We were able to do that and protect this community in a way that quite clearly sets a different standard to that applied by the Labor Party and Mr White, a former minister and a member for Dousta Galla Province in another place, to Alcoa, which currently costs us between \$100 million and \$200 million a year.

Fourthly, I have been a member of this Parliament for even longer than the Minister for Public Transport.

Mr Brumby — Why did you let him mislead the Parliament? That is the question.

The SPEAKER — Order! The Leader of the Opposition may not pose more questions.

Mr KENNETT — In the time since the Treasurer entered Parliament, which I think was in 1985, I have not known him, either inside or outside the Parliament, to ever mislead anyone on any issue whatsoever.

Mr Brumby — You tell lies when the truth would do.

Mr KENNETT — I ask the honourable member to withdraw those comments.

The SPEAKER — Order! I ask the Leader of the Opposition to withdraw.

Mr Brumby — I withdraw the statement that the Premier tells lies when the truth would do.

Mr KENNETT — I thank the honourable member very much indeed. I have known the Treasurer for many years. Since 1985 he has gained a reputation in this state, in this country and internationally for the way in which he has applied himself to one of the most difficult challenges ever confronted by a Treasurer anywhere in Australia. I do not think there would be anyone in the broader community who would question his integrity or the way in which he has performed his work — except perhaps the Leader of the Opposition.

The last point in the Leader of the Opposition's question was why I did not in some way influence the way an individual — in this case, the Treasurer — answered a question. Unlike the Leader of the Opposition — —

Mr Brumby — You knew he was not telling the truth.

Mr KENNETT — I did not say that.

The SPEAKER — Order! There will not be a debate across the table. I ask the Leader of the Opposition to remain silent.

An honourable member interjected.

Mr KENNETT — You would have been the one looking at it, I can tell you! I do not have the same fear of my frontbench colleagues that the Leader of the Opposition obviously has of his. I do not dictate how they answer their questions. I have absolute confidence in each one of them, unlike the Leader of the Opposition, who has only six members in whom he has confidence — and those six, whose names he spelt out the other day at a private sector lunch, included himself!

Honourable members interjecting.

Mr KENNETT — There are only five others. When the house sits again I will have great pleasure in announcing to the Parliament those members in whom the Leader of the Opposition has confidence. In the meantime, I say to you, Mr Speaker — and through you to the Leader of the Opposition — that I feel privileged to have a group behind me each and every one of whom I have absolute confidence in.

Mr Micallef interjected.

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The SPEAKER — Order!

Mr KENNETT — I ask you, Mr Speaker, to have him withdraw those words. I find them offensive.

The SPEAKER — Order! Will the honourable member for Springvale please withdraw?

Mr Micallef — I will withdraw anything for you!

The SPEAKER — Order! I thank the honourable member for Springvale for the gracious way he withdrew! The time for questions without notice has expired.

Mr Loney — On a point of order, Mr Speaker, I draw your attention to what seems to be becoming the practice regarding the number of bills that are made available during second-reading debates. Over the past two days there have been a couple of instances when insufficient copies of bills have been available to members in this place.

Those in the chamber as well as those who may be outside have managed to get hold of them later. But on a number of occasions members going to the papers office immediately after a second reading have not been able to obtain copies of a bill. That occurred this morning, when insufficient copies of the Melbourne City Link Bill were available, and it occurred yesterday with the Liquor Control (Further Amendment) Bill.

It seems to be becoming the practice that copies of bills of particular public interest are unavailable to members of this house — and, of course, members of the general public — immediately after their second reading.

I ask you, Mr Speaker, to take this matter up and consider whether there should be some refinement of procedures to ensure that sufficient copies of bills are available at the second-reading stage so that at least the members of this house can get them — certainly bills of such intense public importance as the Melbourne City Link Bill. I ask that immediately after the second reading sufficient copies are made available so that members of the public can also get them, certainly in situations like the one that occurred this morning, given the particularly short time people were given to respond to a sizeable bill.

I ask you, Mr Speaker, to regard this as a matter of fundamental importance to the true operation of this house and the ability of members to represent their

constituents, and to address yourself to it with some urgency.

The SPEAKER — Order! As an interim reply to the point of order raised by the honourable member for Geelong North, I understand some 170 copies of the bill were printed and that every member of the house who was present got a copy. I understand the papers office keeps a list of accredited journalists and media people associated with the parliamentary gallery and as each asked for a copy his or her name was taken off the list.

I am further advised that a second printing will be here by 11.00 o'clock tomorrow morning. In the meantime, I will make further inquiries. That is the extent of my knowledge of the matter at present.

Mr Brumby — Mr Speaker, I raise a point of order on the rulings you made today during question time. I refer you to a number of examples in *Hansard* of previous rulings you have made in this place. Firstly, I refer to page 450 of *Hansard* of 23 March 1994, where you are reported as saying:

To say that a statement is a lie is parliamentary; to say a person is a liar is unparliamentary.

I refer you to page 2354 of *Hansard* of 27 May 1994, where you are reported as ruling that:

If a member calls another member a liar it is offensive and unparliamentary and should be withdrawn.

An honourable member interjected.

Mr Brumby — No, it says here if he calls him a liar. I also refer to the ruling I referred to earlier. At page 504 of *Hansard* of 21 March 1995 you are reported as saying:

The honourable member has been here long enough to know that he may say something is a lie but he may not call someone a liar.

Mr Speaker, I simply ask you to review the rulings you made today in question time. At no stage did I say the Treasurer was a liar. I said he had told a lie to the Parliament. I believe that statement is completely consistent with the rulings you have made in this Parliament on numerous occasions. I ask, Sir, that you review that ruling and apply it consistently in future in relation to these matters.

The SPEAKER — Order! I will deal with the matter very quickly. I do not want to engage in an

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argument on semantics, but a member may not say of another member that he lied to the house. It is as simple as that. However, if the Leader of the Opposition wants to take the matter further with me in chambers, I will be pleased to have him do so.

Mr Leigh — On a point of order, Mr Speaker, in reference to what the Leader of the Opposition has previously said, can I say —

The SPEAKER — Order! I have dealt with the point of order. I will no longer hear argument on that point.

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Second reading

Debate resumed from 12 October; motion of Mr STOCKDALE (Treasurer).

Mr LONEY (Geelong North) — The opposition will not vote against the bill because it is a budget-related measure. We have little or no objection to the bulk of the measures contained therein. However, I point out at the outset that the bill continues the taxing traditions of the government, which have made it the highest taxing and charging government in this state's history. There have been almost 5000 incidents of increases in taxes or charges during the three years or so the government has been in office.

There have been 5000 different increases in taxes and charges over the past three years, an average of four increased taxes or charges a day for every day the government has been in office. It is the highest taxing and charging government in the history of this state. Ordinary Victorian families are now paying \$2000 a year more in taxes and charges than they were in October 1992. That is contrary to the rhetoric the government indulges in about taxes and charges. It always tells Victorians that it is the party that will reduce taxes and charges. I repeat: 5000 in three years — four increased taxes and charges a day.

