

Tuesday, 29 October 1996

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 2.32 p.m. and read the prayer.

ROYAL ASSENT

Message read advising royal assent to:

22 October 1996

Appropriation (1996/97, No. 1) Act

Appropriation Parliament (1996/97, No. 1) Act

Forestry Rights Act

Geelong Lands (Steampacket Place) Act

Transport (Rail Safety) Act

29 October 1996

Bank of South Australia and Advance Bank Act

Local Government (Amendment) Act

CORRECTIONS (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. G. R. CRAIGE (Minister for Roads and Ports).

QUESTIONS WITHOUT NOTICE

Industrial relations: reform

Hon. T. C. THEOPHANOUS (Jika Jika) — I refer the Minister for Industry, Science and Technology to the proposed new provisions in the federal workplace relations bill and in particular to amended clause 152, which now specifies that state agreements can override federal awards only if the state industrial system includes an award-based no-disadvantage test. I further refer the minister to press speculation that state employee agreements

could be void, given that they do not pass the award-based no-disadvantage test. Will the minister now ensure that a no-disadvantage test is included in state awards, as has been promised by his Western Australian counterpart, Graham Kierath?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — A majority of members of this chamber would say that one of the most important things that could occur this year to secure economic progress in the medium term is the passage of major industrial relations legislation at the federal level. I am delighted that, despite the obstructive and negative behaviour of the federal opposition, and even though a deal had to be struck with the Democrats, there looks like being substantial progress on the matter.

The one person we all commend is the Honourable Peter Reith. We welcome what he has done and we also welcome the fact that there appears to be a good step forward. I say 'there appears to be' because, as the honourable member would know, there are literally several hundreds of pages of amendments the Democrats propose to move. We are combing through those this week to see the implications and, being fairly worldly about Parliamentary processes, I guess, we will actually be able to reach a conclusion not after we have read them but after they have been passed in the form suggested.

I am more than happy to look at the individual clause but not to rely, as the honourable member did, on press speculation for guidance and the developing of an opinion.

Victorian Government Purchasing Board

Hon. R. H. BOWDEN (South Eastern) — Will the Minister for Finance inform the house of recent initiatives of the Victorian Government Purchasing Board?

Hon. R. M. HALLAM (Minister for Finance) — I am pleased to report on the latest reforms in government purchasing. The traditional view has been that good purchasing is all about gaining the best prices for paperclips and computer disks, but of course it is much more than that. It goes to the links between that policy and the commercial reforms proposed by the government, and it should be about outcomes. It should be about the function that triggered the requisition for the paperclip in the first

place and whether we need that function; and if we do, how we should deliver it.

It is a matter of fact that when the coalition was elected to government we inherited a centralised purchasing agency which was, to put it kindly, not known for its policies, systems or, indeed, skills. Even more discouragingly, it lacked what we would regard as an appropriate reputation with the private sector. It was clear that we had to do some work in that respect.

We quickly commissioned a review of the entirety of government purchasing arrangements and as a result of that the Victorian Government Purchasing Board was created in 1994 to drive the purchasing reforms in the state. I put it to the house that it has come a long way in the time since its inception.

Last Wednesday I was delighted to participate in a conference hosted by the Victorian Government Purchasing Board, entitled 'Professional Development in Purchasing'. More than 75 delegates attended the conference. They came from as far afield as Purchasing Australia, the Victorian universities, the TAFE colleges, government agencies, local government and industry associations. It clearly brought all the key players to the table.

One of the core areas covered by the conference was training, which is an obvious need, given the substantial sums involved. We are talking about purchases of about \$4 billion a year, of which about \$1 billion is in the budget sector alone. So it is clear that the best possible training needs to be provided. Both public sector employees and private sector providers, keen to maximise their sales to government, could benefit from professionally run and fully accredited courses.

In response, I report that the conference decided to develop a coordinated approach to private-sector driven training and formal education through competency-based courses and that the commonwealth and state governments work together in updating their purchasing competency standards. That review will recognise recent reforms like the strategic outsourcing and the increase in competition.

As I said, it was a very well-attended conference. I launched a new publication entitled *Selling Goods and Services to the Victorian Government*, which I

commend to all members of this chamber. It is a handy publication, which explains and, we hope, demystifies government purchasing and tender processes. In particular it is aimed at small business. I have already congratulated the board on the everyday language that is used in the publication, which is very readable.

This is very good news indeed, particularly for suppliers. The Victorian Government Purchasing Board is leading the way in purchasing policy throughout Australia. In a very real sense I suggest that Victoria is recognised as the centre for excellence. I put it to the house that this is another example of Victoria on the move.

Industrial relations: reform

Hon. T. C. THEOPHANOUS (Jika Jika) — My question for the Minister for Industry, Science and Technology follows the previous question I asked him, in the answer to which he showed how far behind the Western Australian minister he is on this issue.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — I refer the minister again to the proposed amended federal workplace relations bill. Given the minister's praise for Mr Reith, and the substantially greater minimum standards in the proposed federal award system compared with the state system, will the minister indicate whether the government intends to pursue the Premier's commitment to totally hand over the state industrial system to the commonwealth?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — The outcome of any decisions the state government would make on legislation, either in relation to the first question or to this subsequent one, is that we want to see, as we have said publicly time and again, what actually comes of the commonwealth Parliament debate. We want to see what is passed by the Senate. Indeed, if you look at the previous question, asked in the last session, you will see a similar reply.

We want to know what is passed by the commonwealth Parliament. We are wary enough of the Senate to know that we want to actually see what is passed, not what is proposed.

Grand prix: economic benefit

Hon. I. J. COVER (Geelong) — Will the Minister for Tourism advise the house on the latest Auditor-General's report on the Australian Grand Prix Corporation and on the National Institute of Economic and Industry Research report on the economic impact of the grand prix?

Hon. LOUISE ASHER (Minister for Tourism) — I thank the honourable member for his ongoing interest in the grand prix and the Auditor-General's report and the National Institute of Economic and Industry Research (NIEIR) report. As everyone in the chamber would know, on 9 October the Australian Grand Prix Corporation's annual report was tabled, signed off by the Auditor-General. As everyone in the chamber would know also, the Auditor-General subsequently released a further report, which was the subject of significant media comment and comment by Mr Theophanous.

I make the point again that the Auditor-General did sign off the annual report and also made a number of accounting observations on depreciation, set-up costs, and so on, in his subsequent report.

Everybody in this chamber, including members on the other side of the house, was also aware that on 9 October I released the NIEIR report, which was the economic impact statement indicating \$95.6 million economic benefit to Victoria. Indeed I twice mentioned the release of this document in this chamber on 9 October.

The report on the economic impact of the grand prix was widely written up. It was written up in the *Age*, the *Herald Sun* and the *Australian Financial Review*. It was the subject of much discussion on radio and I think all four major television channels that night covered the release of the NIEIR report.

So it came as a great surprise to me when the shadow Minister for Tourism in the other place, Mr Peter Loney, issued a press release. That renowned front bencher of silence issued a press release, which was surprising for two reasons. It was surprising because it was only the second press release he has issued in six months. His first one was the very memorable press release on the subject of Peter Pan; his second was this one.

It was also a very surprising press release because of its content. He called on me eight days after I had

released the NIEIR report — that is, eight days after every single ALP member in this chamber and every news media outlet had covered this particular issue — to release the NIEIR report. I find this particularly disturbing!

Hon. T. C. Theophanous — What did the Auditor-General call on you to do?

Hon. LOUISE ASHER — I do not release the Auditor-General's report; it was tabled. It is very disturbing for me to find out that Mr Loney doesn't read the *Age*, the *Herald Sun* or the *Australian Financial Review*; he doesn't listen to radio; and he doesn't watch television.

Hon. B. N. Atkinson interjected.

Hon. LOUISE ASHER — As Mr Atkinson has just interjected most appositely, I am disturbed that Mr Loney's colleagues do not talk to him.

Honourable members interjecting.

Hon. LOUISE ASHER — Mr Theophanous was well aware of the release of the NIEIR report and clearly had not indicated to his factional colleague that the report had actually been released. All his upper house colleagues knew about the release of the NIEIR report and not one of them conveyed it to Mr Loney. Even Mr John Thwaites, the honourable member for Albert Park in the other place, who put out a press release that was reported in an article that appeared in the *Port Phillip Leader* of 14 October, knew that the NIEIR report was released. Not one of Mr Loney's shadow ministerial colleagues or colleagues in the upper house or factional colleagues was prepared to tell him that the document had actually been released.

Honourable members interjecting.

Hon. LOUISE ASHER — More disturbingly, Mr Loney actually claimed in his press release of Wednesday, 16 October the following:

Amazingly the Auditor-General was denied access to this study —

meaning the NIEIR report — that is, he made a claim that the Auditor-General was denied access to the NIEIR report.

That is blatantly false. Not only did the Auditor-General have access to this study but I am also advised by the Australian Grand Prix Corporation that it voluntarily handed over the document to the Auditor-General without being asked. It said, 'Here is the NIEIR report', yet Mr Loney claimed that the Auditor-General had been denied access to the study. That is a blatant falsehood. Mr Loney is far more effective when he is silent than when he opens his mouth! The Auditor-General made the observation that the NIEIR report was not scrutinised by his office, but the document had been handed over.

The figures have been completely and utterly transparent. I thank Mr Cover for his ongoing interest in the grand prix and, indeed, for his complete knowledge of which documents have been released and which have not. I look forward to the next year's great grand prix, and to hearing Mr Loney's comments on the eighth day after the event.

Cyclists: deaths

Hon. PAT POWER (Jika Jika) — Is the Minister for Roads and Ports able to confirm that the number of deaths of bicycle riders on Victorian roads has more than doubled the number of deaths to this time in 1995? Will the minister advise the house of the action he has taken to establish why this large increase in deaths of bicycle riders has occurred, and does the minister agree — —

Honourable members interjecting.

Hon. M. A. Birrell — You can celebrate death as much as you want! Put some positive suggestions forward!

Hon. T. C. Theophanous — What about deaths in the workplace, Birrell?

The PRESIDENT — Order! I ask both leaders to desist.

Hon. PAT POWER — Will the minister advise the house whether he has taken steps to establish the reason for this large increase in the number of deaths of bicycle riders, and does the minister agree that an expansion of bicycle lanes would significantly assist in reducing those deaths?

Hon. G. R. CRAIGE (Minister for Roads and Ports) — I thank Mr Power for his concern about this most important issue. However, he has failed to see one obvious factor. Yes, there are more deaths of bicycle riders now than in the past, but a lot more people are riding bicycles. Doesn't it make sense that the more people — —

Hon. T. C. Theophanous — Deaths have doubled!

Hon. G. R. CRAIGE — Do you want to listen to what we are doing? Mr Power, the government is doing many things for bicycle riders. Through the State Bicycle Committee and Bicycle Victoria an integrated strategy has been developed for bicycle paths and tracks throughout the state. In reality, the strategy has been developed by people who actually ride bicycles. I ask Mr Power whether he has ever sat on a bicycle.

Hon. Pat Power — Regularly!

Hon. G. R. CRAIGE — Mr Power is trying to make a glorious attack on road safety issues, but he has not once come to me about road safety issues. My door is always open to him and to other members of the Labor Party to talk about positive outcomes but not about trying to get involved — —

Hon. Pat Power — What about bicycle lanes?

Hon. G. R. CRAIGE — Mr Power gets on his little bandwagon but he does not have an overall policy about road safety issues. During the last session he consistently raised questions about what the government was doing about road safety when the figures clearly indicated that more people were dying on roads when the Labor Party was in government. What did the then government do? It did nothing! At least this government is serious about addressing road safety for all road users whether they be bicycle riders, motorcycle riders, motorists or drivers of heavy vehicles. The government has an integrated strategy on road safety called Safety First and it is really working!

Vicroads: multimedia technology

Hon. ROSEMARY VARTY (Silvan) — Will the Minister for Roads and Ports inform the house of the multimedia technology being used as part of the road safety strategy for Vicroads?

Hon. G. R. CRAIGE (Minister for Roads and Ports) — I thank Mrs Varty for her ongoing interest in multimedia technology in this state. Victoria is leading the way in multimedia technology throughout Australia. In partnership with the Transport Accident Commission and the Victoria Police Force, Vicroads has received an Engineering Excellence Award from the Institution of Engineers Australia, Victoria Division. The award is for the development and implementation of the Victorian road safety strategy, Safety First. Features of the strategy include two world-class CD-ROM packages — which were showcased at the most successful Interact '96 multimedia expo — called Motorvation 2 and Crashstats. Their development signals the government's determination to use the most advanced technology available to get important road safety information across to the public.

Motorvation 2 is a resource for use in the community and in particular in schools to assist young people who are about to drive for the first time. It combines classroom activities and an interactive multimedia CD-ROM to attract students and promote effective learning. Students enter a fully interactive world in which they are challenged to test themselves against real-life driving problems. It will help students to better understand how to be safe drivers when they first take to the road.

The second CD-ROM package, Crashstats, is an important new tool for tackling road safety problems in local areas. It contains details of some 80 000 road crashes in Victoria based on police data for the years 1991-95. It enables road authorities, local government, police research organisations and schools to obtain accurate information about where road crashes actually occur and the incidents relating to those road crashes. This is cutting-edge technology. It introduces technology to young people who one day will be driving on our roads. This is another initiative the government has taken to address road safety issues.

Hospitals: readmissions

Hon. M. M. GOULD (Doutta Galla) — I refer the Minister for Health to the fact that the number of people returning to hospital unexpectedly after discharge has increased by 3400 a quarter — more than 11 per cent — in the past three years and I ask: what is the cause of the increase and what action will the government take to halt this alarming trend?

Hon. R. I. KNOWLES (Minister for Health) — It is true that over the past three years the number of unplanned readmissions has increased by 1 per cent, which is a relatively small amount given that the system treats 850 000 patients. We know there has been an increase over the past three years because, for the first time, the government began measuring unplanned readmissions.

The previous government never mentioned it, so we had nothing to compare it with on an historical basis. We introduced the measurement as a way of ensuring that we could monitor unplanned readmissions to try to address their causes. The department and hospitals constantly focus on the issues, particularly clinical practice, to see whether there are reasons why the figure might be higher. As best we are able to understand, unplanned readmissions are not unusually high in the Victorian context, relative to other places.

The average length of stay in hospitals in this state is comparable with other states, including states that do not have case-mix funding. But this government has been up front — right from the start when it introduced case mix and recognised that it had to address a number of issues in operating the hospital system. We introduced concepts like measuring unplanned readmissions; and we looked at putting in place quality assurance measures. I have previously advised the house that we have established a committee under Professor Duckett to specifically look at additional issues. We have established — and so far as I can ascertain we are the first, and only, state to have introduced this — a task force to look specifically at infection rates in public hospitals and a systematic approach to reducing infection rates in our public hospitals or keeping them to a minimum.

The opposition seeks to raise general community concern by taking issues out of context, but the fact that there has been a 1 per cent variation in readmission rates over a three-year period is in itself not a matter for great alarm, having regard to the experience in other jurisdictions.

The government will continue to monitor that issue, and if it is necessary to take action, it will do so to ensure that our public hospital system continues to operate at a high standard by international standards and is as relatively available as it can be to members of this community who need to access it.

Carers: strategy

Hon. S. de C. WILDING (Chelsea) — Will the Minister for Health advise the house of the details of the government's carer initiative strategy, as announced by the Premier last Sunday?

Hon. R. I. KNOWLES (Minister for Health) — This is an important government initiative. Over the past decade or so we have seen a significant change in the focus of the service system, which is trying to maximise opportunities for people to live independently and be supported in a community setting rather than an institutional setting.

That, combined with changing clinical practices and advances in medical science and the pharmaceutical system, has meant that people are generally enjoying increased longevity, even people who suffer from chronic illnesses or who have severe disabilities.

As this has occurred, it has increased the burden on those who undertake a caring role in our community. What is not recognised, understood or acknowledged is that something like 350 000 Victorians undertake very high levels of caring for members of their families or loved ones. They do so voluntarily, often experiencing an enormous burden in carrying out that role. For many it is a seven-day-a-week, 24-hour-a-day service. In the lead up to the last state election the government determined to develop in this term a comprehensive strategy to address their needs.

The strategy the Premier released on Sunday represents a culmination of a lot of work by a lot of people. I publicly acknowledge the role of my department, the Department of Human Services, the peak bodies, particularly the peak carer bodies, as well as the many service providers who have cooperated with my parliamentary secretary, Robert Doyle, the member for Malvern, to develop —

An honourable member interjected.

Hon. R. I. KNOWLES — He is a very good man and he has done a first-class job in developing a comprehensive strategy that recognises that the carers of people who are chronically ill, people with serious mental illnesses, and elderly people who are frail or disabled and who require a significant level of support, and parents of children with high dependency needs, need access to a range of services. The government has committed \$25 million

in new funds each year to build up the service system. It is looking at respite; the establishment of offices in each region of Victoria to enable carers to have a point of contact and to avoid what has been the experience of many carers — getting on the merry-go-round of the service system trying to access support or care for the people they are caring for; increasing the range of both out-of-home as well as in-home respite; extending the respite to evenings and weekends; and there is even a proposal to trial 24-hour emergency respite.

There is the issue of recognising those who care for people who have HIV-AIDS. There are proposals to fund the co-location of the AIDS council and people living with AIDS, to boost services for people with HIV-AIDS in rural Victoria, and to look at the needs of their carers. It is a comprehensive strategy, and I commend it to honourable members. The strategy is not just about extending the service system, albeit that is a very important objective; it is also a way for the government, on behalf of the broader community, to acknowledge the valuable and critically important role that carers play in our community. There is no way this community could afford to fund the care provided by carers, nor would it be as good as what, in terms of outcome, that care is.

Finally, it is important to recognise that the carer strategy also makes a statement about the service system generally — that is, that the role of carers must be recognised as an integral part of the response of the service system. Many carers believe they are excluded from the consideration of the service system, and feel that it focuses on the needs of the person being cared for. Whether that is in a professional capacity, or in just the way the service operates, many carers believe that they are excluded from that focus. Through the carer strategy, the government is saying that it sees the role of primary care that the carers play as being a central part of the service system and that we need to adjust the response of the service system to recognise that role.

I commend the carers strategy to the house. It fulfils an important election commitment of the government. We will monitor and evaluate the strategy, and adjust it as it proves necessary. We think it will fill a gap in what has been a comprehensive social policy that this government has been pursuing. So far as we are able to ascertain, we are the first state that has developed a

comprehensive focus on the needs of carers and developed a comprehensive response to those needs.

Hospitals: funding

Hon. B. T. PULLEN (Melbourne) — The Minister for Health has previously indicated to the house that he asked for an investigation into claims that hospital statistics have been distorted or misused. Will the minister inform the house what progress has been made with that investigation of the process being used and whether he will make a public report at the end of the investigation?

Hon. R. I. KNOWLES (Minister for Health) — When the claims were made that some hospitals were operating phantom wards or were distorting figures I asked the Department of Human Services to provide me with a detailed report of the claims. The department has been operating under a great deal of difficulty because, although the claims have been made, they have not been substantiated nor has anyone been prepared to provide information about which hospitals might be running phantom wards.

Hon. B. T. Pullen — Is it asking people to come forward and providing a mechanism for people to do that?

Hon. R. I. KNOWLES — Yes, absolutely. The department is very keen, as I am, to get any information about explicit claims about specific hospitals. The government has a vested interest in ensuring there is no distortion of the figures and that the funds provided go to service provision. That is why the government has in place a myriad of mechanisms rather than adopting the process of its predecessors — that is, where funds were given to hospitals which they spent as they saw fit.

This government is concerned about outcomes and funds being used for the treatment of patients. That is what Parliament has allocated the funds for, and Parliament and the government have a vested interest in ensuring the service outcomes from the funds provided are maximised. In the absence of anything other than wild, generalised claims, the department is investigating whether there is any distortion of figures. At this stage it has not been able to find any evidence suggesting that hospitals are running phantom wards.

Hon. T. C. Theophanous — No wonder, because you fine public servants \$2000 for speaking out.

Hon. R. I. KNOWLES — If Mr Theophanous gives me the name of a hospital with some evidence to suggest that this is occurring the government will investigate it.

As to the claims about distorted waiting lists to avoid financial penalties that are built into the system, the department is currently auditing the three-monthly returns and expects that audit to be completed within the next couple of weeks. Following the completion of that audit I will be in a position to release publicly the figures for the operation of both emergency departments and waiting lists over that period.

I have previously ascertained that waiting times in most emergency departments for people requiring hospital admission waiting longer than 12 hours have declined from what was experienced in the May-June figures, but I shall be in a position to respond when the figures are clarified.

The government is continuing to ensure that anyone waiting for elective surgery who is in a life-threatening situation receives access to a hospital within the time specified. That is a remarkable turnaround over the past four years. Approximately 900 people with life-threatening problems were on the waiting list when the government came to power.

Hon. T. C. Theophanous — Don't worry about those dodgy figures you put out!

Hon. R. I. KNOWLES — The interjection highlights the absolute irrelevance of the opposition. It asks for an investigation, and when the department has an investigation it says the figures are dodgy because they do not suit its argument. It is no wonder the general public believes the opposition is totally irrelevant. It has not had one suggestion about policy. Prior to the last election it put out a policy with two planks: keep case-mix funding with the exception of two hospitals; and an additional \$40 million of expenditure on health. The government has spent \$55 million and has maintained case-mix funding. It has also recognised that case mix is not appropriate for some small health services, so it has introduced a new concept of health stream.

The government is constantly changing its approach and adjusting its policies to ensure it provides a comprehensive health cover. The opposition runs a commentary, chases ambulances and monitors

procedure crises, but when it asks the question supported only by some wild claims and no real information about an investigation and I say, 'Yes, I have conducted an investigation', it says the figures are dodgy!

It is no wonder the general public believe the Labor Party is totally irrelevant in the health area. It has no future, no concept, no vision. It opposes the government for moving the health services to the suburbs. It says, 'No, don't do that, keep the resources in the inner city'. Why does it say that? Because it is run by the Fitzroy group. Their own leader said that, but they are going to get rid of him.

An Honourable Member — Who?

Hon. R. I. KNOWLES — You know who. You are happy talking behind the scenes and saying that he can stay a bit longer, but then he will go. Mr Theophanous is going himself. Last week he said he was looking forward to not working in this place any more. He said he would rather be on the back bench.

Hon. B. T. Pullen — What about the answer?

Hon. R. I. KNOWLES — When I receive the audited figures from hospitals I will be able to clearly put to rest this claim of phantom wards, but if they can be substantiated the system will be changed.

Hon. B. T. Pullen — Will you let the public know the result?

Hon. R. I. KNOWLES — I have no doubt that if I do not raise the issue Mr Pullen will.

Hon. B. T. Pullen — It is your responsibility.

Hon. R. I. KNOWLES — As soon as I receive the audited figures I will be in a position to provide advice not just to Mr Pullen but to everybody else about the performance of the public hospital system over the last three months. The advice will include the initiatives the government took in the last budget to ensure that emergency departments and public hospitals continue to operate in a way that best serves the public of Victoria

Import substitution

Hon. R. A. BEST (North Western) — Will the Minister for Industry, Science and Technology advise the house of the steps being taken by the Victorian government to replace imports with locally produced goods and services?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I am pleased to advise the house of the government's program to ensure it will reduce the number of imports coming into Australia and replace them with locally made manufactured goods.

At a cost of \$1 million the government is supporting a program run through the Victorian Industrial Supplies Office to ensure it reduces the number of companies in Victoria who feel the need to import products and to get them to use products that are equally as good but happen to be made in Australia.

In light of Australia's concerns about the balance of payments in recent years there has been a legitimate focus on improving its export base. There is no doubt that Victoria has led the field in achieving increased exports and, equally importantly, we must cut the reliance on imports. Every product and every service dollar that stays in Victoria helps build local companies and local employment.

Over the past decade half a billion dollars has been spent on Victorian products that would otherwise have been spent on products produced offshore, which has provided a substantial stimulus to the Victorian economy. That has been achieved through the work of bodies such as the Victorian Industrial Supplies Office.

The government wants to take that to the next level by making more people aware of import replacement and the work of the ISO so that more people will purchase Australian-made goods rather than imports.

The ISO is uniquely positioned to spearhead the government's import-replacement campaign and expand the state's industry base. Through its experience the ISO knows that if local industry is given the opportunity to compete for import replacement it will actually win the business about 65 per cent of the time. Therefore, the program will include a number of import-replacement expos at which manufacturers can display their imported

components and local companies can bid to supply those components.

Last week I had the pleasure of launching the government's import-replacement initiative at an import-replacement expo held in Preston. The enthusiasm of local suppliers for fresh opportunities was quite clear.

The government looks forward over the next five years to import replacement being regarded as a success story for Victoria. We look forward to it being as great a success over that period as the success the government has already had in creating a greater volume of exports.

QUESTIONS ON NOTICE

Suspension of standing orders

Hon. R. I. KNOWLES (Minister for Health) — By leave, I move:

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

I shall read out the numbers of the questions that have been answered in various portfolios:

56, 71, 74, 90, 170, 171, 190, 280, 330, 348, 355 and 372.

Motion agreed to.

SCRUTINY OF LEGISLATION COMMITTEES

Hon. P. A. KATSAMBANIS (Monash) presented position paper of working party on national schemes of legislation.

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 7

Hon. P. A. KATSAMBANIS (Monash) presented *Alert Digest No. 7 of 1996*, together with an appendix.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Alexandra District Hospital — Report, 1995-96.

Anti-Discrimination Tribunal — Report, 1995-96.

Austin Hospital - Report, year ended 31 March 1995.

Bairnsdale Regional Health Service — Report, 1995-96.

Beechworth Hospital — Report, 1995-96.

Benalla and District Memorial Hospital — Report, 1995-96.

Birregurra and District Community Hospital — Report, 1995-96.

Boort District Hospital — Report, 1995-96.

Bright District Hospital and Health Services — Report, 1995-96.

Casterton Memorial Hospital — Report, 1995-96.

Central Gippsland Region Water Authority — Report, 1995-96.

City of Melbourne Superannuation Fund — Report, 1 July 1995 to 31 October 1995 and as at 1 November 1995.

City West Water Limited — Report, 1995-96 (two papers).

Cobram District Hospital — Report, 1995-96.

Cohuna District Hospital — Report, 1995-96.

Colac Community Health Services — Report, 1995-96.

Coliban Region Water Authority — Report, 1995-96.

Corangamite Regional Hospital Services — Report, 1995-96.

Country Fire Authority — Report, 1995-96.

Crimes Compensation Tribunal — Report, 1995-96.

Crown Land (Reserves) Act 1978 — Minister's Orders of 9, 10 and 21 October 1996 giving approval to granting of various leases at Albert Park, Ballarat East, Colac, Elsternwick and Geelong.

East Gippsland Region Water Authority — Report, 1995-96.

East Grampians Health Service — Report, 1995-96.

Electricity Services Victoria — Acting Treasurer's report of receipt of 1995-96 Annual Report.

Emergency Services Superannuation Scheme — Report, 1995-96.

Environment Protection Authority — Report, 1995-96.

Everton Dell Pty Ltd — Acting Treasurer's report of receipt of 1995-96 Annual Report.

Financial Institutions Commission — Report, 1995-96.

First Mildura Irrigation Trust — Report, 1995-96.

Funds Management Corporation — Report, 1995-96.

Gippsland and Southern Rural Water Authority — Report, 1995-96.

Glenelg Region Water Authority — Report, 1995-96.

Goulburn-Murray Rural Water Authority — Report, 1995-96.

Goulburn Valley Region Water Authority — Report, 1995-96.

Grace McKellar Centre — Report, 1995-96.

Grampians Region Water Authority — Report, 1995-96.

Greyhound Racing Control Board — Report, 1995-96.

Hamilton Base Hospital — Report, 1995-96.

Hazelwood Power Corporation Limited — Report, 1995-96.

Hesse Rural Health Service — Report, 1995-96.

Heywood and District Memorial Hospital — Report, 1995-96.

Hospitals Superannuation Board — Report, 1995-96.

Infertility (Medical Procedures) Act 1984 — Report on IVF Central Register, 1995-96.

Judicial Remuneration Tribunal — Report on Salary and Allowances of the Employee Relations Commission, 2 August 1996.

Kerang District Hospital — Report, 1995-96.

Kiewa-Murray Region Water Authority — Report, 1995-96.

Kilmore and District Hospital — Report, 1995-96.