Those levies apply to almost everything you can think of. The bill particularly affects business. This government has levied a whole range of new taxes and charges on business. Recent taxes and charges on business have affected new licence fees, registration fees, and service fees on commodities such as water. Yarra Valley Water is currently issuing bills to small businesses. Small businesses are being levied an additional \$353 on their water

bills as a direct consequence of the government's policies. This government continually increases taxes and charges.

As I said, the opposition will not vote against the bill. However, we have concerns with and great objection to the changed payroll tax measures in the bill. Those provisions will adversely affect business, particularly small business. The changes represent an increase in payroll tax and, as such, another broken promise on behalf of the government. If you examine the policy statements of the coalition prior to the October 1992 election you will see some interesting statements on payroll tax. The government, the Treasurer, the Premier, the Minister for Small Business and just about every government member talk about payroll tax as the most iniquitous tax on business and as a tax on employment, yet this bill effectively increases the amount of tax small business will be required to pay.

In January 1994 the Minister for Small Business announced with fanfare that he intended to produce a plan to reduce payroll tax for small business. Today the house is debating a measure to increase it. The government has consistently run the line that it would do away with payroll tax if it could. It is there in its 1992 policy documents. The policy documents say, 'We don't have to do it; we don't have to worry about it because the John Hewson government, the Fightback package, GST, will take it away. There won't be any payroll tax'.

Mr Gude interjected.

Mr LONEY — The minister says taking away payroll tax would mean a lot of jobs. He is perfectly consistent in that statement: taking away payroll tax will produce jobs. Why has the government introduced a bill that actually increases payroll tax? That is what is being done here. The bill introduces a new provision which will mean that payroll tax will be levied on accrued leave paid on termination of employment, and the provision will apply from 1 January 1996.

For many small businesses this could represent an effective lowering of the payroll tax threshold. It could make a number of small businesses liable to payroll tax for the first time ever. The changed provision will affect a small business that is currently just below the payroll tax threshold with a couple of employees who for one reason or another finish up with the firm — perhaps long-serving employees who worked hard and accumulated quite an amount of leave. The payroll tax will be levied on

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the accrued leave and will be included in the calculation of the payroll tax, which will take the business over the threshold, and levies the payroll tax on the total payroll. This is an effective lowering of the payroll tax threshold for those small businesses.

It is directly contrary to anything the government has ever said about payroll tax. It has done it quietly, silently and stealthily. If you walk outside and talk to business people you discover they are not aware of this provision. I am not aware whether it has been discussed with anyone. Even worse is the fact that when the opposition was briefed on this measure it asked the Treasury representatives what will be the effect on business; how much will it raise; and how many businesses will be affected? They could not tell us. They have done no projections, no modelling of it; they don't know where it is going. They don't know how much it will yield. They don't know how many businesses will be affected. It is the stalker's defence: it just seemed like a good idea at the time!

For many businesses it will mean that they will become liable to pay payroll tax for the first time, not as a result of business growth, not as a result of increased employment opportunities and not as a result of increased profitability but in fact the opposite. It could well be that an employer will be liable to pay payroll tax for the first time because of a reduction in the number of his or her employees. That could effectively become the first ever tax on unemployment — and the coalition government will have introduced it! Small businesses losing three or four long-serving employees in one year could be forced to pay payroll tax for the first time ever.

The change will also have a serious effect on medium and large-sized businesses. Let us take the example of Ford, a large business in my electorate. Unfortunately at various times — and with a significant effect on my electorate — Ford has had to retrench large numbers of people. Ford has retrenched between 300 and 600 people at a time, many of whom would have had accrued leave. Under the provisions of the bill Ford will now have to pay payroll tax in such circumstances. One possible effect of having to find the extra money to pay that tax could be further retrenchments.

That provision is effectively a tax on unemployment. Opposition members thought it was not possible for the government to find another area to tax, but we were wrong again. The government has decided to tax unemployment as well; that is the effect of the

bill. The opposition has great difficulty with the effects of clause 34. Hence, I move:

That all the words after 'That' be omitted with the view of inserting in place thereof the words 'this house refuses to read this bill a second time until the government gives a guarantee that no small business, which is currently exempt, will become liable for payroll tax or for increased payroll tax as a result of this legislation'.

The opposition regards the imposition of that tax as both a significant breach of the promises and undertakings of the government and a regressive and anti-business tax that will affect growth. Those changes go against what the government says it is on about. It is an inappropriate tax to be levying, particularly when the government's stand has always been that payroll tax is a tax on jobs, and the Minister for Industry and Employment confirmed that position earlier. It is a further tax on jobs. Or, as I said earlier, a further tax on those who lose their jobs. It is a tax on unemployment!

The opposition believes that is not the correct way for this or any other government to proceed and therefore requests that the government withdraw the bill, reconsider its position and resubmit it with the following guarantees: that it will not have an adverse effect on those small businesses that currently are not at all liable for the payment of payroll tax; that it will not itself force any business to pay payroll tax; and that payroll tax, if it is to continue to be levied, will be levied as a result of increased employment and increased payrolls due to the growth of business.

The Treasurer should be prepared to have another think about that misguided measure or at least guarantee that its implementation will not lead to the scenarios I have been painting. The opposition regards that provision as very important. Unfortunately, because of its commitment not to vote against budget-related measures, it simply asks the government to come forward with some guarantees.

Other provisions of the bill also require comment. The bill amends the Business Franchise (Tobacco) Act 1974 and essentially tightens up its application, particularly regarding the inspection and recording of goods being transported at any given time. In his second-reading speech the Treasurer referred to industry operators who act somewhat unscrupulously, finding any loophole to avoid the payment of the franchise fee on tobacco products.

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The opposition fully supports moves to close such loopholes and has no problems with provisions of the bill that do so.

However, I point out to the Treasurer that clause 6 introduces a new licence application fee. Will he tell the opposition at what level the fee will be set? People in the business community are entitled to know in advance the size of the fee they may be subjected to. I understand the fee will probably be set by regulation, but the Treasurer must have a clear idea of the range in which that fee will be set. That information should be available. I request that the Treasurer, in his closing remarks today, advise us of the range within which the fee might fall.

As I have mentioned, the Treasurer mentioned in his second-reading speech a loophole in collection provisions. There is a history of such loopholes. They have been tightened by this government and previous governments have attempted to do the same. The bill addresses a significant loophole in the handing in of licences.

The Business Franchise (Tobacco) Act is structured in such a way that a person handing in or retiring his licence pays no licence fee in the last 30 days. Some people have bought licences — sometimes a great number of licences — and handed them in, using up what is effectively a franchise-free, 30-day period. By having a huge number of licences and handing them in one after the other, people can effectively avoid paying any franchise fee on the tobacco products they are selling. In many cases huge amounts of tobacco product are bought in that franchise-free, 30-day period.

The opposition has been advised that the revenue loss to the state resulting from such use of the retirement of licences runs into millions of dollars. The opposition supports any moves by the Treasurer to close off that loophole, which is no more than a scam. There is no legitimacy in people using that as a way of avoiding the franchise fee.

Further clauses relate to the Financial Institutions Duty Act. The most significant change proposed to that act is in clause 24. The background to the change is that in 1993 section 9(1) of the Financial Institutions Duty Act was amended to extend financial institutions duty to credits and deposits made across state boundaries on the same account. The amendment was not proclaimed for about two years, however, the banks had been collecting that

duty on transactions since 1982. Technically, they did not have a legal right to do so.

That provision is designed to legitimise those collections and to ensure there is no problem with the banks collecting those taxes. The opposition supports that provision. However, this clause effectively involves retrospective taxation. This government, when in opposition, was very strongly opposed to any concept of retrospective taxation.

Mr Stockdale interjected.

Mr LONEY — I understand that, but it is the principle of retrospective taxation. The argument always put then was that there could be no occasion on which retrospective taxation measures could be justified. I am unaware that the former opposition ever supported any provision of retrospective taxation. The government and the opposition understand this is a very clear example of the need at times for retrospective taxation legislation. I suggest the political expediency of debate should not always be at the fore and that each measure should be judged on its merits rather than the government at times taking the blanket approach which sounds good and which might be politically expedient. The opposition has no problem about the retrospective aspect of this clause.

Further provisions of the bill relate to land tax. In particular, clause 29 amends section 42 of the Land Tax Act and limits the application of that section. That provision relates to disputes between lessee and lessor where a peppercorn rental is involved. That nearly always involves some level of government — either state or local — where a public benefit is involved in allowing a smaller than market value rental to be paid. It provides that in the event of a dispute the Valuer-General will apportion the applicable shares of land tax. The application of this clause will now be limited to leases entered into prior to 30 December 1978.

The opposition has no particular problem with that, particularly since it has been the practice in the majority of cases since that time that all leases entered into have been at market valuations. The widespread application of this clause after that time would not really be significant.

The opposition does not object to this particular clause because during the briefings it received the Department of the Treasury and Finance provided assurances that sporting clubs, community groups, neighbourhood houses and that sort of body would

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not be adversely affected by it. Subject to the qualification in the assurances given to the opposition, there is no problem with that clause.

I must say, however, that given the revelations this week about the collection of land tax, one wonders whether we should be doing anything in the land tax area until we sort out what is happening in the State Revenue Office. The reports this week of the \$104 million error, if you like, in the land tax ledger and the inability of the State Revenue Office to tell us who made the payments amounting to \$104 million is somewhat worrying to the public, particularly to those who pay land tax.

Members of the public would like to be confident that when they make a payment the State Revenue Office manages to record them. I would have thought that would be a minimal requirement of the collection of tax, even going back hundreds of years when the Doomsday Book was used. Today you can look that up to find out who paid tax all those years ago, but we cannot walk into the State Revenue Office today and find out who has paid land tax this year. Perhaps we should carefully examine the circumstances to ascertain where the land tax has been paid and to which properties it applies.

The other worry is that if you do not know who has paid the tax you do not know who has not paid it. I suppose the office will send another letter which says, 'Can you tell us whether you have paid your land tax?'. Without casting any aspersions, there might be one or two people out there who think, 'Here is a gift; of course I will advise the State Revenue Office that I have paid my tax'. If we are to have confidence in the tax arrangements we need to do better than that.

It is a pity that the reply from the State Revenue Office about this matter refers to the changeover in computer management, the records and so on. It is a pity that, despite the huge amounts being spent on new technology and the huge amounts spent on creating a better working environment and a more efficient system of operation, the old Dickensian clerk sitting on a high stool with a pen and ink did a better job. You knew the records exactly then!

It is interesting that the first response from the State Revenue Office has become a standard response from this government to all sorts of things when a report comes out that shows something is amiss, not quite right or does not tally with what we have been told. The response is always, 'It was a draft report'. It does not really stand up. We seem to be getting a

huge number of draft reports from the government lately and all of them indicate that what is going on is not quite right.

The bill also makes changes to the Stamps Act in two ways. Firstly, it contains changes of a technical nature that relate to trading between brokers and effectively bring Victoria into line with the other states. Of course the opposition has no problem with that — they are adjustments to the system we are currently running which will allow better management and bring Victoria into line with the other states.

However, the further amendments to the Stamps Act envisaged in the bill are worth more detailed comment. Clause 44 actually introduces a new subdivision (5A), which provides that if another state government lowers its stamp duty level either to attract new business or to force other states to follow, stamp duty payable on an interstate transaction by a Victorian registered company will attract a top-up stamp duty rate in Victoria to bring it up to the rate currently applicable in Victoria. As I mentioned, the clause will apply to any company registered in Victoria.

That change does not worry us immediately because Victoria is currently in line with the other states as a result of actions taken earlier this year after Queensland initiated changes in other states by lowering its rate. However, we should look carefully at what the change actually does and what it says about principles of taxation. If at some time in the future a business registered in Victoria went off and purchased something which was lodged with an interstate broker and a lower rate were applicable in the other state, the company would not get the benefit of a lower stamp duty as it did from the changes made earlier this year. Instead, it would receive an additional tax bill from the Victorian government for the difference between the rate applicable interstate and the Victorian rate. The provision is applicable only to Victorian companies registered in Victoria.

Mr Stockdale interjected.

Mr LONEY — Yes, but it must be registered in Victoria. In the briefing it was explained why, if that situation arose at some time in the future, companies would not register elsewhere, such as in another state, to avoid having to pay the higher rate in Victoria. It is important to point out that at present we are talking about a hypothetical situation. It does not exist now. The answer from Treasury was that it

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is very costly for a company to go off and register in another state, so it would prefer paying the minimal amount of stamp duty involved rather than paying the increased change-of-registration fees. However, I suggest it could well work against new registrations.

If the situation envisaged by the clause eventuates in the future, companies wishing to register for the first time would surely see it as being in their interests to go and register somewhere else so that they would not attract the higher level of tax in Victoria. It seems that this is an attempt to insulate Victoria from interstate competition — the sort of competition that occurred earlier in the year with Queensland. It seems to be markedly against the flow of the government's rhetoric.

The government's action will effectively allow Victoria to entrench a high tax regime in relation to these matters. That is certainly against the spirit of direct comments of many government members that the government is on about lowering these taxes — in fact, this clause effectively entrenches a higher tax regime in Victoria.

I wonder whether the Treasurer would also consider giving a rebate to Victorian-registered firms that might do some deal interstate where the tax was higher than in Victoria. That is the corollary of what he is proposing in the bill.