Legal Aid Act 1978 — Attorney-General's direction of 5 August 1996 to the Board of Victoria Legal Aid pursuant to section 12M of the Act.

Lorne Community Hospital — Report, 1995-96.

Maffra District Hospital — Minister for Health's report of receipt of 1995-96 Annual Report.

Maldon Hospital — Report, 1995-96.

Manangatang and District Hospital — Report, 1995-96.

Mansfield District Hospital — Report, 1995-96.

Maryborough District Health Service — Report, 1995-96.

McIvor Health and Community Services — Report, 1995-96.

Meat Authority — Report, 1995-96.

Melbourne City Link Act 1995 — Order in Council of 15 October 1996 varying the Project area of land, pursuant to section 8(4) of the Act.

Melbourne Corporation — Report, 1995-96 (two papers).

Melbourne Parks and Waterways — Report, 1995-96 (two papers).

Metropolitan Fire Brigades Board — Report, 1995-96.

Mid-Goulburn Regional Water Board — Report, 1995-96.

Mildura Base Hospital — Report, 1995-96 (two papers).

Mt Alexander Hospital — Report, 1995-96.

Murray-Darling Basin Commission — Report, 1995-96.

Myrtleford District War Memorial Hospital — Report, 1995-96.

Nathalia District Hospital — Report, 1995-96.

Numurkah and District War Memorial Hospital — Report, 1995-96.

Omeo District Hospital — Minister for Health's report of receipt of 1995-96 Annual Report.

Otway Health and Community Services — Report, 1995-96.

Otway Region Water Authority — Report, 1995-96.

Ouyen and District Hospital — Report, 1995-96.

Ovens Region Water Authority — Report, 1995-96.

Patriotic Funds Council — Report, 1995.

Peninsula Health Care Network — Report, 1995-96.

Penshurst and District Memorial Hospital — Report, 1995-96.

Pharmacy Board — Report, 1995-96.

Physiotherapists Registration Board — Report, 1995-96.

Planning and Environment Act 1987 — Approved Amendment No. 96 to the Upper Yarra Valley and Dandenong Ranges Regional Strategy Plan.

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

Altona Planning Scheme — Amendment L106.

Bacchus Marsh Planning Scheme — Amendment L54.

Banyule Planning Scheme — Amendments L3 and RL175.

Berwick Planning Scheme — Amendment L114.

Boroondara Planning Scheme — Amendment RL175.

Brighton Planning Scheme — Amendment RL175.

Brimbank Planning Scheme — Amendment L27.

Campaspe Planning Scheme — Amendment L15.

Dandenong — Greater Dandenong Planning Scheme — Amendments L2 and RL175.

Darebin Planning Scheme — Amendment L37.

Doncaster and Templestowe Planning Scheme — Amendment RL175.

Geelong — Greater Geelong Planning Scheme — Amendments L156, R167 and R174.

Glen Eira Planning Scheme — Amendment RL175.

Hastings Planning Scheme — Amendment L109.

Hume Planning Scheme — Amendments L6 and RL175.

Knox Planning Scheme — Amendment L115.

Macedon Ranges Planning Scheme — Amendment L12.

Maribyrnong Planning Scheme — Amendment L17.

Maroondah Planning Scheme — Amendments L3 and RL175.

Melbourne Planning Scheme — Amendments L213, L232 and RL175.

Milawa Planning Scheme — Amendments L12 and L14.

Mitchell Planning Scheme — Amendment L11.

Moira Planning Scheme — Amendments L3 Part 1, L7 Part 1, L11 and L12.

Moreland Planning Scheme — Amendment L10.

Sandringham Planning Scheme — Amendment L17.

Shepparton (Shire) Planning Scheme — Amendment L79.

Stonnington Planning Scheme — Amendment RL175.

Surf Coast Planning Scheme — Amendment R39.

Traralgon (Shire) Planning Scheme — Amendment L56.

- Warrnambool Planning Scheme — Amendment L21.
- Whitehorse Planning Scheme — Amendments L5, L6, L11 and RL175.
- Yarra Ranges Planning Scheme — Amendments L13 and L26.
- Yea Planning Scheme — Amendment L11.
- Police Review Commission — Report, 1995-96.
- Port Fairy Hospital — Report, 1995-96.
- Portland and District Hospital — Report, 1995-96 (two papers).
- Portland Coast Region Water Authority — Report, 1995-96.
- Premier and Cabinet Department — Report, 1995-96.
- Prison Industries Commission — Report, 1995-96.
- Queen Elizabeth Centre, Ballarat — Report, 1995-96.
- Queen Elizabeth Centre, Carlton — Report, 1995-96.
- Regulator-General's Office — Report, 1995-96.
- Renewable Energy Authority Victoria — Report, 1995-96.
- Seymour District Memorial Hospital — Report, 1995-96.
- South East Water Limited — Report, 1995-96.
- South Gippsland Hospital — Minister for Health's report of receipt of 1995-96 Annual Report.
- South Gippsland Region Water Authority — Report, 1995-96.
- South West Water Authority — Report, 1995-96.
- State Library Council — Report, 1995-96.
- St Arnaud District Hospital — Report, 1995-96.
- Statutory Rules under the following Acts of Parliament:
- Business Franchise (Tobacco) Act 1974 — No. 106.
 - Financial Institutions Duty Act 1982 — No. 105.
 - Physiotherapists Act 1978 — No. 107.
- Road Safety Act 1986 — No. 104.
- Subordinate Legislation Act 1994 — Ministers' exemption certificates under section 9(6) in respect of Statutory Rules Nos 105, 106 and 107/1996.
- Swan Hill District Hospital — Report, 1995-96.
- Tallangatta Hospital — Report, 1995-96.
- Terang and Mortlake Health Service — Report, 1995-96.
- Timboon and District Hospital — Report, 1995-96.
- Urban Land Authority — Report, 1995-96.
- Vicfleet Pty Ltd — Report, 1995-96.
- Victorian Government Purchasing Board — Report, 1995-96.
- Victorian Plantations Corporation — Report, 1995-96.
- Warrnambool and District Base Hospital — Report, 1995-96.
- Westernport Region Water Authority — Report, 1995-96 (two papers).
- Western Region Water Authority — Report, 1995-96.
- Wimmera-Mallee Rural Water Authority — Report, 1995-96.
- Wodonga District Hospital — Report, 1995-96.
- Wycheproof and District Health Service — Report, 1995-96.
- Yarrawonga District Hospital — Report, 1995-96.
- Yea and District Memorial Hospital — Report, 1995-96.
- * * * *
- A proclamation of His Excellency the Governor in Council fixing an operative date in respect of the following Act:
- Occupational Health and Safety Act 1985 — Item 62 of Schedule Two — 22 October 1996 (*Gazette No. G42*, 24 October 1996).

SHOP TRADING REFORM BILL

Second reading

Debate resumed from 16 October; motion of Hon. M. A. BIRRELL (Minister for Industry, Science and Technology).

Hon. T. C. THEOPHANOUS (Jika Jika) — The opposition opposes the bill and will move a reasoned amendment during the course of the debate as well as a series of amendments during the committee stage.

The shop trading issue always tests the capacity of governments to reach a balance between different interests and concerns expressed by various parts of the community. It is interesting that the minister who brought the bill to Parliament and sought to ram it through the lower house and then push it through the upper house in a time frame that he alone determined is not present in the chamber for the debate. It is disgraceful and shows how arrogant the government is.

Hon. K. M. Smith — On a point of order, Mr President, it is unfortunate that the minister was called away; an important issue needed his attention. He is away for only a short period and will be back, and I think it is most unfair of Mr Theophanous to take advantage of the minister's absence. He would be here if he had not been called away in an emergency situation.

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

Hon. R. M. Hallam — I hope you're not having a shot at me!

Mr THEOPHANOUS — I will have a shot at you later. I will be happy to quote your attitude to shop trading and what you have said before in this place. I will be happy to refer to your total hypocrisy and to quote you so your constituents can read what you have said in the past!

The government controls business in this place. The bill is being debated now; the opposition will put forward significant arguments and a number of government speakers will make contributions. Despite that, the minister is so disinterested in the issue that he was not present for the beginning of the debate. He had to drag up Ken Smith to defend him.

Hon. M. A. Birrell — I am as interested as your backbench!

Mr THEOPHANOUS — Are you saying you are not interested?

Hon. M. A. Birrell — What are you saying about your backbench? I am saying I'm as interested in your speech as your backbench is, and they are not here!

Hon. T. C. THEOPHANOUS — The minister has shown that he is interested in no-one but himself and that he listens to no-one.

The bill is indicative of the Kennett government's style and administration over the past four years. It is divisive and it caters for sectional interests. The bill has been introduced by an arrogant minister who has not consulted with the community and who has divided people into those he cares to talk to and the great bulk of Victorian business people whom he does not want to talk to. He does not want to listen to a point of view which is anything other than, 'Yes, Mr Birrell. We agree with you, Mr Birrell. You are absolutely correct, Mr Birrell'. Anybody with a contrary point of view will not get a look-in with this minister.

The bill is another example of a broken election promise, as the business community well knows. The government's policy on this issue at the election was as follows:

The next coalition government will conduct a review of the Shop Trading Act 1987 in consultation with all relevant groups, with a view to simplifying the act's application and clarifying its position.

The government went to the election saying it would consult with all relevant groups on the bill, but instead there is a litany of non-consultation. Unless you believe the confectionery and mixed-business organisation, the grocers, the unions, and the churches are all non-relevant groups, you have to say that no consultation has occurred. As a consequence the central promise by the government has been broken.

The government's small business policy was released just before the election, but six months prior to the election, in June 1995, the coalition's policy was that the regime of 10 trading days would be abolished and instead the coalition would put in its

place a set of arrangements, including permitting trading for all shops on the first Sunday in each month and each Sunday in December preceding Christmas Day; expanding the scope for each local government to apply for seven-day trading or trading on nominated Sundays on a statewide or defined basis; requiring each application to be accompanied by evidence of consultation with and support of relevant local community trader interest groups; and strengthening provisions pertaining to inspections and prosecutions of those traders deemed to be in breach of the act.

In 1995 the coalition had a policy of enacting as shop trading days the first Sunday of each month and the Sundays in December preceding Christmas Day and giving local councils the power to extend hours beyond that base requirement. Shortly before the election the coalition released its small business policy, which did not include details about shop trading on the first Sunday of each month. Instead, it included the clause about a review.

Of course it may well be that the coalition did change its policy between the time of the June 1995 small business policy and the release just before the election, but for some strange reason no-one told the Premier that the policy had been changed. So on 28 March, two days before the election, under the title 'Kennett woos business' the *Age* sets out coalition policy:

Extend Sunday trading to the first weekend of every month.

Two days before the election the coalition apparently says that extending Sunday trading to the first weekend of every month is its policy.

Hon. M. A. Birrell — Who says that?

Hon. T. C. THEOPHANOUS — It was in the *Age* of 28 March.

Hon. M. A. Birrell — You are not quoting us, you are quoting the *Age*.

Hon. T. C. THEOPHANOUS — I am quoting a thing called 'coalition policy'. To my knowledge nobody rebutted that policy reported by the *Age*.

Hon. M. A. Birrell — That completely contradicts the written policy announced a few weeks before the election campaign. The *Age* got it wrong, again.

Hon. T. C. THEOPHANOUS — I presume the minister also contests the statement in the article:

Mr Kennett said the government would look at extending Sunday trading for retailers outside the city to the first weekend of every month rather than the mishmash of 10 Sundays a year.

Does the minister contest that the Premier also said that?

Hon. M. A. Birrell — I have no idea whether he said that, but even if he did, it does not confirm your point.

Hon. T. C. THEOPHANOUS — The minister has a policy that was distributed to small businesses around Victoria stating that Sunday trading would be on the first Sunday of the month.

Hon. M. A. Birrell — During the election campaign?

Hon. T. C. THEOPHANOUS — No, in 1995.

Hon. M. A. Birrell — That was the year before. What about during the election campaign?

Hon. T. C. THEOPHANOUS — The coalition then put out another policy saying it would have a review, but it forgot to tell the Premier the policy had been changed and obviously forgot to tell other people, too, because the *Age* reported something different.

Hon. M. A. Birrell — Surprise, surprise! That is a daily event for us. The 'We were wrong' column gets longer and longer.

Hon. T. C. THEOPHANOUS — The Premier thought it was still the policy as late as 14 May, two months after the election, because the *Ringwood Mail* reports, under the heading 'Premier offers more Sunday trading days':

Mr Kennett, speaking at a Ringwood Chamber of Commerce and Industry luncheon last week, said trading hours could be increased to 11 Sundays a year between January and November and the 3 Sundays leading to Christmas.

Hon. M. A. Birrell — He is right; they are.

Hon. T. C. THEOPHANOUS — Obviously the minister forgot to tell the Premier he had changed the policy. Two days before the election the Premier said it was the first Sunday in the month, and he said so again two months after the election. The minister comes in here and says he does not care what the Premier said because the coalition makes the policy, not the Premier. The minister does not care what the Premier might have said to the Victorian people two days before the election. He does not care what the Premier said to people attending the Ringwood Chamber of Commerce and Industry luncheon on 14 May. The minister tries to hide behind the fact that the coalition put out an ambiguous policy during the election campaign in which it said it would consult with interested parties and would conduct a review. The truth is that no review of shop trading hours has occurred, except in the mind of the minister.

I contrast the actions of this government with those of the previous government when handling this sensitive and difficult issue. When the previous government extended Sunday trading to 10 days a year it established an independent review conducted by Professor Alan Fels, who recommended the extension of shop trading hours, the number of days and the particular days that should be designated. Unlike the current government, we conducted an open, independent review, called for submissions and had an independent person examine those submissions before making a decision. This minister has had a review in secret. He told nobody the review was taking place. The key players, including the union movement, the confectionery, mixed business and grocers organisations and other small businesses around the state were not consulted.

We contend that the bill in its current form will have disastrous results for employers in the retail industry and their families because small businesses in rural towns, suburban strip shopping centres and the Melbourne central business district will be unable to meet the challenge from regional centres.

In the context of what will occur in all those areas, the government should have conducted a proper cost-benefit analysis and a proper review with independent input from economists and a range of interested groups. The government's lack of consultation virtually right up until the day of the announcement simply illustrates that it is desperately searching for something to divert community and media attention from vital issues

affecting this state, such as the crises in the health and education systems and the budget's failure to deliver anything of significance for the people of Victoria. The government decided to pull this rabbit out of the hat to divert attention from other important issues.

So unexpected was the reversal that the minister's own staff did not know it would occur. An article in the *Bendigo Advertiser* of 8 August states:

Spokesman for industry minister ... Todd Trimble — —

Hon. K. M. Smith — Is he still with the minister?

Hon. T. C. THEOPHANOUS — I wouldn't be surprised if he had been sacked after this article.

Hon. W. A. N. Hartigan — You have probably made it certain, now that you have mentioned the poor devil's name.

Hon. T. C. THEOPHANOUS — The article states:

Spokesman for industry minister ... Todd Trimble, yesterday said although the government would review the trading hours, it would take at least six months before it announced a date.

Hon. K. M. Smith — He might have been on long service leave.

Hon. T. C. THEOPHANOUS — He may well have been. You can make light of the issue, Mr Smith, but we will be interested to hear what small retailers in your electorate think about it.

Hon. K. M. Smith interjected.

Hon. T. C. THEOPHANOUS — The article goes on to quote Mr Trimble as saying:

'We are working on the terms of reference of the planned review, but we are still no way near the announcement of the date'.

That is, the date for the review to commence. This is on 8 August. The article continues:

Asked the reason for the delay, Mr Trimble said the government did not want to rush into a decision because it wanted to study all sides of the issue.

Isn't it amazing? Here we have the minister's own staff person on 8 August saying, 'It is at least six months away before we have the review; there are a lot of issues to be decided; this is a complex issue; and we have to look at all sides'. Then a mere month later, the minister says, 'I've done the review'.

Hon. M. M. Gould — With whom?

Hon. T. C. THEOPHANOUS — He said he's done the review. Although his staff person says it will take six months, he comes out in a month's time and says, 'I've done the review; I've finished all that, and I'm into it'. He forgot to talk to or consult with anybody.

Obviously the Premier or somebody else said to him, 'Listen, Mark, this is a thing which will allow you to big-note yourself. You've done nothing for industry or for anyone in the state over the past four years; hardly anybody knows you exist as a minister. Here's your big chance to big-note yourself as being tough and hard. And don't worry about consulting anybody. You'll be right; just come out and announce it'.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — We had the minister coming out with announcements within that time frame.

Let's look at what the opposition is saying about broken promises. If you look at the promises made in the original small business policy, which were reiterated by the Premier two days before the election and two months after the election, and if you look at the promise in the small business policy of the coalition that was launched just before the election, you see that all of those promises have been broken, any way you look at it.

No proper review took place, and people who are entitled to be consulted were not consulted. So the promises were broken. No proper review to examine the economic and social effects has been undertaken. The major stakeholders, the unions, the Retail Confectionery and Mixed Business Association, the grocers, the churches — none of them was consulted. The promise in the small business policy to consult and have a proper review was another promise that was broken.

If you take the other view, that maybe the Premier was putting up the promise, you see that even on that basis the promise has been broken because the deregulation has taken it well beyond the maximum promised by the Premier of the first Sunday of the month. So we have two broken promises.

Even the promise made to local government — that local government would be able to play a part in applications that go beyond those relating to the first Sunday of the month — was also broken. In its place we have the appalling notion of local referenda in which there is absolutely no choice except that which has been determined by the minister in another of these smart alecky things you would expect from the minister. He thinks, 'I'll be a real smart alec in this. What I'll do is put up a proposal which says, we'll allow you to have a local referendum and if you decide against it, you don't have to have Sunday trading. But I'm going to be a real smart alec because I'm not going to give people the sort of choice they ought to be given'. That choice is the choice of being open on some Sundays, or even implementing the policy the coalition had — that is, what the Premier promised. But the minister won't even give them that choice. So if they decide it is appropriate for their area to open on the first Sunday of the month, which was the policy of the government, they can't even make that choice. They can go for no Sundays or all Sundays.

Hon. W. A. N. Hartigan — A very simple choice.

Hon. T. C. THEOPHANOUS — A very simple non-choice, Mr Hartigan. We understand, as does everyone else, that the whole purpose of that non-choice is that the minister, who thinks he's a smart alec, also thinks that if you give people that kind of choice they are unlikely to vote for no Sundays at all, because they will not want to give up their three Sundays before Christmas. He has put up a non-choice because he thinks people will not vote against it. Well, Minister, you may well find that people take you on.

Hon. K. M. Smith interjected.

Hon. T. C. THEOPHANOUS — Therefore the opposition will be moving an amendment to increase the level of choice that people have so that if there are people in municipalities who want to have what the government promised them, they will be able to have that choice through a referendum.

At this stage it is appropriate for me to move the reasoned amendment that I foreshadowed. I therefore move:

That all the words after 'That' be omitted with the view of inserting in place thereof 'this house refuses to read this bill a second time until the government abides by its pre-election promise to consult with all relevant groups and holds a proper independent review and further explains why it has abandoned commitments made by the Premier to extend Sunday trading to only the first Sunday of each month and the three Sundays before Christmas'.

On behalf of the opposition I have put the case for why people should support this reasoned amendment. It is quite clear that no proper review was conducted; it is quite clear on the evidence that the minister and the minister's own staff indicated that a review was to take place in six months' time, and in fact that did not occur; it is quite clear also that the government has abandoned the Premier's pre-election promise made two days before the election and reiterated by the Premier two months after the election.

It is not unreasonable for members of the public to ask the government to explain why it has changed its position so dramatically. Debates about shop trading have occurred in this place over a number of years, and I have been involved in some. The opposition has taken a fairly consistent position to seeking the deregulation of shop trading hours and taking the community with it to ensure there is a balance between the interests of the consumers, small businesses, small retailers and family values, which cannot be said of the government.

In debate on the Shop Trading Bill on 16 April 1987 a member representing Western Province, the current Minister for Finance, put a view to the house that is the complete opposite of the view the National Party is now promoting. The National Party is selling out country and regional Victoria. It is important for the house to understand what the current minister said on behalf of the National Party. At page 1028 of the *Hansard* report for that session he says:

No-one would doubt that deregulation would favour the large centres and operators at the expense of the smaller centres and operators. It would see the demise of a whole section of the retail industry. Total deregulation would produce a dog's life for those involved in the industry as many employers and

employees and I speak from the heart having had approximately 23 years' experience in retail and having lived through an extension of trading hours.

Where is the minister's heart today? Like the government's, it has been sold off to the highest bidder!

Hon. K. M. Smith — Rubbish! Wrong again!

Hon. T. C. THEOPHANOUS — We have a government that is prepared to be sold off to the highest bidder. That is not the only thing Mr Hallam had to say in 1987.

Hon. K. M. Smith — That's nine years ago! Have you got something recent! Let's talk about some recent material, such as your release in 1991!

Hon. T. C. THEOPHANOUS — I am happy to talk about what I have said in the past in this place. It is consistent with the position being put by the opposition today. We never said we did not support Sunday trading. Indeed, if Sunday trading is introduced in a planned and regulated way the opposition has no problem with its introduction. Indeed, its current policy is to call on the government to enact the policy it took to the people involving an extension of Sunday trading by four days.

Hon. M. A. Birrell interjected.

Hon. T. C. THEOPHANOUS — The Premier took it to the people. The Minister for Industry, Science and Technology is making a distinction between himself and the Premier.

Hon. M. A. Birrell — Once again you are misquoting!

Hon. T. C. THEOPHANOUS — Two days before the election the Premier said —

Hon. M. A. Birrell — No, he didn't! The *Age* did! There is a difference.

Hon. T. C. THEOPHANOUS — I did not see any press release the day afterwards. This was in the middle of an election campaign.

Hon. M. A. Birrell — Are you withdrawing what you just said?

Hon. T. C. THEOPHANOUS — No, I am not. This is what the Premier said. If he had not said it, if the *Age* had misquoted the Premier, there would have been an immediate press release.

Hon. W. A. N. Hartigan — In that case there would be a press release every hour!

Hon. M. A. Birrell — You said the Premier said it. You didn't say the *Age* said it.

Hon. T. C. THEOPHANOUS — I made it clear I was relying on the *Age*, which was quoting the Premier.

Hon. M. A. Birrell — Read the quote.

Hon. T. C. THEOPHANOUS — I have quoted it once and I am happy to read it again. The *Age* reports:

Mr Kennett said the government would look at extending Sunday trading for retailers outside the city to the first weekend of each month, rather than the present mishmash of 10 Sundays a year.

I have read it out before and I am happy to keep reading it out.

Hon. M. A. Birrell — Good, but that is not what you are relying on, is it?

Hon. T. C. THEOPHANOUS — Mr Birrell says that it is not correct. If it was not correct why didn't you tell the people that two days before the election?

Hon. M. A. Birrell — We did. We put out our written policy.

Hon. T. C. THEOPHANOUS — Why didn't the Premier put out a press release the next day saying that the *Age* had misquoted him? Why wasn't a press release issued? There are only two options: either the quote was correct or the government, in its normal way, was trying to be deceitful. The government was pretending a change in policy was not occurring. The government was deceiving the people by allowing the *Age* article to go through to the keeper because it did not want to put out a press release saying that the quotation was not correct.

Even if we accept what the minister is saying — that the Premier was incorrectly quoted — what about two months after the election when the Premier was

still talking about the same thing? The Premier was still saying there would be Sunday trading on 11 Sundays a year between January and November and on the three Sundays in December preceding Christmas. I suppose the *Ringwood Mail* was misinterpreting the Premier as well! Obviously the *Age* and the *Ringwood Mail* got it wrong.

It is clear the Premier had a view that he expressed two days before the election, and it is clear that small business organisations were entitled to believe the coalition's policy was as appeared in press articles at the time. One of the articles was headed, 'Coalition policy'. What does the government expect people to believe when a headline such as that appears in major newspapers and is not rebutted? People would have believed or been tempted to believe the government because of the attitude that has been taken in the past.

I will read what Mr Hallam had to say to the house in 1987, when the then opposition opposed the extension of shop trading, which the previous government wanted to introduce. Members would be interested to hear some of his comments. Mr Hallam is reported on page 1029 of *Hansard* of 16 April 1987 as saying:

... one must consider the situation confronting the consumer who wants to be able to purchase his or her needs exactly when those needs arise. If that is taken to its logical conclusion, we would have open-ended trading hours, that is, 24 hours a day, seven days a week.

Hon. W. A. N. Hartigan — He was prophetic, wasn't he?

Hon. T. C. THEOPHANOUS — Yes, he obviously was. Maybe he knew something about Mark Birrell's views. He goes on:

That is also not in the real world because the relative costs involved with the periods of low sales activity put the trade into the uneconomic basket.

... members of the public will always favour an extension of trading hours. However, they do so simply because they do not understand the real situation.

If members of the public were asked whether they wanted additional trading hours and it was pointed out to them that additional costs would be involved, I suspect that the results of the opinion polls would be

SHOP TRADING REFORM BILL

Tuesday, 29 October 1996

COUNCIL

313

dramatically different. If members of the public knew that trading at 2 a.m. would involve additional costs during traditional trading times, their response would be different.

That was the view of Mr Hallam back in 1987, nine years ago.

Hon. K. M. Smith interjected.

Hon. T. C. THEOPHANOUS — He has never gone on the record to contradict that position. Mr Hallam is the Minister for Finance and knows something about the economy and the way it operates. Back in 1987 Mr Hallam told this house two things. The first was — this is important for people to understand — that if you have open-slather trading the larger centres will win and the small traders will lose. He made that point very strongly. The second was that if you have open-slather trading the costs for the consumer overall go up.

So one of the government's economic gurus said two things back in 1987: one, that open-slather shop trading will result in small businesses going out of business; and, two, that there will be increased costs for consumers.

Has this government done an economic study since then in order to determine whether —

Hon. W. A. N. Hartigan — Did you do one?

Hon. T. C. THEOPHANOUS — Yes, in fact we did, Mr Hartigan.

Hon. W. A. N. Hartigan — What did you find?

Hon. T. C. THEOPHANOUS — We got an independent person of high repute, somebody whom you would even respect — Professor Alan Fels, to do a review. He looked at all of the issues and indicated that at certain times, when there was enough activity, it was warranted to have Sunday trading.

Hon. M. A. Birrell — What do you think his view is of this bill?

Hon. T. C. THEOPHANOUS — We appointed an independent person to do a review — you didn't. The minister sent his adviser out to mislead the Victorian public by telling people in the papers that

the review was six months away. I don't know whether he has been sacked or not; some of the backbenchers seem to think he has been.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — He is still there.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — Yes, you would not want to get rid of him, because he did your dirty work for that period.

The minister sent out his ministerial adviser because he did not want to do it himself, and his adviser went around saying in country Victoria and elsewhere that the review was six months away. Then a month later the minister came out and said, 'Oh, I have already done it; don't you worry about that. I did not have to talk to anyone, and don't you worry about what the Premier said two days before the election, because the Premier got it wrong; it is what is in the policy that counts, not what he said — or the Age got it wrong, one or the other'.

We have reached the position where this government has absolutely no credibility in the way it has handled this issue. This minister, in particular, has no credibility because he did not go through the process he promised before the election of a review to talk to and consult the people who would be affected. Instead, he failed to talk to the union; he failed to —

Government members interjecting.

Hon. T. C. THEOPHANOUS — Let's go through it: he failed to talk to the union; he failed to talk to representatives of small business, including the Retail Confectionery and Mixed Business Association; he failed to talk to the grocers; and he failed to talk to the churches. So who in hell did the minister consult? We would like to know.

On a number of occasions in this place we have asked him the question of whether he can provide a list of the people he consulted. It is not a very difficult question. I can tell you, Minister, that we will go through this in a laborious way during the committee stage of the bill, because we want to know who you consulted.

SHOP TRADING REFORM BILL

314

COUNCIL

Tuesday, 29 October 1996

The minister has sanctioned the outrageous letter dated 2 October sent by Ken Smith to the union, in which Mr Smith indicates to the union:

The relevant word in that statement is we will consult with relevant groups. Your union obviously does not fit within that grouping.

That is the kind of arrogance typical of this government. Now we can sit here and laugh at Mr Smith, because everyone here knows that Mr Smith is a clown. But what does it say about a government that is not prepared even to recognise that 50 000 people who work in those businesses have a right to representation and to their own views, through their unions, being listened to. It is an absolute outrage that this minister did not even have the courtesy to talk to the relevant union on what he is proposing. We will be asking the minister — —

Hon. R. I. Knowles interjected.

Hon. T. C. THEOPHANOUS — If you had been here at the beginning, Minister, instead of coming in late, you would have heard me say that we are opposing the legislation. But since you were not here — —

Hon. M. A. Birrell — You have spoken for almost an hour and have not explained why you are against Sunday trading.

Hon. T. C. THEOPHANOUS — The legislation is not just Sunday trading legislation, but open-slather Sunday trading legislation. I challenge the Minister for Industry, Science and Technology to say where Labor Party policy says that it supports open-slather Sunday trading. The Labor Party supports the extension of Sunday trading on a graduated basis. It would support the government if it put in place the policy the Premier announced prior to the last election, but the government will not do that because it has been told to put in place what is contained in the bill.

I am happy to state the opposition's policy. We believe the present system is flexible; that it has allowed considerable access for consumers. No-one in this place does not think there has not been an expansion of shop trading — and it occurred under the former Labor government. It included 10 Sundays a year and allowed for tourist development

in various areas. The government then added the central business district.

The opposition recognises that shop trading hours legislation has evolved with different lifestyles and acknowledges the argument for maintaining some levels of Sunday shop trading.

The opposition does not believe the government proposals warrant support. Firstly, they have not been through a proper review, and secondly, the opposition does not know what will be the economic impact.

The government should honour what the Premier said two days before the last election and two months after the election: that there should be Sunday trading on the first Sunday of the month and three Sundays before Christmas. That is a sensible approach. It would offer consumers the choice the government is seeking without putting the viability of small businesses and retail organisations at risk.

Local government should apply to extend shop trading beyond the 14 or 15-day formula only by conducting referendums. The opposition is happy to have referendums in local government, but the onus ought to be reversed: it should be a referendum to extend shop trading hours, not to limit shop trading hours, which is what the government is putting in place.

The opposition supports campaigns to attract tourists to Melbourne and to increase Sunday shop trading outside the central business district. Further, tourism areas outside the metropolitan area should continue to be promoted as shopping tourist precincts. This cannot occur under the government's proposals because there will be no distinction between tourism and non-tourism areas.

The opposition opposes the legislation because of a number of things that it does not do. The opposition believes the legislation ought to be balanced in the sense that if the government is providing protection to shop owners who have leases in large shopping centres, it ought to extend the same level of coverage to shop assistants who may be forced to work on Sundays. It is a reasonable human request. People ought not be punished if they do not want to work on Sundays. The opposition is not saying that large organisations such as Coles Myer would force their employees to work on Sundays. Indeed I have received assurances from Coles Myer about that and

I accept those assurances, but there are literally thousands of small retail businesses and the minister cannot give an undertaking that pressure will not be applied to some individuals who do not want to work on Sundays.

The management of Coles Myer believes that some organisations may try to force their employees to work on Sundays. A range of people believe that on the basis of equity, shop assistants should not be forced to work on Sundays. They may well have religious views as a reason for not working on Sundays. Why should they not be protected by the provisions of the bill simply because they do not want to work on Sundays?

The opposition wants choice in local referenda and an increase in non-trading public holidays to include not just Christmas Day, Good Friday and half of Anzac Day, but Boxing Day, New Year's Day, Easter, Australia Day and Melbourne Cup Day.

Hon. W. A. N. Hartigan interjected.

Hon. T. C. THEOPHANOUS — Mr Hartigan, for your information, we even want Geelong Cup Day included, but I am sure you would not support that. I am happy to have you go on the record not supporting 10 000 shop assistants working in Geelong having the capacity to attend the Geelong Cup.

Hon. W. A. N. Hartigan — Am I obligated to force them to go to the cup?

Hon. T. C. THEOPHANOUS — Get it right; you will force them not to go to the cup because they will have to work on that day. The opposition believes the government's changes will mean considerable stress being placed on many Victorian families and a reduction in the profitability of many small businesses. The impact of the changes come on top of increased Workcover premiums for many small businesses. Notwithstanding what the government says, 30 per cent of small businesses have had increases in their Workcover premiums. Small businesses are struggling from the impact of gaming machines and the Crown Casino; the lack of protection under the Retail Tenancies Act, which the government has done nothing to alleviate; the removal of labour market programs that are important to small business because they allow low-cost training of personnel; and the

abandonment of advisory functions of Small Business Victoria.

After the sustained attack on small business by this government it is no wonder it is asking the question: 'What has the government done for us?'. The answer is that the government has done nothing for small business and continues to put in place measures that undermine the profitability of small business.

Females comprise 70 per cent of employees in the retail industry, and they have a right to say to their employers that they do not want to work on Sundays.

Hon. Bill Forwood — They can.

Hon. T. C. THEOPHANOUS — The opposition looks forward to Mr Forwood and Ms Smith supporting the reasoned amendment to ensure women will not have to work on Sundays if they do not wish to. We look forward to that support because we know just how much of a pro-women's rights individual Mr Forwood is. Most retail employees are female, and there is no doubt the bill will have a negative impact on their lives. Shop assistants who have families will have even less time to spend with their children and partners.

Hon. W. A. N. Hartigan — But they will be able to go shopping on Sundays.

Hon. T. C. THEOPHANOUS — Although Mr Hartigan may be able to go shopping on Sundays, shop assistants will not because they will be serving him. Mr Hartigan is the type of person who wants other people to serve him. It is important to place on the record that a meeting of 400 union shop stewards, representing more than 50 000 retail employees, condemned this approach by the government and complained that unions were one of the groups not consulted by the minister on behalf of the government.

It is also important for people to understand that if this bill is passed Victoria will have the most deregulated system in Australia. Shop assistants in New South Wales get the benefit of seven public holidays, not the miserable two and a half granted in Victoria. The New South Wales government actually considers Easter Sunday and other holidays to be important days. Another feature of the system in New South Wales is that in one sense at least the onus is reversed and it is not an open-slatther system,

because in Sydney shops must be granted individual applications to trade on Sundays, usually between 8.00 a.m. and 4.00 p.m.

If the bill is not amended Victoria will have the most deregulated system in Australia, despite the fact that in other states thousands of small businesses have gone under as a result of changes to shop trading hours. It has been estimated that as many as 3000 small businesses have gone to the wall in New South Wales.

Hon. K. M. Smith interjected.

Hon. T. C. THEOPHANOUS — Mr Smith may not care if 3000 small businesses in Victoria go under, but it might worry some of the operators of those businesses. Small business people have written to the opposition expressing their concerns — and they were entitled to be heard. If the government intended to make a change of this dimension it should have conducted a proper public review. The government should have said publicly that it was thinking about making the change and asked for submissions. Various church leaders have voiced their concerns.

Hon. K. M. Smith — The Bronwyn Pikes of the world tell us how good they are.

Hon. T. C. THEOPHANOUS — The opposition is happy to have Mr Smith abuse the churches on the record, and the minister can back him up. He can abuse the Anglican Archbishop of Melbourne, Dr Keith Rayner, if he wishes.

Hon. K. M. Smith — I know him well.

Hon. T. C. THEOPHANOUS — What do you think of him, Mr Smith? What about his concerns? Do government members think the Anglican Archbishop of Melbourne is entitled to be consulted and asked for a point of view? The archbishop is concerned that this change could destroy family life and small businesses. The minister might want to reject that view, but at least he should hear it. If the government promises consultation but talks to no-one, it cannot then say it has done a review.

Dr George Pell, the Catholic Archbishop of Melbourne, has also spoken on the issue. In an article published in the *Age* of 14 September, Dr Pell is quoted as stating:

Workers have every right to resist the inroads being made by government and by business on this day of rest and of family life. The sad reality is that to retain employment many will be forced to work those hours normally spent with their children at weekends.

Hon. W. A. N. Hartigan — He was talking about the religious impact.

Hon. T. C. THEOPHANOUS — Honourable members may not agree with that point of view in all circumstances, but I say to Mr Hartigan that it is a point of view that deserves to be listened to.

Hon. W. A. N. Hartigan — Did you listen to it?

Hon. T. C. THEOPHANOUS — Certainly; and because we took all those issues into account, when we changed the Shop Trading Act we limited the extent to which the changes had an effect on Sundays.

I will read onto the public record what Right Reverend Keith Allen of the Presbyterian Church of Victoria said on these issues in a letter addressed to members of Parliament at Parliament House. I am sure most honourable members would have received a copy of the Reverend Allen's letter of 9 October, which states:

Dear Members,

We wish to convey to you resolutions passed at our state assembly.

This is not just the view of one individual but of the state assembly of the Presbyterian church. He says:

The Presbyterian Church of Victoria formally opposes Sunday trading and the extension of Sunday trading as proposed in the Shop Trading Reform Bill on the basis of the Lord's day being a creation ordinance and the 4th commandment ... The Presbyterian Church of Victoria calls on the state government to recognise that its mandate does not include the right of changing social culture such as the proposed Shop Trading Reform Bill will do.

The Presbyterian Church makes clear its views on the bill. Apparently neither the Anglican, the Catholic nor the Presbyterian churches are worthy of being consulted by the minister. Their views are irrelevant. That has been seen time and again. Whenever the churches say something about

government policy they are abused, treated with contempt, and told by the Premier and other members of the government to mind their own business and stay out of the government's way. That is the attitude the government has to those organisations.

The Master Grocers Association of Victoria commissioned a survey showing that 59.9 per cent of Victorians opposed deregulation of shop trading hours. Of those opposed to open-slather trading the strongest opposition came from country residents, with a figure of 65 per cent. The government's response was to attack the independent organisation which had been commissioned to conduct the survey. That is another indication of the contempt and arrogance the government shows towards organisations seeking to put across their points of view.

A survey conducted by the Shepparton Chamber of Commerce and Industry showed that 80 per cent of the 394 businesses surveyed opposed Sunday trading. These people have bothered to ask the businesses —

Hon. M. A. Birrell — But you are not saying whether you agree with that. Do you agree with that view? Because they are against the Sunday trading you introduced!

Hon. T. C. THEOPHANOUS — I will keep telling you until you understand it, Minister: the opposition supports the government putting in place its policy regarding shop trading on the first Sunday of the month and the Sundays in December preceding Christmas.

Hon. M. A. Birrell — But all the people you are quoting are against that.

Hon. T. C. THEOPHANOUS — No, they are not.

Hon. M. A. Birrell — Yes, they are. They do not want Sunday trading.

Hon. T. C. THEOPHANOUS — They oppose the extension. This is what the churches are saying.

Hon. M. A. Birrell — No, the poll. Go back to your poll.

Hon. T. C. THEOPHANOUS — The polls are about whether people support open-slather Sunday

trading; they are not about whether people support trading on the first Sunday in the month. Shop trading on the first Sunday of each month was the policy the Premier went to the election with, although it was not the policy of the Minister for Industry, Science and Technology. The polls did not ask whether people supported trading on the first Sunday of each month; they asked, 'Do you support open slather?'

The Lord Mayor of the City of Melbourne, Cr Ivan Deveson, believes approximately \$230 million worth of trade will leave the central business district under the government's policy. It may well be that the CBD can sustain that level of loss, I do not know. I have spoken to other organisations including Melbourne Central, which has projections and estimates that its business will decrease by 3.5 per cent. That is a significant reduction.

When the government introduced Sunday trading for the CBD it was on the basis that it wanted to reinvigorate the CBD. But now, any business person who made investments on the basis of the government's promises — and that would include Daimaru, or Melbourne Central — would have to be thinking, 'We were told there would be a certain set of arrangements in place and suddenly the ground rules have been changed, and it is a completely different situation'.

When this proposal was announced the opposition commissioned a survey of 150 retailers in the Melbourne area, and it showed strong opposition to extending shop trading among small businesses, particularly those in the large shopping centres and strip centres who believe their profitability will be directly affected and who believe the Kennett government has lied to them. The survey showed that retailers believe deregulation will decrease profitability, benefit large rather than small businesses and not increase employment opportunities.

Hon. M. A. Birrell — Did you survey consumers?

Hon. T. C. THEOPHANOUS — We have surveyed consumers through very reputable organisations, as you are aware.

Hon. M. A. Birrell — And you think most consumers are against this?

Hon. T. C. THEOPHANOUS — You have a responsibility to look after the interests of everyone in the community.

Hon. M. A. Birrell — Yes, the public interest. You are controlled by the unions, we are not. That is the difference. You had to strike a deal with the unions, we did not.

Hon. T. C. THEOPHANOUS — If we were controlled by the unions we would not have introduced the 10 shopping Sundays in the first place. It just shows you how stupid you are by putting forward that proposition.

Hon. M. A. Birrell — They consented to it. You couldn't get the first Sunday in the month through. That is what you wanted, the first Sunday in the month, but you couldn't get it through under your government.

Hon. T. C. THEOPHANOUS — That is absolute nonsense. Obviously you could not get first Sunday through either because you haven't been able to do it.

Hon. M. A. Birrell — I didn't want to!

Hon. T. C. THEOPHANOUS — Then why didn't you tell people before the election that you wouldn't? Why did you lie before the election?

Hon. M. A. Birrell — On a point of order, Mr Acting President, I know he is tired and out of control after speaking for 1 hour and 21 minutes — I do not care for how long he speaks — but defamation and untrue statements such as those Mr Theophanous just made about me are unacceptable and I ask that they be withdrawn.

Hon. T. C. THEOPHANOUS — In relation to what?

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! Mr Theophanous said that the minister lied in his comments after the election. I ask him to withdraw that comment.

Hon. T. C. THEOPHANOUS — If the minister is so concerned about my comment, I am happy to withdraw it. His sensitivity on this matter shows that when the Premier said publicly that the coalition would go to shop trading on the first Sunday of the month the minister did not put the record straight. The minister allowed a lie to

continue into the election; he allowed a lie that was reported in the *Age* to be perpetuated. I know there is a fine line between telling a lie and allowing a lie to go uncontested. Maybe it is useful at times for the government to just allow lies to go through on the public record. The minister can make any distinction he likes, but people understand what was put on the record by the Premier and the failure of the minister to contest it.

The opposition's survey showed that 91 per cent of respondents believed changes in shop trading would favour big business, 66 per cent did not support the proposed changes and only 9 per cent believed the move would increase employment opportunities. People talk about the public interest, but I would have thought that increased employment opportunities would be a major component of that public interest. No study has been done to show whether the government's proposal will increase employment.

No cost-benefit analysis has been done to show that the comments made by the Minister for Finance some time ago were untrue and that the National Party's view that open slather would be devastating to small business in country areas was not true. There has been no examination of whether employment opportunities will be created by this approach. Of course, following the Master Grocers Association survey it was reported in the *Age* that Mr Billington, the secretary of the association, said:

... deregulation meant higher prices, fewer stores and fewer jobs, jeopardising the job security of 30 000 workers in small independent or family-owned supermarkets.

He said smaller stores struggling with 24-hour trading during the week would not be able to compete and many would not survive.

The association represents 600 independently owned small businesses, and it is entitled to be heard by the minister.

Hon. W. A. N. Hartigan — He knew their views; their views were widely known.

Hon. T. C. THEOPHANOUS — That is not the point. The coalition went to the election saying it would consult with all relevant groups.

Hon. W. A. N. Hartigan — No, we did not say that, we said we would have a review.

Hon. T. C. THEOPHANOUS — I am sorry to contradict Mr Hartigan, but it was coalition policy that the coalition would consult with all relevant groups. Aren't the grocers a relevant group?

Hon. W. A. N. Hartigan — No, their views were well known.

Hon. T. C. THEOPHANOUS — The association represents 30 000 people who work in the industry. The change may affect up to 30 000 jobs, but Mr Hartigan does not believe the association's views are relevant. I presume the minister has the same view — the unions are not relevant; the grocers are not relevant. What about the confectionery and mixed business associations?

Hon. W. A. N. Hartigan — Their views are well known.

Hon. T. C. THEOPHANOUS — They are not relevant, either. What about the churches?

Hon. W. A. N. Hartigan — Their views are well known.

Hon. T. C. THEOPHANOUS — Does anyone here want to say that the Anglican, Presbyterian and Catholic churches are not relevant groups?

Hon. W. A. N. Hartigan — Their views are well known.

Hon. T. C. THEOPHANOUS — What an appalling argument. It just beggars belief that people like Mr Hartigan can come into this place and say they are not relevant groups because their views are already known; there is no point in consulting them because their views are known. What arrogance and what an appalling way to treat human beings. It is utterly disgusting that not only are those organisations being relegated to irrelevance but also the coalition's opinion is that because it knows their views they do not warrant being talked to.

The opposition has received many letters from small businesses and individuals right across Victoria who are concerned about their future. The opposition has responded to those letters, and included in those I have brought to the house is one from a couple in Warrnambool who beg us to oppose the bill because

18 months ago they mortgaged their house to buy a small business and get out of the dole queue. They say the bill will lead to their going broke. I have letters from people who say that they have worked in their businesses from 6.00 a.m. to 11.00 p.m. and do not want to have to work on Sundays, but because of the bill they will have no choice.

In another letter, people from Pascoe Vale say:

We go through enough stress as it is without the worry of the government killing off our small business completely. If small business were closed, what would our elderly citizens do without us ...

The business is near elderly citizens' residences. These are the sorts of heart-wrenching letters the opposition has received on the proposed legislation.

The opposition is not saying that we should not have shop trading on Sundays. The pity of the government's proposals is that had the government come up with a sensible proposal on shop trading, even if it had been to extend Sunday trading, there would not have been the sort of outrage in the community that is being expressed. Even if the government had been prepared to consult in the way it had promised, there may have been fewer concerns than have been expressed.

I will not read all the letters I have because if I did we would be here until tomorrow, particularly if I read all the letters that have been received by not just the Leader of the Opposition in another place, Mr Brumby, and me, but all opposition members of Parliament. It would take a considerable time to read all the letters.

Suffice to make a central point: had the government decided to take the community with it, had it decided to talk to the opposition about this —

Hon. Bill Forwood — Excuse me, you're irrelevant.

Hon. T. C. THEOPHANOUS — You think the churches are irrelevant, too.

Hon. Bill Forwood — No, don't put words into my mouth. I said you're irrelevant.

Hon. T. C. THEOPHANOUS — You treat them with contempt. You think that not only churches but the small business organisations and workers are

irrelevant. That's the view you've got, so don't come in here and talk about relevance to us.

The central point is that had the government been reasonable or sensible to at least some extent, we may have been in a position where we could have worked through the issue in a way that might have resulted in the government's aims being accommodated.

I make it clear that the opposition does not believe that even large businesses will necessarily be better off as a result of the proposed legislation. Indeed many of the large businesses, particularly those situated in the CBD, will be worse off. When you look at the overall proposal, the notion of the first Sunday of the month has considerable merit associated with it because you can actually concentrate costs and effort into that first Sunday of the month, which then allows that first Sunday to become a highly profitable trading day for those businesses. Instead the government has decided to take an approach which will not work in the community, which will not lead to increased profitability and which, in the end, will not provide the service that the government and the minister are seeking to provide.

Many companies will simply not open on Sundays because the ongoing costs will be too great for them. As a result you will not get the effect you would have got if you had a clearly understood first Sunday of the month, which the smaller businesses as well as the largest businesses found profitable.

The whole proposal has been poorly thought out and warrants the contempt of the house. Beyond that, I put on the record that the opposition believes there is another issue relevant to this matter. The opposition will be calling on a number of members not to vote on the bill on the basis of a conflict of interest.

We are aware that very few members of the community have reason to support the legislation but there are some members in this house who will vote for this legislation who have something to gain from it. As a consequence of that, they ought to absent themselves from the vote. I will indicate who they are. We have in this house a number of members who have financial interests in companies that we believe will directly benefit from the bill.

Mr Acting President, they include Mr Barry Bishop, who has shares in Woolworths; Mr Neil Lucas, who has shares in Coles Myer; Mr Bruce Chamberlain, who is the President and normally would not vote if he were in the chair; Mrs Sue Wilding, who has shares in Woolworths; Dr John Ross, who — —

Hon. Andrew Brideson — How up to date is your list? They might have sold them this morning.

Hon. T. C. THEOPHANOUS — If they sold them this morning, we are happy for them to make statements saying they have sold them. Dr John Ross has shares in Coles Myer and Woolworths, and he is capable of speaking for himself if he sold them this morning.

Hon. J. W. G. Ross — Mr Acting President, on a point of order, I direct the honourable member's attention to the current list of pecuniary interests in regard to this matter.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! That is not a point of order, but the member can make a contribution through the debate and comment on the contribution that Mr Theophanous has made.

Hon. M. A. Birrell — I think you've actually made your point.

Hon. T. C. THEOPHANOUS — Again, I indicate that these lists are based on currently available information. If Dr John Ross has in fact divested himself of shares in Coles Myer or Woolworths — —

Hon. W. A. N. Hartigan — You should be more careful in making those accusations!

Hon. T. C. THEOPHANOUS — We can only go on the information that's available.

Hon. W. A. N. Hartigan — No, you can only try to get it right!

Hon. T. C. THEOPHANOUS — Mr Richard de Fegely also has shares in Coles.

Hon. N. B. Lucas interjected.

Hon. T. C. THEOPHANOUS — Mr Lucas, you have shares in Coles Myer, so you should be one of those who absents himself from the vote.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — We believe the companies I have indicated will benefit financially from the bill. The minister knows that they will benefit from the bill.

Hon. M. A. Birrell — Rubbish!

Hon. T. C. THEOPHANOUS — The Minister for Finance said it in debate in this place in 1987. He said the big businesses will benefit and the small ones will not. He put that view on behalf of the National Party in 1987 and he has never modified that view in this house. The hypocrisy of these people! If Coles Myer was undertaking a major development in the former City of Berwick and a person who had shares in Coles Myer was making a decision about the development, Mr Lucas, in his previous role as Chief Executive Officer of the former City of Berwick would have advised the person not to take part in the decision-making process. I look forward to hearing Mr Lucas saying that is not what he would have advised, and I also look forward to him having the courage of his convictions by saying that he would have told the person to take part in the decision-making process.

Mr Lucas knows that under local government legislation when one has declared an interest one must absent oneself from the vote. I look forward to hearing him say that that is not what he would have done in local government. I also look forward to Mr Lucas saying that he will benefit as a result of the vote but nevertheless he will take part in the vote. These are the sorts of people we have running the state — they have one set of rules for themselves and another set of rules for other Victorians.

Hon. Louise Asher — You didn't declare your directorship!

Hon. T. C. THEOPHANOUS — If you happen to be in local government or a judge —

Honourable members interjecting.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The level of interjection is making it extremely difficult for Hansard to hear. I ask honourable members to allow Mr Theophanous to speak with minimal interjection.

Hon. T. C. THEOPHANOUS — If you happen to be in local government you are required to stand down from the decision-making process when you have a personal interest. The opposition calls on the members I have named — Mr Bishop, Mr Lucas, Mrs Luckins, Mrs Wilding, Dr Ross and Mr de Fegely — not to take part in the vote on the legislation because I believe there is the potential for them to benefit from the passage of the legislation. A number of members have family trusts, including Mr Ashman, Mr Atkinson, Mr Baxter, Mr Best, Mr Phillip Davis and Mr Smith, and as a consequence of those family trusts the opposition is unable to ascertain whether they have interests in those retail organisations. I put their names on the record and leave it to their consciences as to whether they vote.

Hon. Louise Asher — Is the minister allowed to vote according to your regime?

Hon. T. C. THEOPHANOUS — So far as I know he is not a shareholder. I do not know whether other members have shares in family trusts which have shares in retail organisations and stand to benefit from the passage of the legislation, but if they do I suggest they should indicate that when making their contributions.

The minister and the government have sought to deceive Victorians by the way they presented the policy before the election and as a result of the comments made by the Premier. The minister is not prepared to clarify anything that he says, and even when he makes mistakes he is not prepared to put the facts on the record. On 3 October the minister wrote to the *Herald Sun* and accused the union of all sorts of things including negotiating enterprise agreements with major retail stores, including Myer, David Jones and Daimaru. I asked the minister to produce the agreement between the union and David Jones, but he did not bother to get back to me because he found that no such agreement existed.

When comments made by the minister prove to be untrue the minister does not clarify the circumstances after he was asked —

Hon. Louise Asher — You're very brave when he is out of the chamber aren't you?

Hon. T. C. THEOPHANOUS — He doesn't worry me when he is here! The opposition will vigorously oppose the legislation, and it has moved

a reasoned amendment that should be supported by all members of the house.

Hon. Louise Asher — How can you ask members to support your amendment when you have said that half the members should not vote?

Hon. T. C. THEOPHANOUS — I have read out the names of members who have shares, and they should absent themselves from the vote.

Hon. K. M. Smith — On a point of order, Mr Acting President, I refer to standing order 155 which deals with the question of whether a member shall be allowed to vote. It states:

... upon any question in which he has a direct pecuniary interest, and the vote of any member so interested shall be disallowed.

If a bill provides that if a member who has a direct pecuniary interest will beneficially gain from a vote of the house the member is not be able to vote. Mr Theophanous is not correct, and his comments are irrelevant to the debate. He may have identified the shareholdings of members of Parliament, but each of those have been declared in a document containing the declarations of members that is available publicly. It does not matter what the shareholding is in that regard.

In fact it does not matter what the shareholding is in regard to that. I quote from page 354 of the 21st edition of *Erskine May*:

... in order to operate as a disqualification, this interest must be immediate and personal, and not merely of a general or remote character. On 17 July 1811 the rule was explained thus by Mr Speaker Abbot: 'This interest must be a direct pecuniary interest, and separately belonging to the persons whose votes were questioned, and not in common with the rest of his Majesty's subjects, or on a matter of state policy'. 'State policy' may be equated with 'public policy' and is not confined to public bills introduced by the government, but is also the subject matter of private members' bills.

And this ain't no private member's bill. That is my point of order; the issues Mr Theophanous is raising are irrelevant.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! There is no point of order. The matter that Mr Smith has raised is a debating point

and is subject to debate, but at this time it is not a point of order. There is no point of order.

Hon. T. C. THEOPHANOUS — Mr Acting President, first of all I congratulate you on your ruling. But on behalf of the opposition, in response to the issues raised by Mr Smith, in which he quoted standing orders and *Erskine May*, I point out that standing order no. 155 refers to where a member has a direct pecuniary interest. We on this side of the house contend that owning shares in a company is a direct pecuniary interest. I look forward to Mr Smith explaining how owning shares in a company is not a direct pecuniary interest.

Hon. K. M. Smith — You got the ruling from *May*, so what are you on about?

Hon. T. C. THEOPHANOUS — He has also quoted from *Erskine May* that the interest needs to be immediate and personal.

Personally owning shares in a company is immediate, is personal, and is a pecuniary interest — it is an interest. The only issue that remains is not the question of whether it is a pecuniary interest; it is whether Coles Myer will benefit from this decision.

There may be some members who hold a direct, immediate and personal pecuniary interest in these companies, who believe in all conscience that Coles Myer will not benefit from the legislation. But I hasten to say, notwithstanding what Mr Smith has said, that I doubt there would be a single member here who would argue that if it was believed that Coles Myer would benefit from this, and consequently its shares may increase in value, that somehow there is no pecuniary interest.

We look forward to the rest of the debate and to the division. In conclusion, I again outline the basic point the opposition is making about the legislation. I know the government would seek to misrepresent our position, so I think it is important from the community point of view that we put it on the record.

Our position is not total opposition to all Sunday trading. We have never had that position; we do not have it now. Our position is that the present system is flexible and that the government ought to enact what it went to the election with, which was that there would be trading on the first Sunday of the month. You can seek to misrepresent it as much as

you like, but that is our position. I put that clearly on the record.

My second point is that we believe there has not been consultation, and we have strongly argued that there has not been consultation of the sort promised by this government.

My third point is that we believe, like Mr Hallam believed, that benefits will accrue to big retailers, not to small retailers. Like Mr Hallam, we are also of the view that it will add to costs overall for the industry. No argument has been established and no cost-benefit study has been done to disprove that view held by the National Party at that time.

This government should put in place its election promise and live up to what it said to people before the election. Irrespective of whether you take the Mark Birrell position about a review followed by consultation with all relevant groups, which did not occur, or whether you take the Premier's view, that it was the first Sunday of the month, which he reiterated two days before the election and again after the election, I indicate that this government has failed Victorians, and it has failed Victorian businesses. When this government went to the election it lied to Victorian businesses and sought to get its vote on the basis of a lie — and it has been caught out. We strongly oppose this legislation on those grounds. I urge members to support the reasoned amendment.