The opposition does not oppose the bill in its totality and will not vote against this budget-related measure. However, the reasoned amendment has been moved to allow the government to give some guarantee that what it is doing will not adversely affect small businesses in relation to payroll tax. I hope the Treasurer will provide those guarantees in his concluding remarks.

Mr BRACKS (Williamstown) — I support the remarks of the honourable member for Geelong North. I will talk about the State Revenue Office, the agency charged with the responsibility for collecting taxation in this state. As the Treasurer is aware, I have had some interest in the operation of that office throughout this year — through its restructure and through the unfortunate situation revealed recently in the Age of a draft audit report indicating that something like \$104 million in receipts and moneys collected for land tax is unaccounted for. If the situation is not rectified it effectively means there is no way of accounting for how many or which taxpayers — bodies, organisations and individuals — have paid the \$104 million. Therefore, there is no way of working out whether people have

or have not paid or of assessing their liability. It is a matter of concern in an agency that is charged with the responsibility of collecting payroll, land and other taxes.

My concern is one I have expressed before in this house and publicly. It revolves around the restructure of the SRO that has been going on all year. The SRO has essentially received treatment that no other agency has received. It has been allowed by this government to spill all positions, senior as well as junior. The government has had consultants in advising on new structures and bringing in new personnel at all levels, even before existing staff have been redeployed. It has been an extraordinary situation all year. Positions have been advertised and people have been recruited down to the AM1 level — a very junior level. The SRO has been seeking new positions when employees who have given dedicated service to it are currently on the redeployment list, taking packages or still waiting on future appointments.

The situation came to a head, as the Treasurer is aware, during this year when about 15 senior tax officers who had given lengthy service to this state in the SRO — some served for 40 years and the minimum length of service was about 10 years — were placed on a floor of the SRO with no work to do and were not offered a package to leave the service. Their experience, built up over many years of taxation collection, was not used by the government. That culminated in the government being so embarrassed by the revelation that around \$500 000 was being spent each year on senior tax officers doing no work at all, that it eventually caved in and offered redundancy payments in the form of targeted separation packages to those officers.

The government was prepared to wait those people out in the hope that they would leave the service and find other jobs. It is not easy to find another job if you have given 40 years of loyal service to the state collecting land tax, payroll tax and other tax arrangements. These officers were treated in a very summary fashion.

The matter came to a head when most of the officers were given only 5 minutes to clear their desks. They were told to pack up and get out of the building in 5 minutes in case they actually took some property. Because their jobs were going and because there was no job for them to go to it was feared they may do some damage to the organisation.

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I seek an assurance from the Treasurer that the SRO has the capacity to undertake the task given it — the task this amendment bill requires that it do, and a task it appears not capable of doing given that the draft audit report reveals that \$104 million of land tax collected cannot be accounted for.

I would like the Treasurer to address this issue and report back to the house. I believe the situation is totally attributable to the run-down of the SRO, its restructure this year, its lack of regard for the loyal service of senior officers who have worked for this state for many years, and its lack of regard for the service in bringing in new people who do not understand the tax system in this state.

Consequently, it is no surprise to me to see this sort of thing occurring.

I seek from the Treasurer an assurance that he will institute a departmental investigation of the SRO and undertake to the house that the government has the capacity to deliver what this house wishes it to deliver.

Mr STOCKDALE (Treasurer) — With the one exception of some rather intemperate allegations, I thank honourable members for their contributions and the thoughtful way their contributions were delivered, as well as for the fact that the opposition supports many of the measures in the bill on grounds that I think have wide support within not only this Parliament but Australian parliaments generally. Notwithstanding constitutional limitations in some cases, I think there is a broad consensus that, whatever the tax system in the state, it should be applied fairly to all taxpayers, and that the Parliament should seek to crack down on those who use artificial avoidance schemes or evasion techniques to effectively impose on others obligations they are not prepared to fulfil themselves.

I certainly appreciate the support of the opposition for those measures and draw attention to the fact that when the present government was in opposition the then government took similar action, and I think without exception it had the support of the opposition in taking those measures. So there is a history of the Parliament sending to people who seek to circumvent our tax laws the message that the Parliament will continue to act diligently against them.

In respect of the honourable member for Williamstown's contribution, I should not let the debate go further without rebutting the suggestions

he has made. It is true that in the SRO and elsewhere — not just in Victoria but in Australian governments generally — the concept of a job for life, irrespective of performance, has gone. In the interests of taxpayers generally, and in the long run in the interests of employees themselves, it is a good thing it has gone. The SRO has been benefiting immensely from the leadership of Mr Griffiths and his team. Since he came in, having been recruited by the previous government — I think from the Australian Customs Service — he has brought a fresh and professional management approach and his management team has inculcated that approach right through the ranks of the SRO work force.

It is true that as part of the restructuring positions were spilled and recruitments were made. On the ground of merit the best applicant was appointed to the position. In some cases that meant employees, even long-serving employees, were not given positions in the SRO on a continuing basis. With one minor exception — an outsourcing where there was not the sensitivity the government and management would want to see displayed — the general handling of those difficult steps by the management has been very sound. The SRO has gone out of its way to counsel and assist employees, to outplace and to treat employees with dignity. I do not think the reflection the member makes in general terms upon the SRO is warranted at all. Its management has not only been very efficient but sensitive, and I believe it has the strong support of the general body of the work force. That is certainly the impression I get when I make regular visits there.

I have no doubt whatever that the SRO is adequately resourced for its task, and it is subject to scrutiny on an ongoing basis by the Treasury. There is no need for any special sort of inquiry. There are routine accountability mechanisms in place which would disclose any deficiency. Indeed, I think one of the strengths of the SRO is that the new management is constantly scrutinising its own activities and acts quickly to remedy the inevitable defects.

Nobody can run an organisation that collects revenue on the scale the SRO does without occasionally having glitches in the system. The test is not whether its staff are immune from making mistakes but whether they act quickly and sensitively to correct the mistakes. I do not accept the criticism of the honourable member. His reference to the \$104 million figure that received publicity in the *Age* this week is close to a total beat-up. In fact there was a discrepancy between two ledgers. The error was detected almost

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immediately and quarantined in the SRO's accounts, and corrective actions were taken to make sure it was overcome.

I am advised that there was no impact on any taxpayer. It was simply an inadvertent computer-generated error in one ledger that did not then reconcile with another ledger. The strength of the systems is that although it was a computer-generated error it was picked up by the system and corrective action was taken. Quite properly an audit was instituted. The audit is very frank and obviously tends in the direction of sound management that additional matters were the subject of attention in that report. Far from being an example of failure, it is an example of the strength of the systems and an example of the efficiency of the SRO in immediately recommending those defects.