The ACTING PRESIDENT (Hon. G. B.

Ashman) — Order! Before calling the next speaker I remind members that this second-reading debate is on the Shop Trading Reform Bill and the reasoned amendment moved by Mr Theophanous.

Hon. P. A. KATSAMBANIS (Monash) — It is my pleasure to speak in favour of the Shop Trading Reform Bill, and it goes without saying that I speak against the amendment moved by the Leader of the Opposition. I thank you, Mr Acting President, for directing members to concentrate on the bill itself. That is what I intend to do.

The bill is indeed a landmark bill. It is my great pleasure to speak in favour of it, but in order to consider the breadth of the reform, we need to consider the current mishmash of trading laws that we have in this state. At the moment most stores can open from 9.00 a.m. until 5.30 p.m. on weekdays, and can open on a Saturday, but come Sunday, we

have absolutely no idea who can open when. We know that some stores can open all the time, although we are not quite sure which ones they are, and we know that all stores can open on the four Sundays leading to Christmas. Then there are six other Sundays that the Leader of the Opposition — —

Honourable members interjecting.

The ACTING PRESIDENT (Hon. G. B.

Ashman) — Order! The level of background noise in the chamber is increasing and is making it increasingly difficult for us to hear Mr Katsambanis. I ask members who wish to have a conversation to either leave the chamber or lower the tones of their voices.

Hon. P. A. KATSAMBANIS — Thank you, Mr Acting President. Victorians are not sure what shops will be open on Sundays, and when, how or what they can go and buy. At the moment there are plenty of exceptions to the existing legislation that was introduced by the discredited Cain and Kirner Labor governments. I believe a big hand in that was played by the current Leader of the Opposition in his then role in the failed Guilty Party as the Minister for Consumer Affairs.

Currently all stores are free to open on a Sunday in the four weeks leading up to Christmas Day and then there are the six magical Sundays, but no-one is sure when they will be — will they be before or after Anzac Day or before or after Melbourne Cup Day — when the traditional objections to Sunday trading magically evaporate. Despite the level of uncertainty it is clear from visiting shopping strips, whether they be major centres or suburban shopping strips, that on those Sundays when trading is allowed Victorian consumers vote with their feet, their cars, their wallets and their credit cards in favour of stores being open on Sundays.

Despite the fact that Mr Theophanous took more than 2 hours to attempt to put his opposition to this reformist legislation, it is clear he failed to outline any consumer opposition to the bill. Consumers are clearly saying that times have changed. We are not living in the 1950s when dad went off to work from Monday to Friday and mum went to do the shopping. We are living in the 1990s when people are working more flexible hours, when women can rightly choose to participate in the work force and when recreation patterns are changing. Shopping is

no longer a trip down to the local grocery store but an entertainment experience.

The legislation encourages all Victorians to exercise their freedom of choice — a fundamental crux of our democracy — freedom of choice for retailers as to when they will open their stores; freedom of choice for consumers as to when they will choose to shop; and freedom of choice for employees as to when they will choose to work. It is a fundamental freedom that has been denied Victorians for so long.

All the Labor Party managed to do in the 10 years of its failed administration was strike a sweetheart deal with the union operatives who control the Labor Party to have 10 special Sundays to which all those objections Mr Theophanous raised do not apply — they magically vanish on those days yet continue to apply for the remaining 42 Sundays of the year.

The government does not pretend to tell the people of Victoria when to shop, when to work and what to do in their recreation time. This government is about freedom of choice — the freedom for consumers to choose when they shop while allowing retailers to open their stores when they wish. The current mishmash of shop trading hours does not affect all Victorians equally. It provides unique problems for consumers and, more importantly, traders in my province, which includes the tourism precincts of Southbank, Acland Street and Chapel Street, which was recently proclaimed. They are fine shopping centres, and the majority of traders exercise their right to open every Sunday.

The shopping centres I have mentioned are only some of the fine shopping centres in my electorate. The others include High Street, Armadale; Glenferrie Road, Malvern; Elsternwick; Glenhuntly; and Clarendon Street, South Melbourne. The stores in those areas are not allowed to open on Sundays, which limits the opportunities for the traders. They often approach me and the other honourable members who so ably represent the area to express their concern that although consumers can buy socks, shirts and shoes in Chapel Street they cannot do so in Glenferrie Road or High Street, Armadale. That discriminatory situation does not help anyone, certainly not the small business men and women who are trying to make an honest living but who are prevented by archaic and arcane laws from opening their stores when they want to. That does not allow consumers the choice to shop on the days they choose.

A number of families welcome the opportunity to visit their local shopping strip on a Sunday or any other day to shop at their leisure without the pressure of working out whether the Sunday they choose to go shopping is one of those magical days when Mr Theophanous in his previous failed guise as Minister for Consumer Affairs deemed they were allowed to shop. It is incredible that the opposition believes providing the opportunity for small business people to open their stores whenever they choose will limit employment opportunities in some way.

Mr Theophanous claims that before the government enacts the bill it should undertake a review of the effects it will have on employment. I remind honourable members that when Mr Theophanous was Minister for Consumer Affairs in 1991 he issued a press release entitled 'Consumer Affairs Minister welcomes Sunday trading', in which he states:

The extra retail activity will create part-time opportunities for young people during the Christmas period.

He does not say that he determined this as a result of some review that he undertook, as he called today for the government to do.

Hon. W. A. N. Hartigan — A cost-benefit analysis?

Hon. P. A. KATSAMBANIS — I am sure in his own mind he worked out a cost-benefit analysis. I agree with Mr Theophanous that Sunday trading will open up opportunities for part-time and full-time employment not just for young people but for all Victorians. Mr Theophanous queried whether increased trading will lead to increased employment, but he had no such query in 1991. He also said in his press release that Sunday trading will not only boost the Victorian retail industry and the manufacturing sector but also the balance of payments. I believe the press release was issued upon the announcement of three Sunday trading days before extending Sunday trading to 10 magical days. Imagine the employment benefits to the Victorian retail and manufacturing sectors and to the balance of payments when Sunday trading is extended to 52 days of the year.

The Leader of the Opposition is condemned once again by his own words, as are the other members of the Guilty Party, for their duplicity in this debate.

The Leader of the Opposition is also soon to be condemned by his own party, a view he has already expressed to many in this chamber.

The government's reforms will enable all Victorians to exercise freedom of choice about when to shop and when to consume. In its editorial of 11 September 1996, the *Age* stated that the Minister for Industry, Science and Technology was to be congratulated on bringing Victoria into the 20th century on shop trading reform. Even the newspaper the opposition quotes in this chamber so freely when it suits — it has not quoted it in the current debate — recognises and welcomes the benefits of the deregulation of shop trading for all Victorians.

The opposition told us how horrible deregulation of shop trading will be for rural Victoria, but what does rural Victoria have to say about the matter? In its editorial of 26 September, the *Ballarat Courier* states:

Ballarat, the tourism gateway to the 'golden west', is like a ghost town on Sundays with most shops closed and the city lacking the vibrancy which must be injected throughout the weekend to play a major part in an escalating tourism boom.

The *Ballarat Courier* is just one of the many rural newspapers that have praised the government for its reformist attitude to shop trading. I do not intend to quote all the articles I have supporting the government's action because I am aware of the very long government batting order of members who wish to speak in support of the legislation. The government has enough members who want to speak in this debate to form a cricket team, unlike the opposition!

To highlight how irrelevant and out of touch the opposition is with Victorian society today, I refer to what the shadow Treasurer in the other place, Mr Stephen Bracks, is quoted as claiming in an article published in the *Age* of 14 October 1996: the current bill is an attack on our way of life, on our recreation, on our sporting pursuits and on our fundamental beliefs as Victorians about what we want to do on weekends. I would like Mr Bracks to pick any of those 10 magical and mysterious Sundays on which his party chose to introduce Sunday trading when it was in government and to drive around any shopping strip in Victoria to see the large numbers of Victorians who are out in droves taking advantage of the opportunity to

exercise their right to shop on weekends. People go shopping on those 10 Sundays, which proves how out of touch and irrelevant the opposition is. The fact that the opposition is irrelevant was fundamentally confirmed on 30 March this year, when it was returned in decreased numbers to this house and the other place.

A small grab bag of groups is opposed to the bill. The opposition strenuously highlighted the opposition of the Shop Distributive and Allied Employees Association, which is also known as the SDA. The association claims to represent — I stress the word 'claims' — employees in the retail sector. There are more than 400 000 retail employees in Victoria, and although the SDA is secretive about the number of people it represents, the Leader of the Opposition today quoted a figure of 50 000. If it is true that the SDA represents only 50 000 of the 400 000 retail employees in the state, it is highly unrepresentative, and is therefore irrelevant to the majority of employees in the retail sector in Victoria.

However, the fact that the SDA is unrepresentative and irrelevant does not stop it from voicing its concerns. I am the last person who would attempt to stop the association from doing that, but it should provide some proof of the level of its representation rather than making wild and untrue claims.

The unrepresentative nature of the SDA was proved when it recently called a meeting in support of its opposition to the bill. The union did not call for a mass walkout of retail sector employees because it knew what would happen. If it had, its call would have been met by the same lack of response that meets its membership drives in the retail sector. Instead of calling a strike of employees to voice its concerns, the union called a meeting of shop stewards. The union got 400 shop stewards together to talk among themselves because they did not have anyone to represent, yet the union is supposed to be representative of the 400 000 Victorians employed in the industry.

The SDA is so unrepresentative that it tries to cling to every last member and to prevent people from resigning. Prior to the introduction of the Kennett government's Employee Relations Act many retail sector employees were forced to join the SDA in the many different guises it operated under before the union amalgamations. Following the introduction of the act many retail sector employees exercised their democratic right to not be in a union and chose to

resign. The union did not willingly accept resignations or offer members the opportunity of leaving; in its wisdom it invoked a clause that allowed it to charge union dues for an additional three months of membership after the date of resignation. In many cases those union dues were taken from employees without their consent through salary deductions after they had resigned from the union. Most union dues deducted in that way go to the mob sitting opposite, who claim to be Her Majesty's Loyal Opposition — they go to the Labor Party!

Therefore, even when people actually decide to leave the SDA it still extracts the last three months of blood out of those employees whom it does not represent, and that is a shameful situation. That same organisation claims that the bill will harm its members. I should have thought that if the SDA had been doing its job it would have welcomed the legislation as providing the opportunity for more members to enter the union. However, because it is so totally unrepresentative new employees will obviously exercise their right not to join the union.

The bill is welcomed by government members, as it is by all Victorian consumers and retailers. It contains a number of important safeguards which provide freedom of choice for all Victorians. One of the major safeguards is the outlawing of the provision in leases forcing shops to open on particular days at particular times. Currently landlords can force shopkeepers to open their doors against their will, but in future retailers will open when and how they want.

There is also an inbuilt protection for communities that may not want Sunday trading or other extended trading in the form of a municipal poll that can be conducted at the request of 10 per cent of the citizens of a municipality. That is also to be welcomed because if the residents in that area do not want Sunday trading they have the opportunity, rightly, of voting that the stores in that area remain closed on particular days. Of course, I would not particularly want to be a retailer and be forced to close against my will, but these safeguards are built into the bill and they are welcomed.

The bill is a culmination of shop trading reform over 20 years which started with the battle for Friday night trading. Those people in the chamber old enough to remember that battle would recall that opponents of Friday evening trading were claiming

that the end of the world was nigh. However, the extension of 3½ hours to a closing time of 9.00 p.m. did not bring the end of the world nor the destruction of small business, as the Leader of the Opposition claims this bill will do. At that time the change increased the level of choice for consumers. No-one was forced to work longer hours or open their stores for longer, and that will be the case with this reform also.

How will it operate in practice? Experience in my own electorate suggests that shopkeepers are exercising freedom of choice already and have done so since Chapel Street was declared a tourist precinct. Not all stores open on Sundays — some close on weekdays and open on Sundays while others do not open Sundays or may open seven days a week. Some open at 9.00 in the morning and others choose to start at noon and go through until later in the evening. It depends on the retailers and consumer demand.

The bill will remove all of those crazy anomalies that resulted in, for example, two supermarkets next to each other operating under different rules — one being open on a Sunday while the other was closed — with all Victorian consumers scratching their heads and asking, 'Why is this supermarket allowed to open on a Sunday and not the other one?' Of course, competitive pressure on prices with added competition on a Sunday can only benefit all Victorians.

It would be remiss of me not to mention the efforts of a number of leading Victorians who in the past have fought very strongly for the freedom to trade whenever they wish to trade. One of the leading protagonists who was actually gaoled for expressing his intent to open his store on a Sunday was Mr Frank Penhalluriack, and the bill is a testament to the strength, courage and conviction of Frank. He was gaoled by the Labor Party when it was in government and was almost bankrupted. Despite all the obstacles in his way he has managed to rebuild a thriving and successful business and has continued to champion the cause of freedom of choice in shop trading. Another group which fought hard for extended trading hours was the Bourke Street traders group, which should be commended for leading the reform for Friday night trading in the 1970s.

This bill has been a long time coming. I congratulate the Minister for Industry, Science and Technology

for introducing a bill which is welcomed by the majority of Victorians. At the same time I condemn the opposition for moving its reasoned amendment, which is nothing more than obstructionist, completely ill-informed and unrepresentative of the views of the vast majority of Victorians. I thank the house for the opportunity of speaking on the bill.

Hon. M. M. GOULD (Doutta Galla) — I oppose the bill and support the reasoned amendment of the Leader of the Opposition. In his second-reading speech the minister talks about freedom to trade and freedom to shop. What about the freedom of the workers? What about the freedom not to be required to work on Sunday? The bill allows employers to coerce workers to work on Sundays. Seventy per cent of retail workers are women and they wish to spend Sundays with their partners and children. The bill takes away their freedom to do that by providing for open slather trading and allowing shops to be opened every Sunday of the year except if Christmas Day happens to fall on a Sunday.

We know how employers abuse young workers by requiring them to work odd hours. Parents have raised with me concerns that their children have been rung up at 2 o'clock on a Sunday afternoon and told, 'There is work for you this afternoon; we want you to start at 3 o'clock'. If that young person is not available to work, the chances of that person being called at a future date are restricted considerably.

Hon. K. M. Smith — Who are these people? Name names and businesses.

Hon. M. M. GOULD — Toys 'R' Us, for one. The other toy store is called World 4 Kids — my daughter knows the names of these stores better than I do. Parents have told me that their son has had phone calls at 2.00 p.m. telling him to be at work by 3.00 p.m. but then at 4.00, 4.30 or 5.00 p.m. he has been told his shift is finished and he can go home. Young people under the age of 18 who do not have licences find it hard to get to work on a Sunday afternoon. Their parents have to drive them. The only alternative is to catch public transport, and we all know the difficulties of catching public transport, especially to large retail outlets, on a Sunday afternoon.

The opposition is concerned about the safety of workers who need to travel by public transport, especially after 5.00 p.m. on a Saturday and all day Sunday. I live next door to a supermarket that

currently opens from 7.00 a.m. to 10.00 p.m. Monday to Friday and from 7.00 a.m. to 5.00 p.m. on a Saturday. When the store closes at 10.00 p.m. parents or older brothers are often waiting out the front of the store to escort or drive the young workers home. Staff with cars are told to park their cars at the back of the supermarket because the manager wants the front car park to be available for customers.

My home is on a reasonably large main street and groups of young people roam around and congregate in the supermarket car park. At least two syringes have been thrown over my fence. The safety of workers is a major concern because of the lack of adequate lighting and the need for them to get to bus, train or tram stops. They need to get to whatever mode of public transport is available to them after they finish work at 10.00 p.m., midnight or even 4.00 a.m. Basically it is like doing shiftwork.

Because of the ebb and flow of business, in large companies these days staff are brought in to work for short periods or, if business is slack, their shifts may be cancelled and they are sent on their way. Finishing at odd hours is a major concern to shop assistants in large retail outlets and in small shopping strips.

Because I live next door to a supermarket, I am often woken up by hoons dropping wheelies outside my house.

Hon. Jean McLean — They are called burn-outs these days.

Hon. M. M. GOULD — These hoons do burn-outs through the supermarket car park. They do not wait until the supermarket closes, they tear around even before 10.00 p.m. while customers are parked there or later when the staff are leaving the premises. Staff safety is a major concern to the opposition. Nothing in the bill will protect those workers. Employers will be responsible for the wellbeing of their workers, but this bill will allow employers to open their stores 24 hours a day, seven days a week without ensuring their protection or allowing them to reject working on a Sunday — that is because of the repeal of the act, which gave workers the opportunity to refuse to work on a Sunday.

In its pre-election promise the government said it would undertake a review of shop trading hours

and consult with all relevant groups. It said that after that review it would go to shop trading on the first Sunday of the month with a maximum of 15 Sundays a year, including up to 3 Sundays in December. We have heard about the breaking of promises and how this government will break promises to ensure it looks after the big end of town. The government did not consult with the retail confectioners and mixed business associations or the shop assistants union that represents 50 000 retail workers. More than 6000 members of that union work in fast food outlets. The fast food companies have said that when supermarkets and shopping centres are open on a Sunday their trade diminishes. They are concerned that they will lose more business because of the bill but the government has not consulted with them to get their views. The government does not consult with anybody unless they are from the big end of town.

The government did not honour its pre-election commitment to local government that councils would be able to apply to extend Sunday trading hours. It is doing exactly the opposite. Councils that wish to extend or change their Sunday trading hours will have the opportunity to consult with their communities only at three-yearly intervals. They will have to go through the process of having referendums every three years if they wish to change their Sunday trading hours. That will impose onerous costs on them.

In the last sitting week the government passed a bill reducing the capacity of councils to maintain their rates at the consumer price index level, and this bill will impose even more costs on them because they will have to hold referendums every three years if they wish to extend their trading hours. Rather than being able to say, 'Here is an option of trading on the first Sunday of the month or the three Sundays immediately prior to Christmas', that option has been taken away from councils and they have an added impost of having to conduct the referendum every three years.

The current trading hours for retail outlets allow them to be open 24 hours a day Monday to Friday; they have to close at 5.00 p.m. on Saturdays and remain closed all day on Sundays, except for 10 Sundays. The exception is for businesses trading in the regional areas.

Hon. W. A. N. Hartigan — Except for those with less than 20 employees.

Hon. M. M. GOULD — Yes, on Saturdays they have to close at lunchtime. The debate is about the fact that the bill will allow shops to be open on every Sunday and every public holiday of the year. The government is taking away the rights of people in the retail industry. They will not have the ability to enjoy paid public holidays like the rest of the community because the government is saying that the shops will be open. The government is taking away the rights of people to enjoy Boxing Day, New Year's Day, half of Anzac Day, Australia Day, Labour Day, Easter Monday, the Queen's Birthday holiday and the holiday for Melbourne Cup that is coming up next week.

Hon. W. A. N. Hartigan — The Geelong Cup?

Hon. M. M. GOULD — The Geelong Cup has already been run this year. I am sure that from time to time a number of honourable members in the house have attended an Anzac Day dawn ceremony and they might have taken part in a march after that to the local shrine of remembrance. Do honourable members think that returned servicemen and women would be in a condition to work after they have marched and then had a jar or two with their colleagues?

Hon. G. R. Craige — We don't all do those sorts of things!

Hon. K. M. Smith — What are you suggesting? You're making nasty suggestions! We must send your speech to Bruce Ruxton; you're saying they're drunks!

Hon. M. M. GOULD — I am not saying that.

Hon. K. M. Smith — Yes, you were!

Hon. M. M. GOULD — I'm saying that they should be able to enjoy a drink or two with their mates, which is a longstanding tradition. They will not be able to do that because they will be required to go to work in the afternoon of Anzac Day. If they want to have the odd game of two-up on Anzac Day, which is now within their rights, how will they do that if they have to go to work? Many returned service people who served in the Vietnam War are in the retail industry. Their ability to enjoy themselves and catch up with the mates they don't see from one year to the next is being taken away. The ability of other people who work in the retail industry to participate in those activities is restricted because

they have to return to work at 1 o'clock in the afternoon.

The bill will take away the ability of people to enjoy Boxing Day and Anzac Day after 1 o'clock, and a number of other public holidays have been taken away.

The bill gives some protection to traders. It cannot be a prerequisite of a lease and so they cannot be forced to be open after 5.00 p.m. on a Saturday or on a Sunday. But the bill does not set out that protection for workers.

We know that people in some big shopping complexes coerce traders to abide by their requirements to be open during the hours that the shopping complex is open and to run sales at certain times of the year, whether that specialty shop trader wants to do so or not. We know that owners of complexes put such provisions in leases.

Hon. K. M. Smith interjected.

Hon. M. M. GOULD — We know unscrupulous people working for some organisations have insisted on exorbitant fees to ensure people get a particular shop location, so it is not beyond belief to imagine those people ensuring that traders are forced to open their shops on Sunday afternoons.

Hon. B. N. Atkinson — Name one, just one! Name the shopping centres that coerce people!

Hon. W. A. N. Hartigan — How do they do it? Is it by kneecapping?

Hon. K. M. Smith — Do they drag them out of bed on a Sunday morning and get them to open their shops? Name them! You can't; it's a figment of your imagination! You're making it up as you go along!

Hon. M. M. GOULD — I'll find one. There are individuals in companies — one of them is now working at the Crown Casino complex — who have been reported as insisting on traders paying exorbitant fees to ensure that they get a particular shop place. After they have given guarantees that there will be no similar specialty shop within the precinct they have put in a similar business next door. That deprives the original shop trader of the turnover that was promised as part of the lease and conditions. If a shop trader is not happy with the

requirements to be open on certain days or at certain hours, and to have sales and do a certain amount of advertising, all of a sudden there is competition put right next door to the shop and the original shop trader is transferred to another place in the complex, around the corner and out of the way.

I doubt very much that the bill will provide the protection it is supposed to provide for retail traders because the issue of tenancies has been raised in a number of cases. As I said, the bill puts unnecessary burdens on local government, given that councils have to conduct referendums that will not give them an option on a variety of proposals for Sunday trading.

I have received a number of pieces of correspondence at my electorate office from people who are concerned about the bill. One is from Sue Ollyak, a local trader. In a letter dated 3 October she says:

I write to you in disgust at the government proposal of extended traded hours. As the owner of a small retail craft and flower store, I firmly object to 24-hour, seven-day-a-week business hours.

Large corporations like Ikea have everything to gain by opening seven days a week, whilst everything else must suffer or cease to exist. Small business, the backbone of our economy, will be forced to shut down under the pressure of these corporations ... It is a cut-throat way of distributing wealth, as they say, allowing the rich to get richer and the poor to get poorer, as there will be a lack of opportunity to accumulate wealth by operating a small business.

I am not opposed to change, I welcome it. However, this is definitely not a change for the better. One of the underlying assumptions of the market mechanism is that there are many buyers and sellers — that is, no monopolies.

Isn't that what this trading hours proposal is eventually going to achieve — monopolies?

I received another letter on 21 October from a shop assistant and mother:

I am one of the many women (70 per cent) —

who work in the retail industry. She continues:

I will be expected to work Sundays and public holidays with no penalty payment. Not only will that mean I'll become slave labour but also the precious time spent with family and relaxing on well-earned days off will be a thing of the past.

Company overheads will surely increase (as people won't shop all the time) the environment will be further burdened by more electricity being used, cars, public transport on the roads, machinery in the shops running and eventually becoming overstressed and unsafe.

She goes on to express her concerns about health and safety and the fact that recently a fatality occurred in a Coburg store because health and safety standards had not been monitored appropriately. Those are two examples of letters I have received from small traders and retail employees.

More than 40 strip shopping retailers were surveyed in East Ivanhoe, Rosanna and West Heidelberg areas.

Hon. Bill Forwood — Who by?

Hon. M. M. GOULD — The honourable member for Ivanhoe in another place.

Hon. Bill Forwood — How many responses did he get?

Hon. M. M. GOULD — Forty. In the survey the small businesses were asked about the impact of deregulation on their businesses and 70 per cent indicated they believed deregulation would have a negative impact. The survey also asked about whether the impact of deregulation would be positive or negative and 97 per cent said it would be negative. The owners of small strip shops were asked whether the change would make their businesses more or less profitable? Of the survey 65 per cent said their businesses would be less profitable. They were then asked whether deregulation would increase or decrease the value of their businesses and 63 per cent said that it would decrease the value of their businesses.

Many owners of small businesses have invested their life savings in their businesses, but under deregulation their value will be decreased. Another question that was put to the business owners was whether the change had increased their concerns about the future of their businesses. Of course they responded that they are most concerned because they know the value of their businesses will be

reduced and that their life savings are at risk. They were then asked whether the change would be favourable to big business or small business and 100 per cent answered that it would favour big business. Looking after big business is what this government is about! More than 90 per cent of small businesses in strip shopping centres are opposed to extended trading hours because they know it will impact on them.

The view expressed by the opposition during the debate is not restricted to the view of the union; it is the view of strip shopping proprietors within various parts of Melbourne. On 5 August 1991 Mr Hall wrote a letter to Mrs Gracia Baylor, the then President of the National Council of Women of Victoria about Sunday trading:

I must say that I can see no real cause for Sunday trading. I too believe that it is an encroachment on family life. With the pressures on the young people in the world today, any further moves to take away family time would be only detrimental to their future developments.

As well, the small businesses would suffer badly. As it is, trading hours in Victoria are already amongst the most liberal in Australia. Without restriction businesses are able to already open for 137 hours out of a total of 168 hours.

Another letter of 6 August 1991 was written by Mr Best to Mrs Baylor about Sunday trading:

Having been a retail trader myself, I am personally opposed to the introduction of Sunday trading, as I believe it will not serve any real purpose, other than to impose further disadvantages on small specialised traders who are trying to compete against the large retail chains.

I oppose the bill and support the reasoned amendment.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Hon. W. A. N. HARTIGAN (Geelong) — I support the Shop Trading Reform legislation and to oppose the reasoned amendment. I think every honourable member here understands that the issue of shop trading reform has been almost constantly on the agenda for parliamentary debates. Whether the reforms have been good or bad, you can rest

SHOP TRADING REFORM BILL

Tuesday, 29 October 1996

COUNCIL

331

assured we have not been able to stop ourselves fiddling with them over a long period.

In some respects the reforms that have taken place over the years reflect the changes in society. I like this one: apparently in 1907 a wise politician decided that small shops should be allowed to open later, and widows were specified particularly as having the right to operate them. That was not abolished until 1946, when changes were made after the war.

So the thrust of the legislation relating to shop trading has attempted to move with the times; I am not quite sure whether it moved behind the times or ahead of the times. I am reminded that over my own short life, if I go back —

Honourable members interjecting.

Hon. W. A. N. HARTIGAN — There you go. My own members are being offensive.

Hon. Pat Power — You are too modest.

Hon. W. A. N. HARTIGAN — It is not something I try to achieve, Mr Power. Nevertheless, it is nice to know that I have natural grace that goes remarked.

For example, I recollect that immediately after the Second World War I used to deliver telegrams from the post office on Saturday mornings. I remember the banks being open. I also remember a whole range of other activities.

When I got married my wife was required to retire from the commonwealth public service because she got married. There was no argument about it; that was the law.

So there have been one or two changes over the past few years; none of them have been more frequent than the laws relating to shop trading hours. I have a faint, sneaking suspicion that every time they were reformed and liberalised there were exactly the same sorts of complaints that we are hearing today.

It would have been nice if there had been some variety, it would have been nice had there been a difference in the attitude of people, and it would have been nice if people had not predicted the end of the world as a consequence of these changes — because in the last hundred years that has been the prediction for every change that has been introduced.

This piece of legislation is a deregulatory activity. We are removing the control of people's lives. We are deregulating shopping hours and saying to shopkeepers and consumers, 'You make up your minds when you want to open your shops and when you want to buy goods'. We believe the shopkeepers and consumers will come to an arrangement that will suit both parties.

More importantly, the legislation reflects the fact that the economy has been deregulated in many respects in the past 20 years, including the introduction of enterprise agreements that have led to the 24-hour-a-day, seven-day-a-week operation of factories so that a small country like Australia is able to fully utilise expensive capital equipment. It is obvious to everybody, if they think about it, that hospitals, the police force, the fire brigade and the ambulance services, just to name a few, are open seven days a week, 24 hours a day — and have been that way forever and a day. It is obvious to everybody that for a very long time a whole range of retail activities have been exempted from any regulatory control whatsoever. They have been able to operate on Saturdays and Sundays — and under this legislation they will be able to operate not only on all the days everybody else can but will still be able to operate on some of the holidays from which other businesses are excluded.

So there is nothing new about seven-day-a-week activity. People who attempt to draw a distinction between retail activity and other activity tend to argue that the people who work in retail activity are different sorts of people from those who work in any other enterprise.

I heard Miss Gould, the Deputy Leader of the Opposition, talk about the difficulties that the legislation will pose for women. I observe that until now we have had the ability to shop literally six and a half days a week, and for 24 hours a day for five days of the week. I observe that 51 per cent of the people who work in the retail trade are women; I observe that the participation rate of women in the work force has risen for the best part of 50 per cent in the past 20 years; and I observe that we have gone out of our way — quite properly — to give the most equal access as we possibly can to women to obtain employment of a profession of their choice. Yet the Deputy Leader of the Opposition suggests that there is a need to vary the hours and conditions of work for women; in other words, to exclude women from

a wide range of activities by making some arbitrary judgement about their capacity to work after dark.

That is complete nonsense. You know it is complete nonsense, and women at large will not stand for the theory that one of the reasons we should not move for deregulation is that it would affect women who would have to work in the evenings. It is absolute nonsense. I cannot imagine why it is argued by Labor as something it is seeking to achieve. It would do no more than, once again, single out women and deny women work opportunities that they are fully capable of making choices about. I dismiss that as an argument that has any bearing on this issue.

I said during one of my infrequent interjections — because I felt I had to be necessarily restrained this evening —

An Honourable Member — Don't be so modest.

Hon. W. A. N. HARTIGAN — Given the provocation, I was extremely restrained. Mr Theophanous argued that I had ignored the views of the churches. I did not ignore the views of the churches. The views of the churches this time were exactly the same as they were when Labor introduced 10 shopping Sundays a year. They had nothing to do with seven-day-a-week shopping; they had to do with Sundays. I heard nobody talk about people of the Jewish faith and the Sabbath, or about Ramadan and the Muslims. So I sometimes wonder a little about how precious we are on some of these things.

We knew very well what the views of the churches were, because they were the same views they have expressed for the past 50 years. We knew very well what the views of the small shopkeepers were. They were expressing these to me before I became a member of Parliament, when I was giving them the same view that I gave them when I met with them a fortnight ago: 'Be my guest, if you don't want to open on a Sunday, don't open. If you cannot compete with the likes of Myer and David Jones, then you are in dreadful trouble'.

I heard the opposition talk about what a powerhouse Coles Myer is. Just look at its economic performance. It is not a powerhouse — don't worry about that. Look at David Jones — it is not a powerhouse.

Hon. Pat Power — No, it is mismanaged.

Hon. W. A. N. HARTIGAN — I did not say they weren't. And in fact, you may well have the opportunity to defend —

Hon. Pat Power — You think Bartels is a grub too?

Hon. W. A. N. HARTIGAN — I did not say that. I am perfectly happy to agree with you. If you measure their performance on the basis of what their results are, they have not been at all well managed. Indeed, Mr Power should read the annual report of Coles Myer which admits that World 4 Kids has not worked.

Hon. Pat Power — While putting up executive salaries.

Hon. W. A. N. HARTIGAN — The shareholders might have something to say about that. If I were a shareholder in Coles Myer I would be worried about it, but I am not. I want to make a point about this completely specious and unrelated suggestion by Mr Theophanous that those who hold shares in Coles Myer should declare their interest because the legislation would by some miracle result in a benefit to Coles Myer or David Jones. I am not sure which of them will get the advantage. Will both of them be advantaged or will one knock the other off? Who is to say that the five large retailers competing for business will be advantaged? Who is to say that the small operators who will now be allowed to trade on weekends will not do a better job? The legislation has no relationship to any particular size of retail business.

If the opposition were concerned about small shopkeepers it would have done something 20 years ago when the large shopping malls were developed, because they were airconditioned and were offering far more than the opportunity to buy a sack with 20 pounds of flour during the short hours limited product ranges were offered to consumers. People go to these places to do a great deal more than shop, as Mr Katsambanis explained. The real problem has not been with the small shopkeepers, but shops competing more advantageously in malls than they have in strip shopping centres because they offer better service.

The legislation will have no direct influence on that process because people will shop where it is most convenient for them to shop on the day when it is most convenient for them to shop.

The government has been accused of changing its mind. I hope it has changed its mind because the circumstances have changed. One of the circumstances that has changed is the introduction of seven-days-a-week shopping in the central business district.

Hon. Pat Power — When are you going to introduce PR to the upper house?

Hon. W. A. N. HARTIGAN — If you are suggesting that the government would be unhappy having 17 out of 22 provinces, I say I do not think it is. It is a satisfactory arrangement for me and expresses the will of the people and the capacity of the players. I thought Mr Power was going to introduce me to a shopkeeper! There is not any direct impact on any class of retailer or indeed on any people who work in retail establishments. I know from my own experience that the Geelong Chamber of Commerce supports the program. Even the *Geelong Advertiser*, which from time to time lost its way in commenting adversely on the proper advances made by the government, supports the policy and made the observation that it supported the first move for open trading in 1946. Certainly local government reform was also mooted in 1946 and was finally achieved.

The legislation is designed to benefit the public, not to benefit business people. It is a deregulatory activity. The government is saying to people that they should make their own choices. The opposition says in its usual way, 'We are perfectly capable of making decisions that will be in the best interests of the community', notwithstanding the fact that the 10 years of Labor government indicate that the Labor Party makes no decision that benefits the community.

Hon. D. A. Nardella — What about the 86 months of full-time employment?

Hon. W. A. N. HARTIGAN — I have got to admit that Mr Nardella is doing some homework. He may also like to comment on the \$30 billion of debt left by the former Labor government and the large number of civil servants it employed to give the impression that anything in employment can be done, but unfortunately, one day it must pay the piper. The government is doing the job and in the remote likelihood that the Labor Party gets a chance to govern it will at least govern a state that is capable of operating. Fortunately for the Liberal Party and

unfortunately for the Labor Party that possibility is remote.

The former Labor government did not comment on this issue during its administration. I am reminded by Mr Katsambanis that when the Labor Party, in consultation with a raft of people, not the least of whom was the Shop Distributive and Allied Employees Association, introduced trading on 10 random Sundays, no-one ever knew which Sundays shops were opening, which had some logic in it because the Labor government did not want people to turn up on those Sundays. I fail to believe the Labor administration did not want to ensure Sunday trading was a failure. Once Sunday trading was introduced the arguments in support of churches, families and other groups evaporated. I have not heard any new arguments or opinions from any group involved in the issue that is different from the opinions or arguments expressed during the past 40 years. Exactly the same views are being expressed now as were expressed previously.

Hon. P. A. Katsambanis — The sky would fall in.

Hon. W. A. N. HARTIGAN — That is so. People have been making the same dire predictions for the past 50 years, but nothing has happened. The government is trying to bring retail activity into line with the general economic activity that is fundamental to improving our present position. Surely the Labor Party does not oppose the fact that more women will be introduced into the workplace. The government is providing better access, better choice and better retail shopping.

It told the people of Victoria that it would review shopping hours. I deduce that people did not believe the government would cut back on trading hours or stop Sunday trading in the central business district. I presume most people thought the government would review trading hours with the prospect of extending the hours. The Minister for Industry, Science and Technology consulted a large number of people and he found that the views expressed were exactly the same as before. The government went ahead and implemented the changes. Personally I do not support the reforms entirely although I do understand why we have not moved to lift the final restrictions. I understand it is an evolutionary process and we will have to wait until the changes have settled in, because while Good Friday, Christmas Day and up to 1 o'clock on Anzac Day are closed for trading, a whole raft of shops are open. If

there were any concerns about the views of the Master Grocers Association of Victoria, the house would be pleased to know that notwithstanding its own survey, which concluded that people did not want to shop on Sundays, grocers will still be open for trade on Sundays, but they will have some competition. I do not see anything wrong with that, and I believe it is beneficial for consumers. The government is prepared to move with the times and as circumstances change it will change its approach.

Notwithstanding Mr Theophanous's concern that we are not constant in our views, I notice he is capable of changing his mind significantly. The Victorian Labor Party's job and industry plan issued prior to the last election said of a Brumby Labor government — you can't win them all; in fact Labor can't win any of them — that underpinning the review was Labor's ironclad commitment not to extend shop trading hours beyond the current arrangement, that is 10 Sundays.

That was March. It was ironclad then, but there has been a bit of rain over winter and that commitment has eroded away and disappeared. The policy now refers to a maximum of 15 days, which Mr Theophanous says offers consumers certainty in retail. I am sure it is offering the same certainty as the ironclad commitment Labor made not six months earlier. It is a little hypocritical of the Labor Party and the Leader of the Opposition to accuse the coalition of a lack of constancy.

The government is happy to take the view that the reform of shop trading hours is an evolutionary process, and that as circumstances have changed so has the view of the government. No-one is more characteristic of the government's willingness to change than my good friends from the National Party. It is true that they had a slightly different view 10 years ago, but they have been converted on the road to Damascus. They have seen the changed circumstances and have changed their minds. They have been convinced by the facts and the changed circumstances, and they will go along with this change because it will be as beneficial for people in the areas they represent as it will be for everyone else.

I hear opposition members complaining that the government has introduced a provision that deals with the ways in which particular local councils may change these regulations. I start from the premise that we have deregulated shop trading hours. If

anyone in a particular shire wants to regulate them again, in my view it is a perfectly reasonable proposition that that person should seek a plebiscite. It is entirely unreasonable, having had regulated shopping hours, to require a plebiscite for them to be deregulated.

The government has said, 'Here it is as you wish to see it. If you want to change it, you should come along with specific programs. You have three choices: to declare that you want shops open on Sundays; to declare that you do not want shops open on Sundays and to determine what hours you want shops to open on Sundays; and, more importantly, every three years you have to give the public an opportunity to go back'. That is a perfectly fair and reasonable basis for determining whether or not we regulate people's rights. The government is about giving people the maximum rights possible consistent with the public good.

I am not too worried about the trade union movement. It is not the downtrodden, oppressed and ignorant body the opposition would have us believe it is. It is well able to look after its own interests, as it has shown by the way it has dealt with retailers in the CBD. I am sure the unions will negotiate whatever is needed for their members. What the government is doing is not new to Victoria or very much different from what already exists.

The Labor Party would have been wise to go along with the change and realise, as it did during its own time in government, that it is an evolutionary process, and that coming to the point we have reached was unavoidable, is advantageous and is necessary to bring this aspect of trade and commerce into line with the general level of activity in the state. It is a perfectly fair and reasonable thing to do.

At the next election no-one from the Labor Party will get up and say, 'Let me tell you what we will do for you if you vote us back in: we will get rid of Sunday shopping and, depending on how ironclad we feel, may give you an ironclad commitment to have only 10 shopping Sundays a year; then again, we might give you a less ironclad commitment to have perhaps 15 shopping Sundays a year'. Does any opposition member seriously suggest he or she will go to the people 3½ years from now and say, 'We know you have these deregulated shopping hours but we also know you really do not want trading on Sundays, and in fact we have had a chat to our mates in the unions and we think it would be good if

you went back to having shopping on 10 Sundays a year. Let's be radical! Why not go back to 5 days a week? In fact, why not just open on Tuesday afternoons? You can bring down your billy cart and burlap bag and we will throw on a few of the basic necessities of life and away we'll go.'? That is nonsense. The Labor Party would never suggest it and the people would never wear it.

The point is that when we come to the next election shop trading will not be an issue. The Labor Party will run a thousand miles to avoid discussing it, the changes will be seen as a great success, the world will not have collapsed, Western civilisation will not have disappeared, consumers will be a lot better off, there will be more competition, and prices will not have risen.

I keep hearing this stupid nonsense that costs will go up and prices will rise. Costs will not go up because competition will not permit it. If traders think there will be insufficient business on Sundays, they will not open. A group of shopkeepers who wrote to me typified the attitude I am talking about. They said they would not open on Saturdays if the changes went ahead. They said that when they go broke next June because everyone else is opening it will be my fault. I said it will be their fault. They said they will not open and I said I will not force them to. They again said they will be broke by next June, that this is a disaster waiting to happen.

Hon. P. A. Katsambanis — With that attitude are you sure they were not members of a trade union?

Hon. W. A. N. HARTIGAN — No, the unions know exactly what is happening, and they will negotiate the best deal they can get, as they have done in the CBD. We will not hear anything from the trade union movement, and many SDA members will be perfectly happy to work on Sundays.

The idea that we should introduce social working conditions disappeared a long time ago. I suspect Mr Nardella would not think so. I do not know what era he is trying to go back to, but May Day 1917 may strike a chord! Perhaps he would like to visit North Korea. I regularly read the *Pyongyang Times*, courtesy of Mrs McLean. They have nothing to sell in North Korea, so they need to open their shops on only one day a week. Mr Nardella could also go to Cuba, where the shops open on two days a week because they have almost nothing to sell.

Hon. D. A. Nardella — You have no understanding of working-class people or the history of the 8-hour day.

Hon. W. A. N. HARTIGAN — I have not always been a member of the nobility. I have had to work for a living and earn a quid like many other people. I do not need Mr Nardella to tell me about the working class. If he cared about the working class he would not have allowed the Labor Party to destroy jobs and put people out of work. Labor governments had 10 years in this state and 13 years in the federal arena, and no-one has done more damage to the working class.

The coalition won the last federal election because the working class decided, just as I have decided, that the Labor Party is a hopeless lot and is largely responsible for the difficulties Victorians find themselves in, including unemployment and the decline in their standard of living.

Mr Nardella, as a past organiser for the Labor Party, should look back on the damage he has wrought on this country rather than giving me some pathetic argument about his interest in the working class. Mr Nardella has no interest in the working class, in students or in patients; he is interested only in those vested interests that pay the revenue and subscriptions to support the Labor Party.

I look forward to Mr Nardella's contribution and to hearing his idea of an ideal standard working week for retail trade. When the next election comes around — and we will both be here when that happens — I look forward to hearing what Mr Nardella has to say then, because if he and his leader have any sense it will be very little. The issue, if it is raised then, will be a vote-loser for the opposition, not a vote-winner.

The proposed legislation is leading the rest of Australia. I am unconcerned that New South Wales does not compete with Victoria in this area; it will be another edge this state has over that state, another edge to attract tourists and business and another edge to make the whole level of business activity more viable and vital in this state.

It is good legislation and it will be seen as such. A real measure of its success will be that this will not be an issue at the next election.

Hon. PAT POWER (Jika Jika) — I oppose the bill and support the reasoned amendment. When Mr Hartigan spoke about the legislation being a deregulation measure he really nailed the reason why the opposition is so concerned about its consequences. I noted with interest that he acknowledged that the SDA is a competent trade union which, regardless of the circumstances created by the coalition government, will continue to participate in the industry and work on behalf of its members who work in the shopping industry. It is to be applauded for that. The SDA is in no sense whatever spitting the dummy as a consequence of the going getting tough.

Over the years one of the great attributes of shopping in this state has been the diversity of experiences. In my electorate of Jika Jika there is everything from strip shopping centres to the increasingly influential and well patronised Northland shopping centre. Nobody in this chamber would dispute that that is an appropriate mix of shopping experiences and structures. It needs to be understood that shopping at Northland is a different experience to shopping in the more local environs of the strip shopping centres in Northcote, Preston or Reservoir, and there is no doubt that the ways shoppers spend their time in those environments is quite different.

When people visit Northland it is very much a day's outing. I suspect that if you were to do some measure of the amount of shopping that is actually done when people visit Northland as distinct from socialising and window shopping you would find that the time spent shopping would be quite minimal, and the same is the case when people shop at strip shopping centres. The fact that those activities are very much part of our society and social life is quite clear, regardless of whether it is done in a strip shopping centre or a major centre.

I am concerned that the deregulation Mr Hartigan described should not significantly upset that quite diverse and sensible balance between small, family-run businesses and the larger department stores that are able to successfully operate as a consequence of the critical mass of population that is attracted to a place like Northland.

It is important that the baby is not thrown out with bathwater when the government seeks to achieve what the opposition recognises as its commitment to deregulation. Without being offensive, I will provide

some examples of the way the government might consider supporting existing small businesses while at the same time achieving its goal of deregulating shop trading completely.

From my experience of talking to people not just in Jika Jika but right across the state, including rural Victoria, I am aware that if this legislation flows on as a matter of course and no attention is paid to the obvious impact on small businesses many of those small businesses will be unable to continue. If that is the case it will simply mean that the larger towns, especially in provincial and rural Victoria, will become stronger and the smaller towns will become more and more vulnerable. I don't think any of us would want that to be the case.

Recently I travelled to the Wimmera and the Mallee, and during that trip I had the opportunity of calling at Jeparit, the birthplace of Sir Robert Menzies. There are two hotels in Jeparit and quite clearly there is not enough trade on a Sunday to support those two hotels. Very sensibly, the two operators of those hotels have come to an agreement that they will open on alternate Sundays.

Hon. M. A. Birrell — I think that is probably a breach of the law which you have just alerted us to!

Hon. PAT POWER — No, it is not. Check it out, but if you want to make cooperation an offence, you can. I am providing that as an example of something the government could well do as an educative initiative in a way which would not challenge its wish to deregulate but which might well add to the likelihood or probability of a number of vulnerable small businesses being able to continue.

We all know when we travel through suburban Melbourne and country Victoria of a weekend, especially after Saturday lunchtime, that we will drive through a local area or a town and see shops that are struggling to keep open.

Hon. R. A. Best — Don't you ever pack up and go to the footie or play tennis? It's a bit of a different culture.

Hon. PAT POWER — I am happy to hear what Mr Best has to say, and I accept that there are people who play sport and people in the farming community for whom the weekend is no different from week days.

Hon. R. A. Best — Exactly. It is a relevant point.

Hon. PAT POWER — It is relevant, but the point I make is that in metropolitan Melbourne and regional Victoria there are families who run small businesses such as hardware stores, milk bars or hotels. The fact is that they are small beer. They are making a living as small business people and possibly are not bringing home much more than they might if they were PAYE employees — I suspect in many cases they are bringing home less. Nonetheless they and their retail outlets are part of the social fibre of the region in which they live and operate.

I ask the government to pay attention to whether it is possible through a government department to provide encouragement — and in many cases it may well need to be strong leadership and education — for small businesses not to continue to operate in a way that will send them to the wall. In my view the deregulation of shop trading will mean less turnover will be available for those small businesses and in small communities in metropolitan and country Victoria it might be necessary for people to come to some agreement about opening on alternate weekends, some on Saturday and others on Sunday. That is really an important point. I cannot emphasise how much I agree with what Mr Hartigan said: we are talking about deregulation.

Bert Evans retired recently, and people right across the political spectrum expressed their appreciation of his commitment to the metal industries. One of his greatest qualities was his acknowledgment that with restructuring it is necessary to put in place a mechanism that ensures that when it is bedded down the restructure is capable of enduring and being sustained.

I make that point in relation to shop trading. I accept that the government is committed to the deregulation of shop trading, but I urge it to apply this regime in a way that ensures that the restructure is positive and sustainable and does not simply lead to the big getting bigger and the weaker and smaller becoming so vulnerable that they are unsustainable. I offer that in good faith; I think it is achievable. I think many small businesses would be prepared to listen and respond to that sort of advice and encouragement. I acknowledge that it would involve a substantial educative undertaking and I do not for a minute suggest that it could be achieved simply.

Another point I want to emphasise is the importance of the diversity of our shopping experiences. Families especially can take advantage of the multiplicity of attractions and the convenience of a shopping complex like Northland, which has a very seductive atmosphere. There is something for everybody. If the oldies want to sit down and have a cup of coffee and a cake, they are able to do so, and if the young ones want to go off to play in an entertainment parlour, they are able to. It is possible to do one's shopping in the morning, have lunch and then go to a movie without leaving the complex. Nobody would dispute that that is an important aspect of a multi-discipline shop trading structure.

I also argue that for all members of this chamber there are other shopping precincts that are just as valuable in the contributions they make not just to local culture but in many ways to the local economy. In Melbourne we have the Queen Victoria Market and the market on the Esplanade at St Kilda, which are significant cultural and economic activities. Before the shop trading issue appeared on the horizon I had conversations with a number of stallholders at the Preston and Queen Victoria markets who were concerned about their continuing viability. They believed, for a range of reasons they did not have the expertise to put their fingers on, that their turnover was down and that sales were not what they used to be. I hope that without pouring money into people's pockets the government would be anxious to sustain facilities such as the Preston, Prahran and Queen Victoria markets as part of Victoria's diverse social and shopping experience.

I am concerned that the consequences of deregulation being imposed without some supportive mechanism for those who may be vulnerable could be to substantially cut back our current range of shopping experience.

I want also to comment on the involvement of local government in shop trading issues. I listened with interest to Mr Hartigan's comments. He always makes clear what he is talking about, and no-one is left in doubt by the time he sits down. I accept that the coalition believes it has a mandate to implement the deregulation of shop trading hours, although I am concerned that it sees local government as the appropriate tier of government to pick up the downside of shop trading hour reform, which because the government has the numbers will become law in the near future. Mr Hartigan made

the point that local government is well placed to conduct a local poll on the popularity of shop trading reform, and I agree with him. The capacity of local government to provide advice about issues such as this is profound and will grow and become stronger as time goes by.

I register my concern on behalf of many people I have spoken to in local government about the section of the proposed legislation which leaves local government with no choice but to undertake the task of conducting the referendum, subject to a petition of 10 per cent of ratepayers, and which requires local government to totally fund the task. Members of the Municipal Association of Victoria have spoken to me about the matter and I know they have had at least correspondence, if not conversations, with the minister about it. They have estimated that the cost to a municipality would be in the vicinity of \$40 000, which is a significant amount of money. Given that a sunset provision applies to any decision of local government that alters the government's preferred position on shop trading and that requires that a poll be conducted every three years, it is reasonable for the Municipal Association of Victoria, many municipalities and many ratepayers to express concern that they are being asked to pay for what might be seen as the downside of the government's reform of shop trading.

I support the government's view that local government is the best tier of administration to have responsibility for the measure but it is not reasonable for the state government to ask local government to do so essentially on the state government's behalf and for local government to be required to fund it totally.

It is a concern also when we examine the climate that exists in local government at the moment. We need to understand that for the past three years local government rates have been frozen; this year the government legislated requiring local government municipalities to deliver rate cuts in the range of 20 per cent; and quite recently in this chamber we debated yet another amendment to the Local Government Act, which allows the minister to freeze the rates of any or all municipalities in any or all years.

I argue in support of the MAV position and the concern expressed by many municipalities and many ratepayers that it is a bit rough for the state government to ask local government to completely

fund the activity when they are under significant financial duress. I have no difficulty and I do not believe the MAV or any municipality would have any difficulty if the revenue flow were adjusted as a consequence of being required to undertake the additional task.

We need to understand that the shop trading issue is not the only additional responsibility that the state government has asked local government to take on at this time when its revenue is frozen. And it is not just a matter of municipalities having their rates frozen. As a consequence of being unable to adjust rates even in accordance with CPI increases, municipalities are in fact experiencing a reduction in revenue in real terms. Not so long ago we debated in this chamber legislation that outlawed wheel clamping. I do not think anybody in this chamber did not agree that that was a sensible idea. But one of the consequences of that was that additional work was required of local government to set in place arrangements and policing in relation to people parking unlawfully on private land.

This is a pattern at a time when local government is under enormous duress in respect to commissioner management and being required to satisfy the government's political agenda by delivering rate cuts when the rate cuts have been funded by the use of financial reserves and by funds flowing from forced asset sales. At the same time they are being buffeted by the requirement to manage what I describe as the downside of shop trading deregulation.

I conclude by urging the government to pay some attention to the suggestion I put forward about providing advice and support to those many small businesses that may be pushed close to the point of unsustainability as a consequence of the advantage that large shopping centres will have arising from 24-hour, seven-day-a-week shop trading.

I particularly want to record my concern that it is unfair to ask local government to be responsible for managing the measurement of any downside, to fully fund that measurement and to do that in a climate when local government is under significant duress and its capacity to raise revenue is frozen and therefore severely limited.

Hon. K. M. SMITH (South Eastern) — I feel wonderful about the Shop Trading Reform Bill. I was a member of the Australian Small Business

Association (ASBA) for a long time. One of the main things we pushed — and I am going back to before I was a member of Parliament, so it is about 10 years ago — was that restrictions on shop trading hours should be removed and people should have the freedom to trade when they wished to do so without fear of prosecution from the then Labor government.

They were great days when we used to talk about those things, hoping that one day they would be achieved as they have been. Tonight's debate will be the culmination of the two houses debating the bill and making sure that we are getting the very best for everybody. I remember from my association with ASBA having discussions with Frank Penhalluriack. I note that he was mentioned earlier in the debate by Mr Katsambanis. He was a hero; he was willing to put himself up for sacrifice. And sacrifice it almost was, with the then Premier John Cain being prepared to send the man to gaol and to put a huge monetary cost on his preparedness to stand up and be counted. It almost cost the man his life. We probably all remember the front pages of the then *Herald* with the photograph of Frank Penhalluriack not long after he had his heart attack in gaol and nearly died. I used to feel strongly for the man. I admired him greatly for his strength in being able to stand up and say, 'I am entitled to be open to trade when my customers want me to be open', particularly when he was trading six days a week and people around the corner had moved into a tourist precinct a few metres up the road and were able to operate and take away customers on a Sunday. Frank Penhalluriack has my greatest admiration. I do not know whether you can dedicate a bill to someone but this bill should be dedicated to Frank Penhalluriack. God bless him for what he has done.

We are talking about a great change, but some members of the Labor Party are talking about the ceiling falling in, the world collapsing and small businesses disappearing because trade will be opened up for everyone. Small businesses are now trading against big companies six days a week and for 10 Sundays a year and some of them have survived! It is amazing! Why will the ceiling fall in when shops can open for 42 more Sundays a year?

The SDA has spread lies around the stores and scared its members. Everybody will not have to work seven days a week because someone has to work Monday, Tuesday, Wednesday and Thursday. Some people will be rostered on Sundays but new

jobs will be created and new opportunities will be available, particularly for young people, mothers and for fathers who want second jobs. The Labor Party is not able to comprehend that this change will create jobs.

When trading on the three Sundays before Christmas was put in place Mr Theophanous was good enough to come out and say that it was fantastic, the balance of trade would be turned around and that it would get Victoria on the move, but today he stood for 2 hours and talked the greatest load of rubbish I have heard in my life. His speeches are going from worse to even worse! It is the same old drivel; he says the world is going to fall apart because we are going to do something different.

Change is about to hit Victoria! I cannot understand what the fuss is about. I live on the Mornington Peninsula and for 30 years I have been able to get meat from the supermarket or the butchers, drinks, a can of baked beans or a loaf of bread on Sunday. I have been able to get almost anything I wanted, and small businesses are still operating down there! They have not faded away; the big shopping centres have not taken over.

Small business is thriving. If you want to see a prime example of that you should go to Mornington on a Sunday to see the people who have been trading for 25 or 30 years and see the number of new shops that are operating. Thirty years ago Safeway was not there but now there are 2 kilometres of shopfronts from one end of Mornington shopping centre to the other. They are thriving because people want to be successful. They are prepared to trade because they want to be there for their customers. They work on Sundays and they love it. The people travel from everywhere to do their shopping.

During the past 30 years things have changed. We have accepted the change. We don't just go to the races on Saturdays, we can go to the races seven days a week. You can go to the football four days a week if you want during the football season and the ceiling does not fall in, which a lot of people predicted it would. You can't get the *Sporting Globe* any more; that is a change. You can't get the *Herald* any more and you can't get the *Sun*! We have adapted. Some people thought it would be the end of the world because they could not get the newspaper they used to get, but that is what change is about.

I remember when we used to put 20-pence coins in the slot and then we would have to pump our own petrol at the self-service. If 30 years ago we were told that we would have self-service stations open seven days a week trading 24 hours a day we would not have believed it, but we have learned to adapt to the change.

You cannot get threepence worth of broken biscuits any more because biscuits are not packed in tins. They come in little plastic containers and we have adapted to that. We used to have the 6 o'clock swill. Remember that?

Hon. R. I. Knowles — Most of us are too young!