I draw attention to the fact that last year the Auditor-General in his audit commented upon the need for the SRO to follow up quickly on lapses in reconciliations between ledgers, and that no doubt accounts for the fact that on this occasion it was followed up very rapidly. The significance of this error having occurred in February — that is during the last financial year — is illustrated by the fact that the Auditor-General has signed off the accounts of the SRO this year without making any qualification in respect of that matter. So it was a glitch, as it were, in the processing of what are very complex transactions, which was remedied as quickly as was humanly possible. As I say, it illustrates the strength of the systems rather than being a case where there was an unremedied failure.

It is certainly true that during the re-engineering process in the SRO substantial changes were made to the computer system and, as is normal with projects on such a scale, they inevitably throw up a development phase when improvements continue to be made and where bugs are worked out. Anyone who works with computers will know that is a normal part of the improvement process. It has not affected the effectiveness of the SRO in revenue collection or in terms of its relationship with taxpayers. Indeed, the medium and long-term benefit will be a much stronger, better equipped and more efficient SRO. If the honourable member were to approach the commissioner he would be given ample evidence of the fact that the SRO has been substantially improving its effectiveness.

It is common, particularly in the area of stamp duties, for me to get unsolicited comments from practitioners, particularly solicitors and accountants,

about the tremendous improvement in customer service orientation of the SRO during the past few years. That is not something that this government alone can take credit for.

Mr Griffiths was recruited under the former government, and some of the measures now in place were commenced during that time. We have strongly supported the reforms that were begun in the time of the former government, and I believe the taxpayers of Victoria are being well served by the SRO, although in some cases the office is a bit gung-ho in pursuing particular cases — we have had to caution people. That is the nature of tax-collecting agencies, and the balance that is required through members of Parliament raising cases is a strong part of the accountability mechanism of the executive government.

I understand from the flow of correspondence I see that the SRO has good relationships with members of Parliament. It is a sound organisation and a good example of the benefits of the new business management approach to government service delivery and government administrative operations being introduced around much of Australia.

I shall turn to the matters of substance raised in the bill. The payroll tax matter which was raised initially by the lead spokesman for the opposition is not something the government would embrace with great enthusiasm were it designing a payroll tax system. It is highly desirable that there be broad uniformity about the tax base across the state. That uniformity reduces the scope for artificial avoidance schemes. It places some pressure on states not to introduce initiatives that are not common in other states because of the competitive considerations to which the honourable member referred.

In a West Australian case called *Abrasiflex Products (WA) Pty Ltd* it was held that payments made as a reward for service to employers at termination would be subject to payroll tax. As a result of that decision and the pre-existing law in a number of jurisdictions, the payments now made subject to tax in Victoria were taxable in Western Australia, South Australia, New South Wales, the ACT and Tasmania. I am advised they were not taxable only in Queensland and the Northern Territory. The Victorian government is merely acting to bring our tax base into line with the rest of the Australian states so that Victoria is not disadvantaged compared with other states and so we do not have the promotion of artificial schemes designed to take

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advantage of differences in the way a tax applies from one state to another.

We do not like imposing new taxes and we are conscious of the impact they have on business, particularly small business, but because we are acting to bring our tax base into line with the majority of other states on this single issue, the government will not support the reasoned amendment moved by the opposition.

In relation to clause 6, the fees for the consideration of wholesale tobacco licence applications are designed to recover the costs that the commissioner incurs as a result of the new, more rigorous scrutiny of applications in order to weed out those who seek to abuse the system. It is intended to represent a barrier to entry, and although inevitably it will not precisely cover the actual cost in each case — it has not been set — it is to be set at a level that broadly recoups the cost of processing applications.

The honourable member dealt with tobacco tax legislation and the form in which it is levied. This franchise fee, rather than a tax, takes this form because of the constitutional limitations about which no-one in Australia is happy. The commonwealth would no doubt be happier if it were not asked periodically to set up protective measures should the High Court rule some of these taxes invalid. The states are unhappy with them because we are driven increasingly to artificial arrangements in order to minimise the risk of their being held constitutionally invalid.

The matters to which the honourable member referred arose from the constitutional limitations. In order to make the tax valid we have to levy it in the form to which he drew attention, and that raises scope for people to use these ramping-up schemes. We are moving to bring our legislation more into line with that in New South Wales — New South Wales does not seem to have had the same degree of problem — and we are hopeful that will lead to a reduction in or the elimination of these tax avoidance schemes.

In relation to regularising of the financial institutions duty, the honourable member might be excused — I am not sure he was here at the time — but even during the time of the former government the coalition opposition indicated that under certain circumstances it would approve and support the imposition of retrospective adjustments. This is a kind of retrospective adjustment to validate what I believe almost everybody regarded as the proper

interpretation and application of the FID. Were we now to overturn it or not regularise it, we would have a chaotic position in industry, commerce and even in the dealings of individuals with their banks. In that sense it is retrospective, but only where the tax has been paid. For that reason it does not impose any new obligation on anyone who has not paid the tax. The position of people who pay under protest, who had proceedings pending, is protected by the limitations in the bill.

In relation to the share transfer duty issue, the Victorian government is not opposed to tax reform to remove the tax on these highly mobile transactions. The purpose of this legislation held in reserve is to ensure that next time there is any proposal in Australia to eliminate stamp duty on share transfers it is done by way of some sort of national consideration and not unilaterally imposed by a jurisdiction that has much less to lose. Queensland lost something in the order of \$15 million, whereas Victoria and New South Wales stand to lose more than \$300 million from changes in stamp duty. These processes have been set up not to frustrate the tax reform, should it be initiated again, but to ensure it is a negotiated reduction with proper recognition of the interest and the disproportionate impact on Victoria and New South Wales. It does not have the impacts to which the honourable member alluded because companies can change their place of registration only with the approval of the Attorney-General.

In the real world the company is relatively indifferent as to whether the shareholder pays a higher rates of duty or not. It is the shareholder who is mainly impacted on. This provision minimises the risk of a departure by any jurisdiction from what is the norm across Australia, and for that reason it protects Victoria against the sort of competitive disadvantage to which the honourable member referred. For those reasons I commend the bill to the house.

House divided on omission (members in favour vote no):

Ayes, 49

Ashley, Mr	McLellan, Mr
Bildstien, Mr	MacLellan, Mr
Clark, Mr	Napthine, Dr
Coleman, Mr	Paterson, Mr (Teller)
Cooper, Mr	Pescott, Mr
Davis, Mr	Peulich, Mrs
Dean, Dr	Phillips, Mr
Doyle, Mr (Teller)	Plowman, Mr A.F.

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Elder, Mr
Elliott, Mrs
Finn, Mr
Gude, Mr
Heffernan, Mr
Honeywood, Mr
Hyams, Mr
Jasper, Mr
Jenkins, Mr
John, Mr
Kilgour, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McGill, Mrs
McGrath, Mr J.F.
McGrath, Mr W.D.