Hon. K. M. SMITH — Well, I can remember my dad!

Hon. Pat Power — Because he was the one that came to pick you up!

Hon. K. M. SMITH — I remember the 6 o'clock swill because we always knew when dad would be home after they tipped him out at about a quarter past seven. He would have a couple of bottles under his arm. We adapted to the change. Change will come about in Victoria with seven-day-a-week trading. Remember when we used to be able to bank and go to the post office on a Saturday morning? Some banks are again opening on Saturdays and post offices have been franchised out and now open on Saturdays.

I worry about Mr Theophanous. We all worry about him! He said that in New South Wales 3000 small businesses had closed since they changed to seven-day-a-week trading. Of course, not every business will be able to survive or adapt to the new style of retailing or service industry. There will always be people who fall through the net and do not survive. It is no great surprise to hear Mr Theophanous say that. I could attribute the failure of those businesses to the Carr government, and I will! Their demise was brought about by the Carr government, as well as the fact that some people were not able to operate their small businesses under changed circumstances.

One excellent initiative of the government is the blue book, *Shop Trading Reform*, which sets out a lot of information about the retail trade in Victoria. Members of Parliament need to get that book to the people. I am sure members on the opposite side who

have the book have provided the public with the facts contained in it.

The Master Grocers Association wrote to every member of Parliament. The mail-out must have cost a fortune. A letter dated 6 October addressed to the Honourable Kenneth Maurice Smith — I must get that taken out of the newspaper — and sent to my home address, which is fine, refers to the Roy Morgan research poll. The letter does not say anything about the questions that were asked; it just says that almost 70 per cent of Victorians oppose unrestricted shop trading and that only 35 per cent of Victorians favour it.

When we made a few inquiries, we started to get into the sorts of questions they needed to ask to give them the percentages they needed. Anybody can set up those questions. At page 12 the *Herald Sun* of 7 October states:

The Morgan phone poll of 1000 people, conducted on the weekend of September 28-29, revealed:

69.9 per cent oppose unrestricted trading if it means that small businesses cannot compete with large businesses.

Now that would even make me say, 'Well, maybe we shouldn't have it.'

69.6 per cent are opposed if it means local grocers close.

That would have been one that would cause me to have some concerns.

71 per cent are opposed if it means businesses close and unemployment rises.

These are all motherhood things that most people would respond to in a negative way. You can get figures and you can get figures. The figures that I trust are the figures that have been produced by Mr Birrell in *Shop Trading Reform*, which show that 69 per cent of people favour shops opening on a Sunday and 63 per cent favour shops opening at any time they wish. They do not support — —

Hon. R. I. Knowles interjected.

Hon. K. M. SMITH — It has been a very interesting 15 minutes to date, Mr Knowles. I am very aware of Mr Knowles being in the chamber and that he supports — —

Hon. R. I. Knowles interjected.

Hon. K. M. SMITH — We may even get out of the chamber before 2.00 or 3.00 a.m. But, Mr Knowles, this is an important issue. I told you before, I have been waiting for this bill to come through for 10 years. Ten years ago I was advocating this, so I am pretty excited about it. I cannot understand Mr Theophanous's saying he does not support it.

An Honourable Member — What does it all mean?

Hon. K. M. SMITH — I cannot believe Mr Theophanous did not read the *Labor Star* — otherwise known as the *Age* — because its editorial supported the bill. I cannot believe Mr Theophanous did not get a copy of it. The editorial of Wednesday, 11 September, says:

Mr Birrell's announcement that the government proposes to let all shops open whenever they want, apart from a minimum number of public holidays, signals a long-overdue triumph for the common good over special self-interest. Victoria has come of age.

... Mr Birrell is to be congratulated on bringing Victoria into the 20th century ... just in time.

An Honourable Member — What paper was that in?

Hon. K. M. SMITH — That is from the *Age* — the *Labor Star* — which Mr Theophanous constantly quotes, or he did until just recently. He has started to quote the *Herald Sun*. Maybe he has shifted camps! Nevertheless, the editorial in the *Herald Sun* of Wednesday, 11 September, says:

But the unrestricted hours will create more jobs in an industry that already employs nearly 400 000 and in June alone had a turnover of \$2.2 billion.

Victorians have voted. This is what they want. They supported the proposition. I have a quote from the *Bendigo Advertiser* for Mr Best.

Hon. R. A. Best — What a very good paper.

Hon. K. M. SMITH — It is a wonderful paper. It has the most glowing of editorials supporting the position we have taken. It admits there will be some changes and that most people will probably find

they will be affected in some way by the changes, but it gives a very good commentary.

What is not a good commentary piece is a letter dated 1 October sent to Mr Birrell, which I received a copy of, signed by Harold and Kath Phillips of Just Groceries Rite-way at Belgrave South. God bless them for filling me in on the basis that they hate competition! In their letter they say:

Our company is a small family business, employing 16 full and part-time employees, operating as a licensed supermarket catering for the needs of the local community in Belgrave South. We trade seven days per week between the hours of 6.00 a.m. till 9.00 p.m. Monday to Friday and 7.00 a.m. till 6.00 p.m. Saturday and Sunday.

They do not believe we should bring in Sunday trading for everybody else because it will create competition.

Let's get fair dinkum about this: the customer is the important person. These people are in business and they have unrestricted trading already, and they do not want competition from other people. It is a disgrace that they would write a letter like that. They are obviously caring small business people — they care about their business, and they do not want to open themselves up to competition! They have survived now against competition.

They talk about big supermarkets around the corner — and that is fine. But they are competing against them now on the basis of seven days a week — and they are surviving. Why in God's name will the whole thing change because we say other people will be able to trade like they are able to do?

Customers are looking for people to deliver service to them. That is the whole trick of being in small business. I traded as a plumbing contractor for probably 25 years. My door was open to my customers seven days a week, 24 hours a day, and I did not charge huge penalty rates. I employed a lot of people over a long period of time — and I delivered. My customers were still coming back to me four years after I was a member of Parliament, wanting me to do their plumbing work. I certainly was not advertising.

An Honourable Member — Because you did not do it properly in the first place!

Hon. K. M. SMITH — That is the stupid sort of thing I would expect from a typical electrician, and one who has been a member of the electricians union. They wanted me to come back and work because I had given them service.

The people in Belgrave can keep their custom, the same as the people in Mount Martha have. They have had seven-day-a-week trading for such a long time, and you cannot get in the front door of a butcher shop there on a Sunday. Why? Because he delivers to people the best meat they can get at the best price they can get. He gives people what they want, he is open on a Sunday and he delivers the goods. He is giving them what is called old-fashioned service. Anybody who is to survive in business has to give that to their customers. That bloke does.

A supermarket four doors up the road sells meat that is probably cheaper than what the butcher sells it for, but the butcher gives them what they want. A bakery does exactly the same thing: it gives people the bread they want. It set up next door to the supermarket, which probably sells bread cheaper than you can get at the bakery, but the bakery bakes its own bread and on a Sunday morning people are lined up outside. It is quite exciting, I can tell you.

Finally, to give the old unions a bit of a kick around — I have been pretty easy on the unions tonight, but I am really going to give it to them about this — I refer to the *Herald Sun* of 15 October 1996. The Shop Distributive and Allied Employees Association used its members' money to put rubbish in the paper — a notice headed, *A Message to the Premier from the SDA*:

Mr Kennett,

You want to force our members to work on Sundays — but what about your members?

A poll conducted by the SDA on Sunday 13 October 1996 found that 96.74 per cent of the offices of Liberal and National Party members who support open slather were closed.

An honourable member interjected.

Hon. K. M. SMITH — That is funny, because I pulled out the old diary and thought, 'Struth, where was I at the time?', and where was I? I was out in my electorate. I had had a week in here in Parliament,

and we all know that the paperwork mounts up. But where was I? I was at an opening of the Manchester Unity Order of Oddfellows at the Rosebud memorial hall. Little did I know that the odd fellows from the trade union movement were ringing my office at the same time that I was opening that conference. Where did I go after that? I went back to my office.

I do not sit around at home on a Saturday or a Sunday and I will bet that everybody in here, including even some of you Labor Party members, work of a weekend. Your union mates, Mr Power, seem to forget that we put in a lot more hours than they do.

Hon. Pat Power interjected.

Hon. K. M. SMITH — Hello, I am a bit worried; Mr Power will say he is sticking up for his union mates.

Hon. Pat Power — Absolutely.

Hon. K. M. SMITH — If you don't move three seats along you might be back at the trade union movement defending the opposition.

The trade union movement may believe that Sunday trading will cost jobs and that small business will close down; but it will not cost jobs, it will create jobs. Victoria is on the move, as Mr Theophanous said, because of retail trading on Sundays. I admire the Leader of the Opposition in this place for saying what he did in 1991 even though he will not say it now.

I strongly support the bill and reject the reasoned amendment, which is typical of the Labor Party — that is, put it off, leave it for some time down the track. One thing I learned from my experience with the former Shire of Hastings was that the Labor councillors would always put things off and not address anything. I ask members to put their weight behind the government and pass the bill so that the people will see what a great improvement it is for Victoria.

Hon. C. J. HOGG (Melbourne North) — I oppose the legislation. My contribution will be short because a great deal has been said on both sides expanding and elaborating on the positions held. I do not think there is much that can be added to the excellent contribution of Mr Power because he set out the way small retail businesses and large businesses operate

and the kind of balance that has been struck over several years, which has been good for customers, shopkeepers, tourists and workers. The balance is probably about right.

Most people who come into my office, indeed most of the people I talk to, do not want the changes to shop trading hours. They think their way of life will be affected generally. Many people have family members who work in the retail industry; many people own small businesses and are anxious that their businesses will be swamped by the large shopping centres. Many fear, with some justification, that they will go broke; and many fear, with good reason, that their time with their families will be further reduced.

I checked the feeling of traders in the little North Street shopping strip close to my electorate office in Glenroy, and different traders had different concerns. The husband and wife who run a milk bar which is open seven days a week lose \$300 to \$400 in trade on each of the seven Sundays when there is retail trading. As soon as 5 o'clock arrives and the supermarkets close people head back to the milk bar. This couple feels the impact directly. They believe 24-hour trading will be the nail in the coffin so far as they are concerned.

Other comments from the small group of traders in North Street indicate they are frightened of the impact on their businesses. If the large shopping centres such as the Broadmeadows Town Centre is open people may be more likely to go there for food, which affects several of the shops in the strip I mentioned. Only the hot bread shop, which does a very robust trade on Sundays, believes it might not be seriously affected. All the other shops are concerned about it.

In a survey conducted by my colleague the honourable member for Thomastown in another place, shop owners in his electorate have said no to 24-hour shopping. In general they believe there will be real financial costs to small businesses with the resultant stress leading to family breakdowns and a subsequent impact on health and community services from some of the strains they will experience. They believe it will create not more jobs — heaven knows we need more jobs in the northern suburbs — but additional unemployment as staff will be retrenched because of extra overheads. They believe family life will be constrained and spoiled by the amount of work

people will end up having to do to keep their businesses open, to be competitive and to retain the custom and the trade to which they now feel they owe additional obligations.

Many of the small traders are owner-operators. They cannot afford to employ people so they can spend time with their families. If owner-operators wish to keep their stores open they must work the hours their stores are open. One shop trader told of having only 4 hours a week free time to spend with his family, and he believes if the situation gets worse he will have to sell his business, if he can. Similar comments were made by traders in Fawkner.

I refer to a statement from Danny's Hardware of Bonwick Street, Fawkner:

On Sundays when shops are allowed to trade I found it was not worth opening and Monday trading dropped by about 20 per cent. There is also a drop in Tuesday and Wednesday takings. This happens every time there is Sunday trading. I am against Sunday trading. The only reason I open is because all the other hardware stores are open and I do not want my customers going somewhere else.

I can see a lot of shops closing if 24-hour shopping comes in. They cannot be open the same hours as the larger shops. We are finding it hard competing with larger shops as it is.

It will also be difficult selling a business as most people do not want to work such long hours. We cannot afford to put on extra staff so we can open longer hours.

Sparno and Roberts, an electrical and furniture business in High Street, Thomastown, probably summed up the feelings of most traders when they replied to a question about the impact on their business:

Less sales as people will go to major centres. Prices will go down in smaller stores to compete and they will go up in centres. Family life will suffer even more leading to separations and social upheaval.

In a final comment the owner writes:

I am a staunch Liberal voter and this is the first time that I disagree strongly with Jeff Kennett.

I wonder if he was not summing up the view of tens of thousands of people who agree with that line.

Hon. M. T. LUCKINS (Waverley) — I am pleased to support the bill, which finally removes the inconsistency and confusion from retail law in this state. Within Waverley Province, the City of Monash has no trading exemptions for Sundays, while the cities of Whitehorse, Greater Dandenong and Kingston allow markets to open. Not even one shop is open in some shopping strips that are eligible to open while around the corner every shop is open just as if it were a week day.

I congratulate the Minister for Industry, Science and Technology for his commitment to uniformity. The bill is a sensible, commonsense alternative to the hotchpotch of existing exemptions that have evolved since 1985. Previous amendments to the Shop Trading Act have responded to calls by traders wanting to enhance opportunities for their businesses. Bakeries, petrol stations, book shops, chemists and supermarkets with fewer than 20 employees have all lobbied different governments over the years for the right to open extra hours and on Sundays. For example, the Master Grocers Association of Victoria recently approached the minister to make representations on behalf of its larger members. Many affiliated supermarkets, for example, Tuckerbag, Festival and Payless, employ more than 20 people and, therefore, are ineligible to open on Sundays for trading and are no longer exempt.

Under the current laws shops with more than 20 employees are trading illegally, so the Master Grocers Association approached the minister and said, 'We don't want the big boys to open but we want you to extend the employment level from 20 to 40'. All that does is hinder competition. They said, 'We don't want Coles Myer or Woolworths to open, but we want some of our bigger organisations, those which have more than 20 employees, to be able to trade legally because at the moment they are trading illegally'. That is not fair and does not encourage competition.

All traders who enter a debate such as this are obviously motivated by self-interest, which is a healthy, normal motivation. Shopkeepers want to protect their investments of capital, blood, sweat and tears and fear that competition may adversely affect their businesses. I see competition as a great opportunity. I am sure many small business operators who feel vulnerable to changes in the economy, government regulations and other factors affecting their businesses will take advantage of the

opportunities that Sunday and out-of-core-hours trading will present.

Traders are most vulnerable to changes in demand from fickle consumers. The bill provides traders with the opportunity of taking advantage of Sunday trading to provide goods and services to people who are precluded from shopping during normal opening times. The labour market is changing, and with non-traditional hours comes a new challenge for the retail industry: to provide quality merchandise at competitive prices with good service at times when consumers want to shop.

I remember prior to 1987, when there was no Saturday afternoon shopping in Victoria, rushing around with my parents on Friday nights. Thursday night shopping was out because that was a school night and on Saturday mornings various members of the family would be playing netball, football or soccer or engaging in other activities. Mum and Dad would pick us up at 3.00 or 4.00 p.m. on Friday afternoons and, after an early dinner, the six kids, who were all aged within a few years of each other, were bundled into the mobile and taken down to the shopping centre with the promise of chocky-dip ice cream at the end if our parents were allowed to shop in peace. My parents had no other option.

After the house adjourns tonight, I can stop at a shop and pick up what my family needs for breakfast tomorrow morning, nappies, or whatever I may need to cope with any emergency. My mother and father did not have that opportunity. More and more people, particularly women, who are working out-of-core hours have a right to shop when they want to.

The current Sunday trading laws are confusing. I never know which are the 10 trading days, apart from the more obvious times such as around Christmas and the weekend before the Melbourne Cup. I choose to shop with my family for non-grocery items on Sundays, not in my local area but in the city, because I know that every Sunday the city shops are open. As a result our local shops lose the money we spend on those days. Our Saturdays are often taken up with work — particularly in this occupation — sporting and other commitments. When our local shops are able to open on Sundays our money will stay in our local economy and help local shopkeepers, who will face challenging times in the years to come.

Since the advent in 1992 of the Capital City (Shop Trading) Act the ability of shops in the CBD to trade for 24 hours a day and open on Sundays has revitalised Melbourne as a capital city. Tourists are able to wander around at night taking advantage of Melbourne's fantastic facilities. Theatres are open and they have an opportunity to shop, look around and spend their money in the city, whereas previously Melbourne lost out. Thousands of families such as mine, with prams and with kids in tow, take the opportunity to go shopping in Melbourne every Sunday at their leisure, and they look particularly at white goods and similar items, the features of which require some degree of comparison and discussion.

The bill leaves the decision of whether to open on Sundays or at any other hours to traders. If there is an advantage to a business, the trader involved will be able to and will open. If there is no advantage, traders will regulate their own hours according to demand. Many shops now close on Monday mornings or all day on Tuesdays to compensate for opening at weekends. The government believes traders, not parliamentarians, are best placed to decide when to open and they should have the freedom to choose.

The bill contains a number of safeguards to ensure traders are not exploited. Part 3 provides that traders cannot be forced to open on any day on which they do not wish to open. It will be an offence for a retail tenancy agreement to require a tenant to open at certain times on certain days. If a landlord persists and tries to intimidate a tenant, a dispute can be notified in the tribunal set up under the Retail Tenancies Act, a much cheaper alternative to the current dispute-resolution options.

The majority of commercial leases for shops, particularly for the larger centres, are drawn up by landlords' solicitors. A tenant would incur tremendous legal costs in taking action against a landlord, which may be prohibitive for small traders. The appropriate provision in the bill will be of particular benefit to smaller traders in large shopping centres where disputes are often David-and-Goliath affairs.

Some local communities may prefer not to have Sunday trading, and in that respect the bill recognises the democratic rights of residents. Schedule 2 allows a poll to be taken on trading within municipal boundaries. If a minimum of

10 per cent of residents in a municipality petition their council to change Sunday trading times, the council is required to give 60 days notice after the poll, and all residents who are enrolled on the Victorian Legislative Assembly electoral roll — not just ratepayers — may vote.

This bill is all about providing choice: the right of consumers to choose when and where to shop, the right of traders to choose the most appropriate times to open or close their businesses, and the right of local residents to choose a poll to restrict Sunday trading within their municipalities. The bill also reflects the commercial realities of the 1990s, a changing labour market and, most importantly, the changing needs of families. I commend the bill to the house.

Hon. S. M. NGUYEN (Melbourne West) — I oppose the Sunday Trading Reform Bill and support the reasoned amendment. If it is passed, the bill will adversely affect two groups of Victorians: retail workers and small retail traders. Retail workers will experience problems getting to work on Sundays, and the safety of casual workers, many of whom are only 16 or 17 years of age, is also an issue.

Hon. Andrew Brideson — I will bet members of your community want to trade on Sundays.

Hon. S. M. NGUYEN — Not for 24 hours. There is no guarantee that employees will either be paid overtime or not forced to work on Sundays. Small retail traders will also lose in a big way. Milk bars and small corner shops will no longer be considered to be viable businesses, and it has been estimated that the bill will result in the loss of more than 3000 jobs. For many big retail traders this legislation is about obtaining increased market share, and the big losers will be small business operators.

The bill represents a serious threat to people employed in the retail sector in the following ways. Firstly, in 1992 the coalition government removed the voluntary work provision which was inserted into the Shop Trading Act by the Labor government. It reads:

25B. Employees not required to work on Sundays.

Despite anything to the contrary in the Industrial Relations Act 1979 or any award within the meaning of that Act, a shop assistant employed in a shop is not required to work in a shop on a Sunday.

Under the bill employees can be forced to work on Sundays. This is a fairly hypocritical stance by the government, particularly in light of clause 7 which, according to the explanatory memorandum:

... makes void any provisions of shop leases or agreements which require metropolitan shops to open between 5.00 p.m. and midnight Saturday or any time on a Sunday, or non-metropolitan shops to open between 1.00 p.m. and midnight on Saturday or any time on a Sunday.

If shop owners are protected from being forced to open for part of Saturday and/or all of Sunday, why should not their employees? By not giving employees the same protection as their employers, the government is implicitly stating there is one rule for retailers and another for their staff. I urge the government to insert into the bill an amendment allowing employees not to work on Sundays if they do not wish to.

The second point is that because of the contradictions within the current state award system it is possible for a retail worker to be required to work overtime on Sunday and not be paid for it. Last year the Employee Relations Commission made a decision that, effectively, there were no minimum award rates for any hours worked beyond the first 38 hours in a week. Once again the retail worker is provided with no guarantees about how much he or she will be paid for working on a Sunday. In other words, not only can an employee be forced to work on a Sunday under the Victorian industrial relations system but he or she must also accept whatever the retailer decides to pay him or her. Those provisions hardly contribute towards a fair system.

The other major concern I have relates to the safety of retail workers travelling to and from work on a Sunday. Many of these employees are 16 and 17 years of age and will be reliant on public transport to get to and from work. It is a well-known fact that trams and trains run much less often and begin operating later in the morning and finish operating earlier in the evening on Sundays. That will make it harder and more dangerous for young employees to get to work. How many transit police are on public transport on Sundays? How many police patrols are around shopping centres and public transport sites? Those questions should be answered. Victoria's 16 and 17-year-olds should be encouraged to obtain part-time jobs, but if that involves working on Sundays, as parliamentarians

we have a responsibility to ensure all steps are taken to make travel to and from work as safe as possible. I urge the government to improve transport safety on Sundays not just for the people who currently use the public transport system on Sundays but for the 16 and 17-year-olds who may be forced to do so to travel to and from work.

Small businesses will lose if this bill is passed. The local milk bar or corner store will simply not be able to compete with the supermarket being open for 24 hours a day, seven days a week. The great advantage that milk bars used to enjoy was that they were open longer hours than supermarkets, which meant that if people needed bread, milk, newspapers or other supplies they would pick them up from their local store. Under the bill that will no longer happen. Given a choice between the supermarket and the milk bar, people will opt for the supermarket because it has a greater range of products. With many supermarkets now stocking newspapers as well, any competitive advantage that a corner store might have had will be lost.

Many of the milk bars and corner stores are family businesses. They will simply not be able to remain open 24 hours a day, seven days a week. To do that they will have to employ additional staff. The reason they have been profitable in the past is that they have been able to get mum, dad or the kids to look after the shop some of the time. Supermarkets or the larger stores can employ casual staff.

Many people who run corner stores or milk bars own the freeholds of the businesses and the shops. For many people that is their superannuation or their retirement nest egg. Those people planned to sell the freeholds of their businesses and then lease the shops. The bill will decrease the value of both the businesses and the shop sites because potential buyers and lessees will know that the corner stores or milk bars will be unable to compete with the supermarkets. When formerly profitable milk bars and corner stores close the vacant shop sites in residential areas, which in many instances are too small for any kind of large business to take over, will remain closed and the retirement and superannuation nest eggs of many successful small business people will disappear.

Why do so many of the large retailers, such as Safeway, Coles Myer and Ikea, support the changes to shop trading hours? Why are they so keen to get this legislation passed? It is all about market share.

The big retailers want a bigger share of the market at the expense of small business. Many of these large retailers have complained about how gambling has affected their revenue and believe the proposed changes to the shop trading hours will be one way to recoup this money.

I briefly make a number of other points about the bill. Firstly, the opposition does not support open-slather shop trading laws. According to a *Herald Sun* poll on 11 September, 83.5 per cent of people opposed the changes, and in a 3AW radio poll on 12 September up to 93 per cent were against open-slather trading hours. All major church leaders deplore the changes. They fear the effects both on family life and the ability of people to attend church if there is Sunday shopping.

The government and supporters of the bill often claim that the changes to shop trading hours will lead to more jobs. If that is true why does the Master Grocers Association of Victoria oppose the changes, claiming that up to 30 000 jobs could be lost — not created but lost? The bill will mean that Victoria will have the most deregulated shop trading hours of any state in Australia. Not even New South Wales has gone as far as the Victorian government is looking to go. Shops in Sydney must apply for and be granted a permit that limits their trading hours from 8.00 a.m. to 4.00 p.m. on Sundays. According to the small business association more than 3000 businesses in New South Wales closed when those hours were introduced.

On public holidays in most states shops must remain shut. Surely retailers and retail workers are entitled to retain their public holidays such as Boxing Day, Australia Day, Easter Sunday and New Year's Day, and the contribution of those who fought and died for Australia in combat deserves to be recognised with Anzac Day remaining a full public holiday. Melbourne Cup Day and Geelong Cup Day are a very big part of Victoria's sporting culture. Retail workers should be entitled to share those days with other Victorians.

The government should conduct the public review of shop trading hours that it promised in the lead-up to the last state election. The Liberal Party small business policy said that the next coalition government would conduct a review of the Shop Trading Act in consultation with all relevant groups with a view to simplifying the act's application and clarifying its provisions. I call on the government to

deliver on the promise it made to the people of Victoria and to have an inquiry. Both small business owners and retail workers should be able to have their say on the proposed changes.

In conclusion, the bill will dramatically affect two groups of Victorians: retail workers and small business people. Under the bill in its current form the rights of retail workers will not be protected. Firstly, they may be forced to work on Sundays. Secondly, under a ruling of the Employee Relations Commission last year there is no guarantee that they will be paid. Thirdly, there is the issue of 16 and 17-year-olds getting to work in safety.

Small business owners will also lose. Many will not be able to compete with big retailers, and as a result the value of both their businesses and the shop sites will dramatically decrease. I strongly urge the government to deliver on its promise to review the Shop Trading Act in consultation with all relevant groups. That is the only way for these concerns to be addressed and subsequently incorporated into any bill that is drafted.

Hon. R. A. BEST (North Western) — I support the bill, and I do so after much consideration and plenty of correspondence not only with my local community but also with local councils and traders right across north-western Victoria. In Bendigo the bill has become an emotional issue but, as I have said previously in this chamber, my electorate of North Western Province covers the area from Maryborough to Mildura and there is a diversity of exemptions right across the electorate.

In 1973 Swan Hill introduced seven-day-a-week trading, and that has worked exceedingly well for the traders in that community. However, they are not especially welcoming of the bill because it will provide more competition not only for the tourist dollar but also for the shopping dollar in the farming communities around Swan Hill.

A different situation exists in Mildura. Half of the town has been declared a tourist precinct and the other half, including Merbein and Red Cliffs, is unable to get exemptions under the tourist precinct definition. Therefore the traders are not able to compete with the traders in Mildura, and they are consequently disadvantaged by the limitations on when and how they trade and compete for the shopping dollar. In the shires of Loddon and Buloke the situation is different again.

As Mr Power said earlier, many of those small communities have a different social mix and a different shopping pattern, and their communities are also different. Farmers do not see the weekend as two days off at the end of the week, as many people in the metropolitan area and regional centres do. In a lot of cases the weekend is just another two days of the week, but usually it is a time when the community gets together and participates in sporting activities. Not much will change with the introduction of the bill, because the traders in those small towns will respond by exercising their right to choose whether they open. I believe they will respond the same way as traders in the CBD respond to their trading hours — that is, they will open their doors when the trade is there and the customer is prepared to walk through the door. In Gannawarra, in the Kerang area, much the same happens. Four types of exemptions exist within that community, from markets through to tourist precincts. Castlemaine, which is a tourist town in the Mount Alexander shire, also has an exemption.

A letter I wrote in 1991 opposing Sunday trading is on the record and has been quoted. My background was as a retailer. I owned a small sports store in Bendigo and was looking for Sundays off for a very personal reason. Prior to 1991, when I had the shop I resisted all opportunity to open on Sundays, but having read the bill and having looked at its provisions I am now convinced it is the only way we can rectify the current mishmash of regulations in not only my electorate but right across Victoria.

As I said, the proposed legislation provides balance, not only for retailers but also for consumers. Retailers are not forced to open; they have a choice. Not only do they have a choice, but protection is provided by the legislation to stop the bigger shopping centres and complexes from forcing individual retailers to open. The bill ensures that intimidatory pressures cannot be applied by large shopping complexes for individual shops to open. It gives the trader the choice of whether he should open. Shops cannot open on three days — that is, Christmas Day, Good Friday and up to 1.00 p.m. on Anzac Day. The proposed legislation provides protection for the little man through a better dispute resolution process. Previously big complexes had substantial cash reserves and capital assets behind them and if small retailers had a dispute with them, they would have access only to the Supreme Court, which was enormously costly to the small retailer. It did not provide them the opportunity of getting a

fair hearing unless they were prepared to incur the enormous expense of accessing the Supreme Court.

The bill provides choice for the community. It provides the opportunity for locals to decide whether they want 24-hour, seven-day trading in their community. If 10 per cent of the population decides it is not in favour of the legislation, a poll can be conducted, in the same way as it can be done under the poll provisions of the Local Government Act. The bill gives the local community the opportunity of deciding what is best for that community. However, the decision is binding for three years and it is an all-or-nothing situation — that is, if the poll is in favour of banning Sunday trading, there would be no Sunday trading in that area.

Currently in my electorate Bendigo has trading on 10 Sundays as well as three community days; Swan Hill has 24-hour, seven-day trading, which has operated successfully. As I said, it was introduced way back in 1973, well before legislation of this type was considered. Trading in Mildura is much the same. It is a tourist precinct and the traders can trade on seven days a week.

However, the current legislation and the exemptions mean that two places in the area, Merbein and Red Cliffs, are currently disadvantaged. My colleague Mr Bishop and I have received numerous representations from the traders in those areas to seek a fairer deal for them.

I suppose one of the problems currently before us is that under the old legislation some traders were trading illegally. I know Mr Smith has a passionate view about what has happened to Mr Frank Penhalluriack, and that is an issue on which he has fought for a long time. Do we really want to see people gaoled for wanting to make a dollar? Do we really want to put traders into gaol and treat them as criminals because they are trading? I do not believe we do. That is not in keeping with the Australian ethic of giving everyone a fair go. The costs of any retail business do not stop at 12.30 on Saturday afternoon; the rates and a whole lot of other charges — all the overheads — are still there.

We have to accept that lifestyles have changed. We have to accept that modern families in Victoria particularly are having to seek work as dual-income families. Here we are creating an opportunity for

SHOP TRADING REFORM BILL

Tuesday, 29 October 1996

COUNCIL

349

families to shop together. One of the major issues I have as far as Bendigo — —

Hon. T. C. Theophanous — Why don't you tell us what you told us a few years ago?

Hon. R. A. BEST — Mr Theophanous wasn't listening, so I will repeat what I said: since 1991 I have changed my mind.

Hon. T. C. Theophanous — You mean since they heaved you.

Hon. R. A. BEST — No, on shop trading legislation. I have also changed my mind as a Fitzroy supporter. In 1991, I didn't want Fitzroy to merge at all, but last year I wanted it to merge because we were only the chopping block for everybody else.

Hon. T. C. Theophanous — Did you tell your constituents that you changed your mind before the election? You came in here under false pretences!

Hon. R. A. BEST — I only have to remind you, Mr Theophanous, that in 1991 you heralded Sunday trading as an opportunity for job creation, saying it would be a landmark for employment on a part-time basis.

Hon. T. C. Theophanous — Don't be a hypocrite.

Hon. R. A. BEST — You are on the record as being the hypocrite because not only did you go to the last election with the policy, but you have changed since then.

Hon. T. C. Theophanous — No, we haven't.

Hon. R. A. BEST — You have more moves than a chess board. Not only are you a dill, but you're a dishonest dill.

As I said before, I have spoken as a former retailer and as a former retailer I have identified the opportunity that exists for small retailers to create a niche market — —

Hon. T. C. Theophanous — That's not what you said a few years ago. You're gutless!

Hon. R. A. BEST — And Theophanous, there's one thing about you; you are boring and pathetic!

Hon. T. C. Theophanous — The truth hurts, doesn't it? You were too gutless to stand up for your constituents!

Hon. R. A. BEST — It is my constituency that I am standing up for.

Hon. T. C. Theophanous — Would you like us to do a survey in your area and see?

Hon. R. A. BEST — I refer to a press article that appears in the *Herald Sun* of Tuesday, 17 September, quoting Cr Ivan Deveson, the Lord Mayor of Melbourne. Under the heading 'City's attacks on shopping hours', the following appears:

Melbourne's Lord Mayor attacked the state government yesterday over new 'open all hours' trading laws which will mean a \$230 million loss to business in the city centre ... the government's moves decreased the competitiveness of the CBD and clearly did not create greater competition.

What I say about that is that if shoppers and retailers in the Bendigo area are able to stop some of the leakage to the CBD, that will be a benefit to the Bendigo traders, because at the moment trading in Bendigo is very soft. The retail area and the activity in Bendigo is very soft.

Hon. T. C. Theophanous — Your position is soft!

Hon. R. A. BEST — One thing I must remind the city-based Labor members of Parliament of is that in Victoria, particularly country Victoria, we rely heavily on tourism. The recently released study by the Minister for Transport in the goldfields area showed that the first preference of tourists is shopping. That is where they spent most of their dollars.

Hon. T. C. Theophanous — Why didn't you say this before the election? Why did you lie to your constituents?

Hon. R. A. BEST — I'm not lying to my constituents! You don't live in Bendigo. You don't know what I have been talking to the Bendigo papers about. For the past eight months I have been talking about leakage from Bendigo and the loss to Bendigo. I am concerned about it and want to do something about it.

SHOP TRADING REFORM BILL

350

COUNCIL

Tuesday, 29 October 1996

Hon. T. C. Theophanous — You caved in, and you don't like it!

Hon. R. A. BEST — You do not have one positive bone in your body. You stood here for 2 hours and bored the pants off everybody because you don't have a positive bone in your body and you haven't got one idea that would create a job in Victoria. You are a disgrace. And you are a temporary resident in that seat; it won't be long before the benches on that side of the house will be shuffled because investigations are about to start on branch membership. You should be very careful about your own seat.

Hon. T. C. Theophanous — What about your branches?

Hon. R. A. BEST — I don't have a worry about my branch, Mr Theophanous, but you have a concern you don't know about yet!

As I said previously, I have changed my mind since 1991 for a whole range of reasons.

Hon. T. C. Theophanous — You have really terrified me now!

Hon. R. A. BEST — It is people on your side who are leaking!

I bring to the debate my experience not only as a retailer but also as a wholesaler during the 1980s. One thing I found about being a wholesaler was that I was up against the multinationals — the business was conducted throughout northern and central Victoria — and I had to work seven days a week. It was an opportunity to serve the customer by providing what was demanded and also to develop a niche business.

It is no longer affordable for one parent to work and the other parent to stay at home, and consequently there are more double-income families: 58 per cent of Australian couples with dependants and 57 per cent of Victorian couples with dependants are employed. So far as single parents are concerned, 51 per cent are employed and more are looking for work — they are mainly women.

Hon. D. A. Nardella — What, on weekends? What child-care services are you providing on weekends?

Hon. R. A. BEST — Does the Labor Party not embrace the opportunity of women seeking part-time work, or does it suggest they should stay at home? Is that what you are saying, Mr Nardella?

Hon. D. A. Nardella — No, I am not suggesting that at all.

Hon. R. A. BEST — You put yourself forward as the champion of the working classes but you are not prepared to give these people a chance to work to earn money to support their families.

Hon. D. A. Nardella — What child-care facilities will you provide for them?

Hon. R. A. BEST — Times and lifestyles are changing. The legislation will provide a balance; it will provide a choice not only for traders but also for consumers.

I do not embrace the view that bigger is better. Under no circumstances do I embrace that notion, because a small business has a great opportunity, if it services its clients, to create a market and develop a profile with which to attract customers. The legislation can provide opportunities for small business operators to establish niche markets for themselves and make their businesses grow.

One matter I am disappointed about is that I am supporting a view expressed in 1991 by Mr Theophanous. He said at that time that legislation allowing people to trade on Sundays would enable the creation of part-time employment. I agree with Mr Theophanous, and I have great pleasure supporting the legislation.

Hon. T. E. EREN (Doutta Galla) — I oppose the legislation and support the reasoned amendment. The legislation totally disregards the impact new trading hours will have on small, medium and family-run business. It will benefit only big business and large retail corporations. The bill tears at family values and the fabric of Victorian society. In effect the government is trading family values for big company profits.

Talk about broken promises! The government says one thing and then does something else. It knows there are a huge number of objections to its proposals but it will not accept the criticism or responsibility. The government's legislation will force unnecessary costs and time on councils and

residents by making them hold referendums on whether new hours should apply in various municipalities. Voting in such referendums is not compulsory so the results may not necessarily reflect the attitudes of the communities involved. A referendum must be initiated by the citizens after the new laws are put in place. Before that they will have no freedom of choice. If they want things to stay the same they can do nothing. It is as simple as that.

Change can be forced on the people and only then can they fight to have things returned to the way they want them. They have to put up with the new hours while a referendum is organised and prepared. That will create uncertainty for citizens, traders and employees, and even if they are successful in amending the hours they may have to go through the process every three years. The list of exempted shops that councils cannot regulate despite the results of a referendum is huge. Almost nothing is left that the council and residents can regulate.

The bill will increase unemployment; it will not decrease it. Larger numbers of people will be forced into unemployment queues as small, medium and family-run businesses will be compelled to close. That will far outweigh any short-term drop in unemployment that may be achieved by longer trading hours.

The government has ignored the historical development of Australia and Victoria by not providing for the closing of shops until 1.00 p.m. on Australia Day and Anzac Day. Our nation's two most important days have been abandoned.

Currently most shops must shut at 5.00 p.m. on Saturday and all day Sunday except for those in the central business district and in declared holiday resorts where shops need close only on Christmas Day, Good Friday and until 1.00 p.m. on Anzac Day. However, those trading hours are not good enough for big business and the major retailing chains. The government has bowed to big business and has neglected small to medium-size businesses.

The government says that open-slather trading hours will create more jobs. A Coles Myer spokesman said that 800 jobs will be created as a result of the legislation but he did not say whether those jobs are permanent full-time or part-time jobs. In contrast, the Master Grocers Association forecasts

that 30 000 jobs are at risk because many independent grocers will be forced out of business. There is no evidence that people will spend more because shops are open longer. Overheads will increase and that will obviously be passed on to consumers. The measure could have adverse effects on the economy, especially when combined with job losses and reduced wages in the retail industry. That is why retail workers are strongly opposed to the proposal and why they want leisure time with their families and time to go to church.

Honourable members interjecting.

Hon. T. E. EREN — You should have held the referendum before the legislation, not after.

Some 70 per cent of retail workers are women, many of whom are combining family duties with working in the retail industry. They want the opportunity to spend time with their families. That is not too much to ask.

Hon. M. A. Birrell — You want to send them out on the first Sunday of every month! Presumably they want to spend time with their families on the first Sunday of every week.

Hon. T. E. EREN — On that point — and I will cut it short, because my colleagues have said enough. No matter how much we say, you lot will not understand.

The government's proposal is not a result of consumer demand. It disregards the interests of retail workers, women, families, young people, small business and the churches. That is why I oppose the legislation and support the reasoned amendment.

Hon. G. B. ASHMAN (Koonung) — This bill is about choice; it is about giving businesses the opportunity to manage their businesses; it is about servicing the customers; and it is about allowing local communities to develop strategies to develop the retailing activity within their areas.

The present law creates enormous confusion. I defy anybody in this chamber to name the 10 Sundays — a number of speakers today have sought to outline the 10-day Sunday trading rule, but nobody has been able to name the 10 Sundays that people have been permitted to trade on under the current rules.

SHOP TRADING REFORM BILL

352

COUNCIL

Tuesday, 29 October 1996

There is absolute confusion out there in the marketplace.

There are in fact only 13 municipalities in this state where there is no Sunday trading. Some of those have no trading beyond 1.00 p.m. on Saturdays. All other municipalities have Sunday trading in some form.

It is a total mishmash; it is impossible to understand what is available and what is not. When I look at schedule 1 of the new bill, which is a carryover from the previous act, I see that you can buy books, you can buy bread, and chemist shops are open. But look at the number of anomalies. You cannot buy motor vehicles, and although all the fashion shops are closed you can go to a second-hand clothing shop and buy clothes. You can buy a caravan and a boat, but you cannot buy a motor vehicle to tow them home with. You cannot go to fashion shops, but you can go to dressmaking shops, which are permitted to be open. You can go to a tailor, you can buy shoes and you can buy handicrafts — you can buy a jumper if it is a handicraft, but not if it is a fashion jumper. You cannot buy new furniture, but you can buy second-hand furniture. You cannot buy a stereo, a television or any other electrical appliance for your home, but you can buy a car stereo and a car radio. You can buy CDs, you can buy tapes, you can go to the undertaker and buy a coffin, but you cannot buy a baby's cot. There is just no rhyme or reason to what you can buy and what you cannot buy on Sundays.

The government is simplifying it. It is now quite clear that all these businesses can trade seven days a week, with three exceptions: Christmas Day, Good Friday and up to 1.00 p.m. on Anzac Day. This legislation removes the anomalies and makes it clear that all businesses can trade; they have the choice of trading.

In some areas I am quite certain that the retailers will choose not to trade. There will be a local decision among the chamber of commerce people, and they will choose not to open. In other areas they will open and do particularly well. At the moment there are anomalies where, for instance, if you are in Upper Ferntree Gully, which is part of a tourist precinct, everything is wide open and you can buy anything — including a motor vehicle. They are permitted to trade. However, two kilometres down the road, the Ferntree Gully shopping centre is closed and retailers are not permitted to compete. I

get constant complaints about the inability of those retailers to compete. They claim — and I believe it — they are losing market share to Upper Ferntree Gully.

By contrast, I refer to the Heathmont shopping centre. Eighty per cent of that shopping centre is open on Sundays and the retailers there tell me that anything up to 30 per cent of their weekly turnover occurs on that Sunday. Only five or six shops in the strip are not open. Parking on a Sunday morning is as difficult as it is on a Saturday morning, such is the level of support from the local community.

We need to accept and recognise that spending patterns and lifestyles have changed and that people are now managing their lives differently from the way they managed them 20 or 30 years ago. Walking into a milk bar today is like being placed in a time capsule and transported back 20 years. In the past 20 years milk bars have not changed in the way they present themselves, yet milk bar owners are the people who, when the convenience stores came onto the scene, argued that the convenience stores should not be permitted to open and that the milk bar share of the market should be protected.

When supermarkets opened for longer hours some of the people in the convenience stores complained that they were getting competition from the supermarkets. Now the supermarkets are complaining that their competitors should not be open. Why should they not be open? There is not one valid reason to restrict the competition out there in the marketplace.

Small business has always competed with large business; it has always competed successfully with large business, and it will continue to compete successfully with large business. It can compete on price in most cases, it can compete on service, and it can compete on convenience.

A significant number of small, successful retailers out there are waiting with open arms for this legislation to go through so that they can compete on Sundays.

Over the past few years the whole retail sector has changed dramatically. People's spending patterns have changed, and we hear complaints from people in the fashion industry through their media releases that the gaming industry has had a significant impact on their turnovers. I put it to you that that is

not the case. In fact, a lot of the downturn in sales in the fashion sector is related to the fact that not many new products are coming out in the fashion area. That has been borne out by recent comments from Naomi Milgrom, the chief executive officer of the Sussan Corporation and owner of the Sussan and Suzanne Grae chains, who says there is a lack of newness in fashion, a lack of differentiation among the clothing retailers, and an oversupply in retail clothing stores. A low turnover per store should not be attributed to factors outside the direct retail sector; it is directly related to the availability of new product that will inspire the customers to come through the door and purchase. Fashion is not an essential item; we all need a certain level of clothing, but we do not necessarily have to have the latest item. That has caused a significant downturn in that fashion sector.

I note that spending on entertainment and leisure has increased dramatically in the past five years. Between 1988-89 and 1993-94 sales of computer hardware/software increased by 146 per cent; sales of books increased by 51 per cent; and radio/hi-fi equipment by 95 per cent. Significant changes have occurred in spending patterns as people have adjusted to their new lifestyles.

The retail sector is competing for the discretionary dollar. There is a certain level of food items that people will buy on a week-to-week basis, but after having purchased those items they are ready to choose whether they will go to the pictures, the theatre, the football or take some recreation activity. The legislation will allow traders to trade seven days a week and retailers to compete for the discretionary expenditure.

Admissions to national parks and the zoo have increased by 99 per cent; art galleries, 192 per cent; and even the hire of video tapes has increased by 50 per cent. The figures demonstrate how spending patterns have changed. We need to recognise that more than one-third of the work force does not now work from 9.00 a.m. to 5.00 p.m., but works outside traditional working patterns. The retail industry needs to adjust its activities to meet that new demand.

Retailers need to recognise that direct selling has come in. Myer Direct is now turning over \$200 million annually in direct marketing and catalogue selling. Increasingly, as we get access to electronic trading people will regularly purchase

household items through the television medium and through telecommunication networks.

The bill provides freedom of choice: freedom for the retailer to choose when he opens and serve his customers; and freedom of choice for consumers who can decide when and how they purchase their goods and services.

Hon. JEAN McLEAN (Melbourne West) — In spite of Mr Ashman's concerns about costs, coffins, boats and cars being available for purchase at weekends, including the sale of spunky clothes, the bill goes too far. The opposition believes the government's pre-election promise of extending shop trading to the first Sunday of every month, plus the three Sundays before Christmas Day is sufficient to accommodate the changes in lifestyle and other possible expectations. It is obvious that the bill is being introduced for the sole purpose of helping the large retail trade, especially Coles Myer, Safeway and Ikea, to increase their profit and gain complete control of the retail market place. That is not completely surprising, given the Coles Myer chief executive officer, Peter Bartels, received a pay rise of \$1.2 million in 1995-96, giving him a \$2.87 million pay packet, even while sales were falling.

The bill will enable the regional shopping complexes to destroy the small retail industry. Unfortunately, the legislation will stamp out, not increase, competition. We know sales have dropped in the major retail outlets because of the gambling spree the government has unleashed on the community. We also know there is a finite amount of money to be spent in shops. The average person can buy only so much food, clothing and furniture, whether he or she does it on Sunday or any other day. However, Mr Katsambanis believes shopping is a form of entertainment. Apparently that is the most creative thing he can do with his children at the weekend!

To give the major retail chains the larger share of the cake the small retail shops have to be sent to the wall. I voice the concerns of small shopkeepers in my electorate. I have had many representations from proprietors in Williamstown, Newport, Yarraville and Footscray who have told me they cannot afford the extra staff to compete with the large shopping complexes. If they remain open seven days a week, either the owner has to work those hours and give up any private life or he or she will have to shut up

shop and join the ever growing ranks of the unemployed.

The argument that competition is always in the best interests of the consumer is a furphy. It is well known that large retail complexes lower prices, often selling products at a loss to entice customers. Indeed, it is considered a good business strategy. However, once the small shops have closed the prices go back up. In the end no competition will exist. If the legislation is enacted up to 30 000 people will lose their jobs in the retail industry. The best they can hope for is part-time, poorly paid jobs in larger stores.

Deregulated 24-hour shopping will exacerbate other problems. The majority of shop assistants are women, generally aged between 16 and 17 years. Public transport is not regularly available after certain hours and regional shopping complexes are designed to cater for cars so they are surrounded by acres of car parks. They are lonely, scary places at night, especially when workers are cleaning up, stacking shelves and doing other work when hardly anyone is around. I know of two young boys who were attacked by hoods after they finished stacking shelves at a Safeway supermarket. Has anyone ever evaluated the accumulative effect of the massive changes introduced by the government on the daily lives of Victorians? I believe 24-hour shopping will create deregulated work hours —

Hon. Louise Asher — Did you say that about 6 o'clock closing?

Hon. JEAN McLEAN — That might have worried you, honey, but it did not worry me. The changes will result in the destruction of suburban strip shopping centres. Gaming is now a major pastime, and perhaps a study of the lifestyles created in the American states from where these policies have been copied would be a salutary lesson to some members of the coalition parties. Members opposite should look at some towns that have become deserts — perhaps they think that is wonderful!

One of the major justifications for unlimited shopping is that people have demanded it. Mr Best says tourists demand it. If this is true why is it that countries such as Italy and Spain manage to maintain their traditional hours of 9.00 a.m. to 1.00 p.m. and 4.00 p.m. to 8.00 p.m. Monday to Saturday, while staying closed on Sunday?

An honourable member interjected.

Hon. JEAN McLEAN — I do not know where you were, but shops are not open in the majority of Italian towns. That may be true in Rome, but not anywhere else in Italy. When Saturday afternoon shopping was introduced in Italy, shopkeepers shut their shops on Monday mornings to ensure workers still had a 48-hour break. Tourism is still a prime attraction in most countries of Europe, including the countries I have mentioned. Even New York does not have shopping on Sundays, and shops are often closed on Saturday afternoons.

Hon. C. A. Furletti — When were you last in New York?

Hon. JEAN McLEAN — About three or four years ago.

Hon. C. A. Furletti — And they weren't open?

Hon. JEAN McLEAN — No, most of them were not. European communities consider workers have a right to enjoy their leisure time together — that is, at the same time. They understand that to maintain a healthy society it is necessary for people to have time with their children and their friends. Not only do those countries consider Sundays to be sacrosanct but their citizens enjoy many more public holidays than Australians, many in the form of festival days and saint's days, yet their GDPs are healthier than ours, their standards of living are higher and their working conditions are better.

When parents work at nights and on weekends to pay bills, what happens to their children? The government is flagging the possible introduction of 24-hour child care. It is clear that is not being proposed as emergency care, which would be good, but so that people can work in shops and keep the casino open day and night. What effect will that have on babies who will not have their parents there to tuck them into bed at night? Who will look after older children?

Already many children hang out in shopping complexes, surrounded by things they cannot afford to buy. Shoplifting is rampant in big shopping centres. Cars are being stolen and burgled at an alarming rate at the Highpoint West centre, and the police are hiding the details because they are so disturbing and the police do not want to create fear

in the community. However, I assure honourable members it is happening.

The design of shopping centre car parks makes it easy for people to steal cars. The thieves wait until shoppers have begun to walk the long distances from where they must park their cars before they go to work on the cars. To young people who feel neglected because their parents are not at home, joy riding and stealing probably seem a good way of filling in time. Drugs are easy to get in shopping centre car parks and are being pushed on to kids who hang around those places. Government members should consider whether that is an appropriate new lifestyle. Rampant commercialism is rife.

In the US, the answer to the problem is seen to be more police and more gaols. President Clinton's reaction when these things are pointed out to him is to say the American government will build more gaols and lock people up for longer. However, that is not the answer for a responsible government.

The government's justification for completely deregulating shop trading hours is that people want it. Some may find it convenient to shop at odd hours, but it is seldom necessary. Plenty of shops are already open 24 hours a day, and people can obtain anything that may be needed in the middle of the night. By driving out small shopping strips the government will take away much of the social life of the suburbs, which is often the only social life available to older people and young mothers. That is certainly the case in my electorate.

Many struggling small businesses are looking to the government to help revitalise suburban shopping centres. The bill will destroy those centres. I do not imagine we will ever become a sufficiently advanced society to introduce the Spanish or Italian models for shopping hours, which allow people to have a siesta. People from those countries have told me the siesta greatly improves their social and sex lives.

If we want to preserve the ideal of a healthy family life as the basis of our society — the government claims it does — we should admit there has been no public demand for longer shopping hours or the many other drastic changes that have been made to our way of life. The bill has no strong public support. It should be thrown out and the opposition's amendment carried.

Hon. B. W. BISHOP (North Western) — I wish to comment firstly on my amusement at the results of a poll conducted among, I suspect, a large number of politicians. My office was rung on a Sunday afternoon when I was out. When I returned later that day after attending functions in my electorate I attempted to ring the number left by the caller but could not get through. I think the point should be made that politicians do not always work only in their offices. It should be noted that they have electorates to serve, many of which are large.

I will concentrate on a small issue concerning the Sunraysia area. In the past a mishmash of quite illogical rules governing shop trading has operated. Although the rules are complex, they do not fit the requirements of today's world. We have the ridiculous situation of shops in Mildura city being allowed to trade because it is a tourist precinct, whereas shops in Merbein, Irymple and Red Cliffs cannot. It is simply a carryover from old city and shire days when the shire did not allow extended trading hours but the city did.

Anyone who considers the situation will realise that the tourist precinct setting was the wrong way to regulate trading hours. For example, in the Sunraysia we have not only the tourism industry but also seasonal horticultural and grain industries, and the hard-working residents of the area want access to shopping in their local areas. Trading hours should be driven by the forces of demand and supply. In the past people got into their cars and went to Mildura, which deprived their towns of employment opportunities and revenue.

The question of small shop owners having to work long hours has been raised, but nothing is compulsory. I have spoken with shopkeepers in the smaller towns and they told me that if there is an open go they will give it a good shot, so long as there is a level playing field. They want to retain money and promote employment opportunities in their own towns. The Sunraysia has a large agricultural sector as well as a tourist precinct. Rightly or wrongly, the paying customers want to be tempted to go to, stay in and return to the area.

I know, as everyone does, that some of the people in our community would sooner see things stay as they are, and many of them are shop owners. I presented a petition in Parliament that Minister Birrell answered very well, and I respect the views of those people, as we all should. However, most of us — in

SHOP TRADING REFORM BILL

356

COUNCIL

Tuesday, 29 October 1996

fact 8 out of 10 of us — vote with our feet, and we want access to shopping at all times. In today's world people demand that sort of access, and I have seen people from Ouyen shopping at the weekends a hundred kilometres away in Mildura.

There is no doubt that families now enjoy shopping together, particularly when both parents work during the week, and I don't see anything wrong with that. In fact many families need that social outing. They may spend an hour shopping and then have some lunch and enjoy the day as a real family outing. For people, be they tourists, business people, farmers, or many others, the issue is access, and in the Sunraysia area the logic is clear: we must include our small towns in the trading mix. We did not do so in the past but we must do so as we move into the future.

Hon. D. T. WALPOLE (Melbourne) — I oppose the bill and support the reasoned amendment. The bill is another example of the government pandering to its mates in big business regardless of its impact on other members of society. I have learned to expect that from this government, but the question is: what is the quid pro quo? What does the government get out of it? I would be interested to know how much money will flow into Liberal Party coffers as a result of this bill's passage.

Over the years the government has held itself up as the champion of small business. If this bill is an example of assisting small business, I suggest it is one hell of a joke. There is nothing in the bill for small business operators, for those employed in small business or indeed for those employed by the large retail operators. The only ones who will profit from the bill will be large retailers; and you can bet your bottom dollar that none of the gains made by those retailers will be passed on to people actually at the workplace serving customers. They will not get too much out of this. The bill will eat into their leisure time. Already they do not get as much leisure time as in the past. We understand it is a changing world but there has to be a limit to how much things change and how much people in the work force are expected to put up with. You simply cannot continue to ask those people to put themselves out more and more.

Hon. G. R. Craige — Are you supporting the SDA?

Hon. D. T. WALPOLE — Yes. There is no question that those workers will suffer, and the SDA seeks to protect its members. Why wouldn't it?

Hon. G. R. Craige — That is fantastic.

Hon. D. T. WALPOLE — It supports workers, and I support workers' organisations.

Hon. G. R. Craige — Same faction, Dougie? No!

Hon. D. T. WALPOLE — The question of factions is immaterial. The question of how this impacts on ordinary people out there is what we should be worried about. As I understand it, Those retail workers are strongly opposed to the changes, and why wouldn't they be? Seventy per cent of the people in the industry are women. Many of those women have family duties beyond what they do at the workplace, and many of them are single parents.

Hon. G. R. Craige — Three members of my family are members of the SDA — my wife and two daughters. They reckon it's fantastic!

Hon. D. T. WALPOLE — It is a fact of life that most people in society are able to enjoy Saturday nights, Sundays, public holidays and such. Why shouldn't retail workers be provided with the same opportunities? In future they won't be.

Hon. G. R. Craige — Yes they will.

Hon. D. T. WALPOLE — The interests of those people have not been properly considered by the government. Because of the industrial relations bills that have passed through this place removing penalty rates the people in the industry may be confronted with the prospect of working Sundays and during the early hours of the night without penalty rates.

Hon. G. R. Craige — My family love it!

Hon. D. T. WALPOLE — You obviously have a family full of masochists! Prior to this government removing it, a voluntary work provision in the Shop Trading Act required that workers not be forced to work on Sundays. Now workers will be forced to work on Sundays regardless of whether they want to and regardless of how it impacts on their family life.

Other workers have to work on public holidays, it is true, and I used to be one of them — I was a shift

worker — but when I took the job as a shift worker I knew that I would be required to work on public holidays and that I would get penalty rates when I did so. I took the job with my eyes open, but the people currently in the retail industry will not have that opportunity. Those people are not being given any choice. The requirements of the employers will be forced down their throats.

What also concerns me is the safety of those employees, many of whom start and finish work in the early hours of the morning. That will place them at severe risk, and I am interested to know what the government intends to do to protect those people who are required to work very late hours.