Plowman, Mr S.J.
Reynolds, Mr
Richardson, Mr
Rowe, Mr
Ryan, Mr
Smith, Mr E.R.
Spry, Mr
Steggall, Mr
Stockdale, Mr
Tanner, Mr
Tehan, Mrs
Thompson, Mr
Traynor, Mr
Treasure, Mr
Turner, Mr
Wells, Mr

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

Remaining business postponed on motion of Mr STOCKDALE (Treasurer).

ADJOURNMENT

Mr STOCKDALE (Treasurer) — I move:

That the house do now adjourn.

Hallam and Pound roads, Hampton Park

Mr PANDAZOPOULOS (Dandenong) — I ask the Minister for Public Transport to raise with the Minister for Roads and Ports in another place the population explosion in the Hampton Park area and east of Hampton Park, resulting in traffic problems, particularly at the intersection of Hallam and Pound roads, which has a roundabout.

Since 1992 the population of Hampton Park has increased by 3500 people. Most live east of Hallam Road and south of Pound Road. In addition, more than 2000 people now live in Narre Warren South and the southern part of Berwick, and they use the road network to get to their homes.

In other words there has been an increase in the regional population using Hallam and Pound roads of 5500 since 1992. My electorate is the fastest growing residential electorate in the state. As a result there are all sorts of infrastructure pressures on local roads. My office has been contacted by Mr Jim Carter and Mrs Lisa Perry who live at the intersection of Pound and Hallam roads. They tell me never have they seen that intersection as bad as it is today. They say it is worse because of the population explosion and the increase in regional population that uses Hallam Road.

The problem has been exacerbated because the Hampton Park shopping centre has expanded to service the population in Hampton Park. The shopping centre is located on Hallam Road, therefore, more vehicles are using that road.

Noes, 21

Andrianopoulos, Mr	Hamilton, Mr
Baker, Mr	Loney, Mr
Batchelor, Mr	Mildenhall, Mr
Bracks, Mr	Pandazopoulos, Mr (Teller)
Brumby, Mr	Sandon, Mr
Carli, Mr (Teller)	Seitz, Mr
Cole, Mr	Thomson, Mr
Cunningham, Mr	Thwaites, Mr
Dollis, Mr	Vaughan, Dr
Garbutt, Ms	Wilson, Mrs
Haermeyer, Mr	

Amendment negatived.

Motion agreed to.

Read second time.

The SPEAKER — Order! Because it is after 4.00 p.m. sessional orders now apply.

Remaining stages

Passed remaining stages.

FISHERIES BILL (No. 2)

Second reading

Debate resumed from 12 October; motion of Mr COLEMAN (Minister for Natural Resources).

Motion agreed to by absolute majority.

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

I ask the Minister for Roads and Ports to seriously consider providing funds for the upgrade of the Hallam and Pound roads intersection. The reason we have this problem is because of the increased population. The problem did not exist in 1992 as it does today. The residents in the area have seen the 3-cent-a-litre levy for roads imposed and their motor registration fees doubled. However, they have not seen any of that money returned to Hampton Park. Residents of Hampton Park think it is about time the government took their needs seriously. They look forward to the state government's support in funding important roadworks in that area to ensure the safety of that road network.

ALP: mail-outs

Mr ROWE (Cranbourne) — In the absence of the Attorney-General I direct for the attention of the Treasurer a mail-out sent to constituents in the Dandenong electorate. It was brought to my attention by one of my constituents who was very much intimidated by it. It is a mail-out from the Australian Labor Party and I want the Attorney-General to look at the legalities of this particular document because it has caused great concern among pensioners in the electorate of Dandenong.

The mail-out is full of lies, innuendoes and scare tactics aimed at attacking our older, frail people in our community whom we should be looking after and protecting. I hope the mail-out does not continue to be forwarded anywhere else in Victoria. I ask the Attorney-General to look into the legality of the mail-out because it purports to be raising funds for the purposes of fighting the privatisation of the SEC in Victoria.

Subsequent events have occurred that cause me to believe the whole document is a lie. Apart from what it says about privatisation and the innuendoes about keeping candles in the drawer, I note that the *Age* of this week states, 'State ALP cash crisis'. The ALP is trying to frighten the senior citizens of our community, trying to coerce, con and deprive them of their pensions and their hard-earned savings by purporting to do something it is not. All it is doing is raising funds from our elderly, infirm, and frail to prop up the coffers of the failing ALP.

How can this opposition possibly hope to run the state of Victoria when it cannot even run its own party without getting into \$500 000 worth of debt? The ALP has no right to claim any economic credentials at all because it cannot even run its own

party without going into debt. It set the state into debt; it plummeted the state into bankruptcy and now it is doing it to its own party.

If the ALP were to get back into government in this state what would it do? It would bankrupt it! It would rape and pillage trying to obtain money from our senior citizens. It would take money from our children, our schools and anybody else just to support itself!

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

Medicare: ADD rebates

Mr COLE (Melbourne) — I raise a matter for the Minister for Health. I have been approached by a community group in my electorate which deals with the condition of attention deficit disorder, a disability predominantly affecting young children and adolescents. As of 1 July 1995 neurometric assessments for ADD will not be rebated by Medicare. That decision was made without any consultation with either the Serfontein Clinic in Sydney, which does the tests, or users, carers or other health professionals.

The tests act as part of the paediatrician's armoury in diagnosing the disorder. The federal government has decided to remove them from the Medicare rebate. That is of great concern to me. However, my main concern is to obtain from the minister some understanding or at least an undertaking that the illness is to be treated as a medical condition in Victoria.

I ask the minister to ensure that the fact that the tests performed by the Serfontein Clinic are no longer eligible for a Medicare rebate is not symptomatic of a view that ADD is not a medical condition. I note that the debate in federal Parliament recently saw the member for Port Adelaide excel by saying it is not a disease but a disorder. So what! It still requires considerable medical treatment, as most disorders do.

It is not, in my view, merely a behavioural problem. There are clear indications that it is a medical disorder and should be treated as such. The fact that, unlike many physical illnesses, it is subject to variations in its interpretations and diagnosis and may form part of normal adolescent behaviour does not mean we can dismiss the medical condition altogether either generally or individually. The perceived uncertainty about these conditions and

the ability to dismiss them because of the external factors associated with them does not mean that we should disregard the illness altogether.

I wish to have the minister's view on this issue, and ask her to take up the matter with her federal counterpart. I am sure she will do this because I believe she is concerned about this issue. It is very poor form to withdraw such a service provided by paediatricians without consultation, and possibly because the federal minister does not believe in the medical basis for these illnesses.

It would be of great concern to me if such an action has been taken and such a judgment has been passed summarily on people who suffer from these illnesses.

Abattoirs: quality assurance programs

Mr JASPER (Murray Valley) — I refer the Minister for Agriculture to the meat industry. The house would be aware that prior to the change of government in 1992 control of the Victorian meat inspection services was transferred to the federal authority. Concern was expressed about the costs involved in meat inspection generally, but with the change in government there was a changed attitude and the Victorian Meat Authority came into operation in early 1994.

Recently I visited the Wangaratta abattoirs and had discussions with the management. I inspected the abattoir, and management representatives brought to my attention the importance of maintaining abattoirs within the state. They indicated that the quality assurance program being developed in the meat industry is of paramount importance. They believe abattoirs are operating effectively in Victoria but brought to my attention the need to continue the development of quality assurance programs. They also believe the Victorian Meat Authority was operating effectively but were concerned about the continuing operation of the federal authority and the high costs involved.

The Wangaratta abattoir is under the control of the Victorian Meat Authority. I seek from the minister an indication of the progress in the development of the quality assurance program throughout the Victorian meat industry because of the range of abattoirs operating under the control of the authority.

Will the minister also confirm that there will be a continuation of the high standard of public health

and safety within abattoirs that are under the control of the Victorian Meat Authority and what savings have been introduced in Victorian abattoirs to make them more efficient and enable them to provide savings in the provision of cheaper meat not only for Victorians but also interstate, which in turn will provide additional returns to primary producers?

Education: western suburbs

Mr MILDENHALL (Footscray) — I direct to the attention of the Minister for Education the appalling impact of the destruction of the education system in the western suburbs as evidenced by the submissions and activities of the department's own personnel. It would come as no surprise to opposition members to learn that the wholesale school closures, the destaffing of schools where hundreds if not thousands of teachers have been pulled out of the system, and the wholesale destruction of the school support systems have had a dramatic impact on school retention rates both across the state and, in particular, in the western suburbs.

The official figures show that across the state retention rates have dropped from a peak of almost 90 per cent early in 1993 to 70 per cent now, which is almost a 20 per cent reduction. Those former students are not going into the work force, because work force participation rates have remained static. They have joined the unemployment queues and have been left wandering the streets.

The district liaison principal at the Sunshine office, which is in my electorate, has applied to the federal government for funds to restore part of the school support system and provide personal and educational assistance to those young people who are being forced out of the state school system by the state government. The submission for funding partly attributes the desperate need for the program to 'the failure of the system to provide appropriate support at crucial times'. That is what the school support system is about.

Rather than having the beleaguered state school system rely on the federal government for assistance, the minister should intervene to restore funding to the school support system and to the curriculum and personal assistance programs that provide crucial and critical support — as the DLP would call it — to students at crucial times in their school lives. It is nothing short of a disgrace that the minister has pulled so much money out of the system. He ought to review the situation,

strategically place funds back into the system and restore those much-needed support services. Young people in my electorate and in the broader region are suffering badly as a result of those decisions.

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

Firearms: registration

Mr SPRY (Bellarine) — I ask the Treasurer to direct to the attention of the Minister for Police and Emergency Services a matter raised by Mr Wayne Marendaz of Burlington Crescent, Leopold, which concerns alleged breaches of the firearms act. I will quote briefly from parts of his letter:

I have held a shooter's licence for the past 15 years ... approximately 12 years ago I purchased a semiautomatic rifle ... when firearms registration was introduced into Victoria I registered this rifle.

Without any official notification I learn that this rifle is now illegal ... on handing the gun in at Geelong police station I was informed that I would be charged and have my shooter's licence cancelled.

The problem goes back to several firearms outrages over the last decade or so, which we are all aware of. From 1983 to 1988, under a Labor government, some measures were taken to try to address those problems. They included major amendments to the act, including the requirement that all firearms be registered. The rate at which the act was changed and amended had a major impact on the firearms registry, as many of us know. It caused an enormous backlog in the effective registration of firearms. That was due in part to a lack of standardisation in the description of guns, pistols and rifles. It may interest the house to know that there are about 1900 different makes and types of long arms and pistols legitimately available to buyers throughout Victoria.

Remedial action was urgently required in view of those problems, and it resulted in some \$2.5 million being allocated annually to try to rectify the problems. A firearms amnesty was declared. In addition, divisional police districts made concerted efforts to follow up the 85 000 or so firearms that had apparently not been traced.

I applaud the minister on his initiatives in this area. However, Mr Wayne Marendaz was unaware that his registered firearm had become a prohibited weapon, despite a media campaign about the gun amnesty, and he now finds himself facing a possible

criminal charge. I ask the minister to review the situation to see whether the registry can notify each person on its database who is similarly affected, giving people who are unaware that they are breaking the law the opportunity to rectify the situation.

B-double trucks

Mr THOMSON (Pascoe Vale) — I ask the Treasurer to draw to the attention of the Minister for Roads and Ports in another place concerns in my community about allowing B-double trucks on arterial and secondary roads.

In July this year the state government gave B-double trucks access to major arterial roads despite the fact that they had previously been banned from Victorian roads. That authorisation has since been extended to secondary arterial roads such as Pascoe Vale Road, parts of Glenroy and Wheatshaf roads, Barry Road, Camp Road and Somerton Road. That is of major concern to local councils, schools and members of the general community.

The City of Moonee Valley has said that B-double trucks have the potential to have a great impact on residential amenities and traffic queuing because of the narrow lanes and small-radius kerb returns at intersections such as those at Ascot Vale Road and Maribyrnong Road and Buckley Street, Waverley Street and Lincoln Road. It asks that the Minister for Roads and Ports in another place be advised of its concerns and that he provide appropriate funding for the traffic treatment works that are required because of the government's decision.

B-doubles should not have been allowed on those roads in the first place. That is also the view of local school principals, such as those at Westbreen Primary School, Pascoe Vale Girls Secondary College and Box Forest Secondary College. They believe that B-double trucks travelling along roadways such as Wheatshaf Road, Plumpton Avenue, Rhodes Parade and Pascoe Street will pose a danger to students. They say those residential streets are simply unsuitable for B-double traffic.

One of the former government's greatest achievements in my electorate was the construction of the Western Ring Road and the implementation of night-time and weekend truck curfews along Pascoe Vale Road. The change by the Kennett government runs counter to the objective of ensuring that trucks stay on the Western Ring Road, which is designed for them. The decision to allow B-double trucks to

travel along secondary arterial roads and residential streets will achieve the exact opposite of what the government is trying to achieve with City Link by apparently forcing traffic onto the freeways.

The minister is on the wrong path. I ask him to review that decision in light of the strong community concern which has been expressed by the cities of Moreland, Hume and Moonee Valley about the impact on their communities of B-double trucks.

Glen Eira: bike paths

Mrs PEULICH (Bentleigh) — I ask the Treasurer to draw to the attention of the Minister for Roads and Ports and the Minister for Conservation and Environment in another place the issue of bike path strategies — and in particular, the bike path along East Boundary Road between Centre Road and South Road in my electorate.

I understand bike paths can be established by Vicroads and Melbourne Parks and Waterways, which match council funding on a dollar-for-dollar basis. My area has a bike path strategy, which I initiated when I was a councillor of the former City of Moorabbin some years ago — and it is good to see it developing. However, in the recent past a bike path has been incorporated into a traffic lane along that stretch of road, which unfortunately does not serve the students who use it very well. Despite all the bike education programs and the like, the students are very reluctant to use bike paths that are not exclusively designated for cyclists, and problems have occurred along that stretch of road as a result.

Recently Moorabbin City Secondary College wrote to me requesting my assistance in the provision of designated bike lanes on both sides of East Boundary Road between Centre and South roads. The request is based on concerns for the safety of students riding to and from school. Although a bike lane does exist north of Centre Road and at the Centre and South roads intersections because of the provision of additional room in the lane, it is not exclusive and is still very much a danger and a psychological barrier to the effective usage of that bike path.

It is consistent, unfortunately, with the bicycle network master plan for the City of Glen Eira as well as the state of Victoria. The bike plan has been derived through Bike Moorabbin, the bicycle user groups of Moorabbin and Bicycle Victoria.

However, my fear is that many of those strategies are designed to cater for adult users as opposed to children and students, especially children in primary school. I ask the ministers responsible to look at this problem to see whether it may be possible to establish a designated or exclusive bike path for that stretch of road and also generally to review bike path strategies to enable more students and children to use the paths and perhaps target them better, rather than aiming it at adults who have a greater degree of confidence in negotiating cars and weaving in and out of traffic. I believe it is a very important matter and government action could certainly avoid a nasty accident. I ask the ministers to consider the issue.

Brimbank: home and community care

Mr SEITZ (Keilor) — I raise a matter for the attention of the Minister for Community Services; it is a shame he is not in the house to listen to this. As it is a money matter I will direct it to the Treasurer.

The issue concerns the slashing by almost half of the home and community care service funding for the City of Brimbank in the western suburbs, which is of great concern to the City of Brimbank and the people I represent. The reduction in funding by nearly half means severe cutbacks on the services for an area that has a great community service in aged care. Aged people of all nationalities over the past two or three years have begun to appreciate and understand the work that is done and the care and services that are available in their own homes delivered by local government and other service providers.

I ask the Minister for Community Services to re-examine this situation. I understand that either he has had a meeting with the community services director of the City of Brimbank earlier this week or he will have it on Friday. It is very important that when the minister meets the City of Brimbank representatives he looks at this matter seriously and makes a readjustment, because the needs within the City of Brimbank, particularly for the home and community care program, make it essential to provide a service to the community.

The ethnic communities in the City of Brimbank have been encouraged to use the mainstream services, which is a good and progressive thing for all, but now they seem to be cut off from most services because of the funding cuts. The commissioners of the City of Brimbank cannot find that money from their own budget because they

have a government directive to keep the rates down by 20 per cent.

The government's decision to reduce funding for those services will mean that the people will suffer and the service and the work that has been done will be lost. The community will lose confidence in the home and community care program if it cannot be developed further and have the services provided.

We went to a lot of trouble with the former cities of Keilor and Sunshine to build up the service. The federal government was building a new centre, but all the effort has gone to waste.

Bamford Avenue and Mickleham Road, Westmeadows

Mr FINN (Tullamarine) — I ask the Treasurer to direct to the attention of the Minister for Roads and Ports in another place a matter I find distressing. Over the past couple of weeks a white cross and a wreath have been left at the intersection of Bamford Avenue and Mickleham Road, Westmeadows, to signify to passing motorists where a motorcyclist was killed in a motor accident a short time ago. I have since received a number of representations from constituents in the Westmeadows area regarding the safety of that intersection. I request that the problems at that intersection be drawn to the attention of the minister and, through him, to the attention of Vicroads.

Residents of Westmeadows have been trying for some time to have something done about the intersection. They have been saying if nothing was done somebody would be killed. Unfortunately, somebody has been killed. It is sad that often somebody has to be killed before there is any action on such matters. That intersection will continue to be of concern because traffic flow is exploding as Greenvale and Roxburgh Park continue to grow.

Mickleham Road is increasingly busy, and the situation will get worse unless it is addressed as soon as is humanly possible. At the moment motorists have enormous trouble getting out of Bamford Avenue. The Minister for Roads and Ports and Vicroads must turn their attention to that intersection as soon as they can to avoid another tragedy of the sort that occurred just a couple of weeks ago. I hope the problem can be fixed before another tragedy occurs.

Responses

Mr W. D. McGRATH (Minister for Agriculture) — The honourable member for Murray Valley spoke on the meat industry in Victoria and the government's policy of deregulation. The Victorian Meat Authority has been outstandingly successful in driving through the reforms embodied in the legislation. About three months ago M. C. Herd at Geelong received the ISO90002 accreditation. It is the first abattoir in Victoria to receive that accreditation — a great tribute!

Some 48 domestic abattoirs in Victoria are all undertaking quality assurance programs. That will ultimately lead to their having a quality assurance protocol for the supply of product. Approximately 90 of Victoria's 140 or 150 boning rooms also aspire to quality assurance programs. That will result in quality assurance protocols which should lead to ISO accreditation.

Victoria is seen as being at the forefront of the meat industry in Australia. When the Garibaldi fiasco hit the news the South Australian government moved immediately to put into place legislation similar to Victoria's legislation. I hope that the federal government sees the need for the export meat industry to adopt quality assurance practices supported by random audits. Such audits are undertaken in Victoria by SGS, an international company, to ensure the preservation of public health safety.

In the past 18 months meat inspection costs in Victoria have dropped from \$9 million to \$5 million. In addition, the Victorian Meat Authority has been able to achieve a 15 per cent reduction in the licence fees for boning rooms and abattoirs. The Victorian government has responsibility for only the domestic meat industry, but it would be great if, in the future, the federal government could move quickly towards driving quality assurance programs and greater efficiency in our export program. If you benchmark our export industry against America, Argentina or New Zealand post-farm gate in processing and transport costs you see we are about 25 per cent less efficient than those countries. That is a hurdle that must be overcome when we try to capture markets in Asia.

The Victorian Meat Authority has done well in getting our meat industry in order. I hope other states and the federal government pursue similar policies to bring about those efficiencies in the Australian meat industry.

ADJOURNMENT

1108

ASSEMBLY

Thursday, 2 November 1995

Mr STOCKDALE (Treasurer) — I shall refer the matters raised by the honourable members for Tullamarine, Keilor, Bentleigh, Pascoe Vale, Bellarine, Footscray, Melbourne, Cranbourne and Dandenong to the appropriate ministers.

On the matter raised by the honourable member for Dandenong, he appears not to be in line with the policy of the opposition in that he has requested that money be spent on road transport initiatives in his electorate when the opposition has committed all available resources for roadworks to constructing approximately half the City Link project! Were

Victoria to suffer the misfortune of having the opposition elected to office, we would see either the bridge not make it halfway across the Yarra River or the honourable member's project not proceed as all the funding would be used in building half the City Link project!

Motion agreed to.

House adjourned 4.42 p.m. until Tuesday, 14 November.