The government went to the people at the last election with a small business policy that provided in part:

The next coalition government will conduct a review of the Shop Trading Act 1987 in consultation with all relevant groups with a view to simplifying the act's application and clarifying its position.

I am interested to know whom the government consulted with. It is clear it did not consult with the SDA, and one could not possibly suggest that that organisation does not have a crucial stake in this issue and that it does not represent a lot of people who will be severely affected by this legislation. To exclude that group was a major mistake, but one would expect nothing more from a government that is so anti-worker and anti-union. When the minister sums up the second-reading debate I would like him to enlighten us as to whom he consulted with.

The truth is, of course, that probably the only people who were consulted were the large retailers and people whom this government would consider it needs to consult because they are the only ones who could benefit this government.

The question is: who is it that requires and supports open-slasher trading? It is certainly not the opposition. It is certainly not the Master Grocers Association, as it has made quite clear. If the polling is to be believed, it is certainly not a majority of the community. I guess one could argue about how some of those polls are conducted, but I have yet to see a poll that indicates that a majority of consumers actually supports the proposed change.

It is true that the passage of the bill would give consumers more options for shopping; there is no doubt about that. I would probably take advantage of it myself if it happened. But the reality is that, given that the polls show that a majority of consumers are opposed to the proposed change, those consumers have done what I have done — that is, they have weighed up the advantages to themselves against the disadvantages to those in industry and have said the right thing: we ought not to go ahead with the proposed change.

The government operates on a similar philosophy to that expressed many years ago by Lang Hancock when talking about asbestos. To paraphrase him, Lang Hancock said that some need to suffer so that the majority may benefit — and look at what sort of pain and suffering arose out of that!

That is the position members of the government have adopted; they say if some people have to suffer, so be it. The trouble is that a lot of those people will suffer badly. A lot of people will go out of business and a lot of people will lose their jobs. There is the potential for employees who will be required to work disadvantageous hours also having to take risks. I am concerned that employees who have to finish work in the early hours of the morning and find their own way home will be placed in circumstances where their well-being is placed at risk. A lot of people may be part-time shop assistants who may not be able to afford motor vehicles. They will have to rely on public transport. They will not be able to use taxis because they simply will not be able to afford them. We all know that, unfortunately, using public transport in the early hours of the morning is fraught with a certain degree of risk.

The proposal is bound to shift business from small retailers to large retailers. Almost certainly it will lead to the closure of many small businesses. Those small businesses will have little choice but to open to try to compete with the big boys. That will lead, of course, to the inevitable destruction of whatever family life they still have. And this from a government that claims to be supportive of the family! Many may choose to get out, but who will buy a business that requires them to be open all hours of the day and night on every day of the week?

Only this afternoon I spent an hour or so in the Moonee Ponds shopping centre with the Leader of the Opposition, John Brumby, and the member for

Essendon, Judy Maddigan. We went in and out of a number of small businesses and spoke to the operators of those businesses. We spoke also to people on the street, including a group of young people sitting at a table enjoying coffee. They are school attendees who were having some time off preparing for exams.

The surprising thing for me — and I confess I was surprised — was that I found not one single person who supported the proposed change. Every single retailer said 'We don't want it'. Even the young people, one of whom was a part-time shop assistant, said, 'We don't believe it should go ahead'. That surprised me because we believed there would be some people who supported the proposed change. I guess it is only a small sample, but for an hour we went into shop after shop — menswear, women's clothes, hairdressers, paint shops, newsagents, you name it — and found not one single supporter of the proposed change. One of the shop operators said to me, 'I do my books on a Sunday and I spend a bit of time with my wife and kids. What am I going to do now? When am I going to do my books? I have to come here and open the shop, because if I don't open the shop, the business will go to Highpoint shopping centre and it won't come back, and I can't afford to employ someone to be in the shop on Sundays, so I've got to do it myself'. So that person will be placed in a very awkward position. Another person told me he felt threatened because if he had to open in the evening he was potentially subjecting himself to the chance of a robbery taking place.

The proposed legislation is bound to do irreparable damage to strip shopping centres because if shopkeepers open on Sundays they will have problems in their family lives; and if they do not open, the business will go elsewhere, particularly in an area like Moonee Ponds when a large retail shopping centre like Highpoint is not far away. If they do not have their shops open, the business will go to Highpoint shopping centre and will not come back. Those people have a right to see their families on the weekend and in the evening. The bill will deny them all the opportunities they have had in the past to spend time with their families.

I was going to mention the letter Mr Best sent to Gracia Baylor, but that has been done. It is instructive to see that Mr Best has done a U-turn, as have all other members of the National Party. On 16 April 1987, when speaking on shop trading hours, Mr Hallam said in this chamber:

While the National Party concedes that the issue is complex, it does not believe that is a reason to completely vacate the field —

in other words, completely deregulate trading hours —

because that would introduce a whole range of unfortunate complications and distortions. No-one would doubt that deregulation would favour the larger centres and operators at the expense of the smaller centres and operators. It would see the demise of a whole section of the retail industry. Total deregulation would produce a dog's life for those involved in the industry as employers and employees, and I speak from the heart having had approximately 23 years' experience in retail and having lived through an extension of trading hours.

I ask members of the National Party what has changed since the Mr Best and Mr Hall sent their letters and Mr Hallam put that view on the record. The only thing that has changed is that you are now in government and letting the bullies of the Liberal Party tell you what to do. That is the only thing that has changed! There is nothing you can point to — I defy you to do so — that will make reasonable the U-turn made by National Party members from the position they took during the late 1980s and early 1990s to the position they have taken today.

Hon. G. R. CRAIG — It is good that you support the SDA!

Hon. D. T. WALPOLE — I support the workers and their organisations and I will continue to do that. I support the reasoned amendment, and I commend doing the same to all members.

Hon. B. C. BOARDMAN (Chelsea) — I rise as one of the Liberal Party bullies who support the legislation because it is a progressive reform and it shows a vision for the future. It is something for all Victorians, which is what the government is all about. It is something for my children and their future.

The argument was raised that this legislation would make 24-hour retail trading compulsory, but that is not the case. The government is not telling people to open their doors at 3.00 a.m. Whenever I wake up at 3.00 a.m. I do not get a sudden urge to go out to buy a pair of shoes. Retail workers have come to see me because they were concerned about having to work

odd hours. Mrs McLean made a pertinent comment about car parks and shopping centres that are lonely, scary places at odd hours. I could not agree with her more, but those places will not be open then so they will not have any customers. Argument has been put by some people who believe shops will be forced to open, but that is not so.

If this is such an important concern to the community, why hasn't the community been outraged as it was with the drug debate and the firearm legislation? I have 121 000 constituents and presumably 10 per cent of them are involved in the retail trade, which would be 11 000 people. I have received only 8 letters on this issue: 2 from small business owners and 6 from retail workers. One was a petition with 51 signatures gathered at Target in Frankston. It says:

I ask you, Sir, on behalf of myself and my colleagues that have signed this letter and are truly concerned with these issues, to try and help us before it goes to Parliament. These are serious issues.

I could not agree more. For too long the people of Victoria have not had a choice about when to shop. Freedom of choice is what the legislation is about. That is a wonderful expression; there should be more of it.

If I count the 8 letters I received, the 51 signatures on the petition and the 10 or so people who have come to see me at my office, a total of 68 people — less than 0.4 per cent of people in the retail trade in my electorate — have expressed concern about the bill. Where are the other 99.6 per cent? I have not had one letter from a person who is not happy to shop on Sunday.

For many years people involved in the retail industry have been working late-night shifts. Thousands of employees involved in emergency or essential services must work odd shifts, but they have not complained about working those hours. I was a shift worker for seven years before entering this place. I have not had a Christmas Day with my family or a New Year's Eve with my friends or relatives during the past seven years. I have heard the argument from people involved in the retail industry that they do not want to work on Sundays because they want to enjoy time with their friends and family. I appreciate their concerns but I believe at an age when one is starting out in the world one has to be concerned about priorities. One of the most

important things one can do these days is establish one's career. That is where discipline, education and commitment to the task is important. If you do not want to work the hours because you want to socialise I am not interested in talking to you.

The great City of Frankston is in my electorate. It is a wonderful place to set up an electorate office, and 5 minutes down the road is Mornington, which has had seven-day-a-week shop trading for many years. Mornington is booming. Each Sunday, rain, hail or shine, the shops are open and their owners are happy to open. Mornington has restaurants, tourist developments and other infrastructure promoting the retail trade. People are happy to go to Mornington to shop on Sundays and retailers are happy to open.

If Frankston shops were allowed to open many of those people would prefer to shop in their own shopping centre where they feel safe and happy. I cannot see a problem with that. Seaford Safeway is open 24 hours a day, six days a week until 5.00 p.m. on Saturday. When I was doing shift work and I wanted to shop at 3.00 a.m. I would find 20 or 30 people in that store. If that facility were not available where would these people go?

As a representative of my electorate it is important that I raise some points made by my constituents. One young single mother who works in the retail industry made a valid point that when the legislation is passed retail traders will increase their hours by opening on weekends and they will put on their most experienced sales staff at those times when more customers are about. She expressed her concern because she would prefer to spend that time with her family. I thoroughly agree with her. Nothing is more important than spending time with your family. However, I said that if she takes up the hours offered to her — because she will not be forced into them — a void will be created during the week that will need to be filled. Obviously new employees will be needed to fill the void and thus jobs will be created.

I cannot think of any reason why any member should oppose the legislation. It is legislation for the future. As Mr Walpole correctly pointed out, he will avail himself of the opportunities provided when the bill is passed, and I will also avail myself of those opportunities.

Hon. B. T. PULLEN (Melbourne) — Given the amount of debate that has already occurred on this bill, I do not intend to detain the house longer than necessary. Like the previous speaker I have received a number of submissions and have had a lot of contact with people in my electorate whose views should be put on the record.

My concerns about the bill relate to the impact on small business as I have come to perceive it from talking to many small business people in my electorate and the impact it will have over time on the quality of life for families.

We would all agree that small business is an important employer in Australia. It provides opportunities for approximately 50 per cent of people in non-agricultural employment. About 25 per cent of the 2.7 million people employed in small business in Australia work in Victoria, and about 30 per cent of those 684 000 people employed in small business in Victoria are self-employed. This bill will mean that about 200 000 people will need to extend their own hours in order to keep their businesses open. The question to ask then is: is it all worth it? Will the time they spend running and keeping alive their small business be worth it? Many of these people have said to me that they do not expect to earn any more money, yet they expect to have to work longer hours. They will have to work the longer hours for no gain to compete with larger firms that employ people at lower marginal costs.

It is tough out there for small businesses. In 1994-95 about 1045 small businesses went bankrupt, and tomorrow we will learn the number of bankruptcies during 1995-96 when a report is tabled by the Attorney-General in the federal Parliament. A thousand bankruptcies is a significant failure. It is traditional that small businesses must work exceedingly hard for their returns. Initially I was not sure how small businesses in my province would react to the changes contained in the bill. I thought they might welcome the measure because it was aimed at reducing the regulation and controls imposed upon them, thus giving them more independence — it is well known that small business people are not kindly disposed to governments looking over their shoulders.

I contacted major trade associations in my province, which make up most of the strip shopping in Swan Street, Bridge Road, Victoria Street, Brunswick Street, Gertrude Street, North Fitzroy — including

Nicholson and Best streets — Queens Parade, Smith Street and Rathdowne Street.

An Honourable Member — Can we have some numbers?

Hon. B. T. PULLEN — I am coming to that. Usually one or two representatives from each group meet every second week, with the local council assisting at those meetings. That is an effective network of people concerned about putting forward their views. They invited me to one of their meetings and I was surprised by the arguments put to me. The no. 1 reason for opposition to the bill was the impact the changes will have on family life. Of course, many people favoured the legislation because they could recognise its benefits to them. Those people included owners of coffee shops, bistros or small cafes who believe that if people go to Safeway in Smith Street on a Sunday they will have a coffee or a meal after doing their shopping. But there are others who see their businesses suffering. Butchers, in particular, savagely opposed the legislation because they believe they will receive little return for having to work much longer hours.

Those people also believe this legislation will impact greatly on family life, will benefit only large chains and will result in small shops suffering. They said that over time it could lead to a reduction of choice. I am only reporting what those people genuinely said to me — and they are not people who would normally be handing out how-to-vote cards for the Labor Party at elections. In fact, I did not ask them how they voted.

One Bridge Road business owner had conducted a door-to-door survey of 67 shops in her area. She reported to the meeting that of the 67 businesses surveyed, 80 per cent opposed any extension to trading hours and less than 3 per cent said they would see it as resulting in an increase in staff. The detrimental impact on family life was frequently mentioned and many were fearful that it would kill off small business.

I do not wish to go through all the correspondence but a long-term trader in Nicholson Street, Mr John Beckwith, has written to me saying:

The proposed legislation, besides destroying the value of family life, which appears to be a major concept of this current state government, overall seven days a

week is not a necessity of Victorian suburban life, or for that matter country town life.

My province also includes the Moreland area, the trading organisations of which include traders in Sydney Road, the Coburg Traders Committee, the Lygon City Traders and the Glenroy City Traders. They held a meeting to which they invited the Mayor of Moreland. I could not attend that meeting but I asked if the views expressed at it could be passed on to me. The following resolution was agreed to at the meeting of traders:

The meeting is against the government's proposal to deregulate shop trading hours because of the potential impact on resourcing for small business, the increased stress and probable advantages to larger retail associations.

They went on to say that if it did go ahead they did not want the council to create a locally different situation because they thought that would disadvantage them.

An Honourable Member — They recognised the advantages.

Hon. B. T. PULLEN — I do not think that is a fair interpretation. Some have the view that it would be appropriate only if everyone were doing it, and it is only pragmatic to consider the market situation.

Others may have been trading for longer hours, but it would be unlike the situation in a country town, where people need to travel long distances to shop; city people simply go to a neighbouring street. Therefore it is a matter of one in, all in. That is a pragmatic approach and is not a contradiction in views; that thoughtful view has been put to the mayor.

The people concerned said they were unhappy and opposed the legislation.

Hon. W. A. N. Hartigan — I suppose it is the same view put to you when you changed the law in 1988.

Hon. B. T. PULLEN — I am reporting what people have said to me and what I believe are the views generally held by traders. I suspect many members will have received a letter from the Master Grocers Association of Victoria Ltd that said it thought the extension would benefit large traders

but not its members. The association had engaged the Roy Morgan Research Centre Pty Ltd to conduct a survey throughout Victoria. The results showed that only 35.1 per cent of Victorians favoured unrestricted trading hours.

As to the impact on the other approximately 70 per cent, I can say that their views have been well expressed by opposition members during this debate; they have spoken about the impact on the quality of life of workers in this industry, which has some of the poorest conditions imaginable. Many people do not have any job security and do not enjoy the certainty of employment as do other employees.

One letter I received was from a person living outside my electorate — a shopkeeper in Frankston. He feels betrayed by the changes and has provided me with a copy of a letter he sent to the Minister for Industry, Science and Technology. The feelings expressed in his letter run deeply with some people. I refer to the letter.

Hon. K. M. Smith — Is this selective quoting?

Hon. B. T. PULLEN — I am prepared to make the letter available to any honourable member. There is nothing hidden in it, but I will not read the entire letter. Government members should heed the sentiments expressed. It states:

It is hard to believe that even someone in your position has so little knowledge of how the real world operates. For your information there will be a very high number of these small stores forced to close because of the changes you are forcing on them. Many will simply go bankrupt, losing businesses, homes, everything they have worked hard for.

No doubt you would like us to believe that you are a caring, concerned politician anxious for our wellbeing. We may start to feel this after we have received details of how you intend paying full compensation to all the shopkeepers forced to close because of your action.

The letter contains an element of fear. The writer further states:

Many of the parents using our store have stated their total opposition to your proposal because of the destruction and breakdown of family life. Parents will simply pass in the night with neither having the time they believe is required for bringing up their children.

He concludes:

... I have until now been a Liberal supporter for the past 47 years. Never have I been so ashamed of that fact. It is blatantly obvious that with this sort of legislation the Liberal Party is not the slightest bit interested in the battlers but only in big business where the money is.

As a former member and president of one of the local branches of the Liberal Party I feel a total loss for a party that at one time in the past had so much integrity and vision, particularly for the middle class, which has now been thrown away in the cause of big business.

People feel betrayed. The government is ignoring an element of the Victorian community which will suffer considerably. People hold dear their quality of family life.

Hon. E. J. POWELL (North Eastern) — I am pleased to add my contribution to the debate on shop trading hours and to support the bill. Mine is a more personal contribution, which will be brief.

My husband and I own an auto-electrical business in Shepparton, which we started in 1976. Although I have not been there much in the past few years, throughout the years of operation of the business we have changed the hours during which we service our customers, but it was always our choice. The sign on the doors says '8.00 a.m. to 5.00 p.m. trading'.

In the service industry the hours worked are driven not so much by regulation but by customer demand. Shepparton has about 13 auto-electricians: 7 operate from workshops in commercial areas and about 4 from mobile units. It is a competitive market, which usually means flexible and responsible hours, competitive prices and realistic customer service.

On many occasions my husband has worked until 1.00 a.m. Then we started to open the business on Saturday mornings because customers would visit us then rather than during the week. Often my husband would not finish work until 6.00 p.m. or 7.00 p.m. on Saturdays. A large percentage of the businesses in our commercial area work long hours because of customer demand.

Now we do not open on Saturdays — again, that is our choice. Those service providers who do open will get the business from customers who want their vehicles repaired on a Saturday or Sunday. We are not complaining; we chose to go into a service and

retail industry. We wanted to make a future for our children and worked hard to achieve that result. We have managed during the 18 years of business to raise two children. It was tough when they were young, but we survived. We wanted to make a future for them and we worked hard to achieve that.

This legislation will give members of the retail trade the same flexible trading hours, thereby allowing them to service their customers outside normal trading hours.

When I was a councillor of the Shire of Shepparton, extended trading hours was an emotive issue for many years. In 1990 we surveyed our residents about whether they wanted extended trading hours. In the more urban ward that I represented, which included a large number of shop owners, the majority did not want Saturday afternoon or Sunday trading. I strongly voiced their opinions in council debate, as did the other two councillors in that ward.

The reasons given included the fact that people do not have much extra money and that they need to spend more time with their families, and those reasons are still being given. The views the councillors from my ward put to the shire were defeated overwhelmingly because the nine councillors who represented the more rural areas in the shire supported extended Saturday trading. People in the farming community said they needed more flexible shopping hours and regarded shopping as a family leisure activity.

As the shire president, three years later I led a deputation to the former Minister for Small Business, the former honourable member for Ivanhoe in the other place, Vin Heffernan, to seek support for our application for extended trading hours. He said he would support the application if it was also supported by the Shepparton Chamber of Commerce and Industry and the City of Shepparton. The chamber of commerce opposed extended trading hours for its retailers and the Shepparton council said it would support the application if the chamber of commerce cooperated. The former minister's support was also conditional upon support from the neighbouring Shire of Rodney, which informally supported extended trading hours. The former minister suggested that as a compromise I should discuss 3.00 p.m. closing on Saturdays with the chamber. If that was successful the opening hours would be increased until

SHOP TRADING REFORM BILL

Tuesday, 29 October 1996

COUNCIL

363

5.00 p.m.; otherwise, the closing time would be 1.00 p.m.

At present the Shepparton Chamber of Commerce and Industry disagrees with the government's decision to entirely deregulate shop trading hours in Victoria, and Mr Theophanous referred to that during his contribution to the debate.

I have a copy of a letter sent to the Minister for Industry, Science and Technology, and I shall read part of it:

The chamber has a paid-up membership of 337 and is the fourth largest regional city in Victoria.

It was stressed by the chamber that shops in the central business district close at 12.00 p.m. and only the large multinational stores remain open until 5.00 p.m. The chamber goes on to say:

This stance on extended trading hours has not been the result of emotional rhetoric; it has been arrived at by regularly surveying all retail outlets readily accessible to us plus constant, ongoing consultation with both members and non-members. (The latest survey of 394 retail outlets showed 29 per cent favoured Saturday trading while 14 per cent favoured Sunday trading).

It is also noted that they did not survey the population, and the population of Shepparton in the catchment area is more than 60 000 people. They go on to discuss the issue of weekend trading:

As a properly constitutional, elected body we must represent the majority of our members and request that you as the minister responsible, allow local municipalities (placed there by your government) to select their own trading hours after 1.00 p.m. on Saturday as in the past.

I believe that is what the legislation is proposing. If municipal councils have views and the support of 10 per cent of the population, they can actually air their views in the public arena.

On the issue of Saturday trading, the chamber has changed its position on the issue somewhat, as far as saying:

Should the above request be denied it is conceivable with 29 per cent already willing to open that with a sensible approach to timing and aggressive marketing

this could, against the will of the majority, be made to work albeit grudgingly.

It is also interesting to note that some Shepparton retailers complain that Shepparton shoppers go to Melbourne to shop. People will continue to go to Melbourne, Wodonga, Bendigo or Echuca — or wherever else that has extended trading hours. I firmly believe shoppers would prefer to support their local retailers and shop locally. This legislation allows the local retailers who want to extend their hours of trade to do so.

We have a ludicrous situation. I have been in shops that are absolutely full of customers, who have been asked to finalise their purchases in 5 minutes, or who have been asked to leave immediately because the time is 1.00 p.m. or 5.00 p.m., or whatever time the shop is legally supposed to close — what a loss of business!

I was a commissioner of the Shire of Campaspe, which has its headquarters in Echuca, which is classed as a tourist town. The shops have extended trading hours on Saturdays and in some areas on Sundays. Not all shops open, although those that do not will not get the business. I often attend meetings or functions on Saturdays — the town is alive and full of people: families and young people enjoying a chat, shopping or just browsing. When I arrive back in Shepparton in the afternoon there are very few people around; most shops are shut, except the large multinationals.

Shopping patterns have changed. Customers shop around for the quality they want at prices they can afford, and for retailers who give them decent service at a time convenient to them. To remain viable retailers have to be competitive, customer responsive, and customer oriented to meet the demands of our changing society.

A number of people are opposed to this legislation to allow Sunday trading because they believe it will not allow people to attend church services. Those people who want to worship on Sundays will still be able to do so. Most churches cater for the needs of their parishioners and the hours they wish to worship by having services very early in the morning, later in the morning, or later in the evening.

Finally, this legislation is about giving back the responsibility of when you open your shop to those who own the shop — which is where it should be.

Hon. D. A. NARDELLA (Melbourne North) — I oppose the legislation and support the reasoned amendment. Again we have before us a proposal to further extend shop trading hours to Sundays. We will experience seven-day-a-week trading in the short term, and once it is in, we will not be able to go back to six-day-a-week trading. Once it is in, it will be in forever. Any going back will not be allowed. It is like the 6 o'clock trading in the pubs; that will not be reinstituted by any government — nor should it in that particular instance — and over the past few decades there has been quite a lot of liberalisation of the liquor licensing hours.

This legislation goes too far. In reality we should be able to strike a balance between the needs of the consumers — if you want that as a consideration — the needs of the retailers and, on top of that, the needs of the shop assistants and the owners of the small shops.

The balance with this legislation has gone too far the opposite way. If the government were fair dinkum in its consultative processes, it would have come up with a different balance that would take into account the needs of those various groups.

Consumers, retailers and workers would have approved of a system which was simpler and which allowed for an expansion of shop trading hours, but which would have also brought in some certainty and would have allowed families to remain together in a situation where they could spend at least one day a week together as a family.

That could have been achieved if the government had sat down and talked to the various groups. One of the suggestions the opposition has made is to continue to have the three or four weekends before Christmas and trading on the first Sunday of every month. That would have struck the balance; it would have meant that families that split up on those weekends would have time together on the other three or four Sundays in the month. That expansion of the shop trading hours would have been a much better outcome for the community.

But this bill allows an absolute and total deregulation of shop trading hours here in Victoria — a situation that I do not believe will assist small businesses in the main to survive the precarious times that they find themselves in.

We heard Mr Ashman talk about small businesses supporting this legislation, and even go so far as to say that small businesses welcome the legislation because it will allow them to survive. But in fact 80 per cent of small businesses fail within the first five years, and the legislation will not assist many of those small businesses in the retail and service industry areas. It will not assist them because it will increase their stressors by increasing the amount of time they need to remain open and increasing the chances of their having to compete with the large retail shopping complexes that are being expanded throughout the Melbourne metropolitan area.

In the Sunbury community which I represent it will make it much harder for retailers to compete with the shopping complexes that are springing up and have been expanded in that vicinity. Sunday shopping will not assist those retailers. If small business people do not staff those shops by themselves, they will have to employ workers for Sundays just to compete.

Hon. R. A. Best — Isn't that employment?

Hon. D. A. NARDELLA — It is not, actually, Mr Best. Life will be more difficult for families with businesses. The expansion obviously occurs in the large shopping centres — affecting the people the government represents. The small family businesses that should be supported will be the ones that go to the wall because the legislation does not take into account a number of factors about Sunday trading.

As Mr Ashman said, it has always been a matter of competition between small and large businesses. He talked about the competitive advantages of smaller businesses, but how can you compete against firms like Coles, Woolworths and K Mart? How can you compete with the large shopping centres that have a multitude of attachments and entertainment complexes alongside them?

In Sunbury the situation is much more limited. Obviously if people have a choice they will choose the large shopping centres. But regardless of the amount of effort people put into trying to maintain small businesses, even by opening on Sundays, the attractiveness of places like Highpoint West and the new shopping centre in Sydenham will be much greater than the option of shopping locally in Sunbury. There will obviously be a challenge for the Sunday traders to provide incentives and to promote themselves and their products collectively. That will

be occurring over the next 12 months with the Sunbury traders. It does not detract from the situation where they will be competing directly with multinational companies that run large shopping complexes that have many more resources to enable them to squeeze the small businesses and run them into the ground. That is what the legislation does not look at. It does not deal with the real-life aspects of survival that small business has to deal with from day to day.

For the government to have been pressured into this situation by large multinationals like Ikea with massive slush funds to promote themselves and their operations is a disgrace. The government talks about supporting small business and being the party for small business, but when you look at its record and its actions you see it is about destroying small businesses and running them into the wall. It is about making sure that small business cannot survive in these environments.

It is amazing that ministers say part of the justification for the legislation is that they cannot control the retail shopping hours in Victoria. This government tramples on people's rights. It has control of both houses of Parliament. It does not care what it takes to achieve its ends, yet it is powerless against the Ikeas and the other multinational companies in Victoria that trade illegally. It is not good enough for this all-powerful government to use that as an excuse to run small businesses, along with the families that run them, into the ground.

I have received correspondence from some extremely distraught constituents who have ploughed their life savings into their business and worked extremely hard for it. They are being destroyed in the medium to long term. They look forward to Sunday and to spending it with their families so that they can have the breathing space to recuperate, but the legislation means they will have to open on Sunday. There will be no choice for them because if they do not open on Sunday they will lose their market share and the ability to retain their customers. There is no choice for them, whether they open or not. That is the furphy about what the government says the legislation is about — that there is a choice — because there is no choice once Sunday trading, 24-hour-a-day trading, comes into place. The only way those small businesses can survive is by opening on Sundays, retaining their customers by putting in the extra hours.

No-one understands the parameters of small businesses and whether they are in a tourist zone or outside it. People know that if the shops are in the tourist precinct they must remain open seven days a week. That was one of the reasons people were attracted to the areas. Yet other people outside the zones have gone into those businesses without knowing that they do not need to and are not allowed to open on Sundays. At the moment they have a choice, depending on where they open their small businesses, but under the legislation, that is not the case. The families that are now going to be forced to work on Sundays will have their life savings threatened by the legislation; they will have to work longer hours and rely on their families and extended families to survive. When many of them are on the knife edge it will make life even more difficult.

The government is attacking families by allowing open slather Sunday trading because that is often the only day families can come together to relax and enjoy their leisure time. Regardless of what is in the legislation, workers will have little choice but to work on Sundays. In the real world, if a person is asked to work on a Saturday or Sunday, he has to work. There are no ifs or buts; he cannot say that he needs to spend some time with his family on Sundays. He will not have the opportunity to choose; he will either work on Sundays or not work at all. I know that from bitter experience because my stepson works at Myer and he is required to work every Saturday so he works Saturdays. He can say that he wants to work only Monday to Friday because he wants to spend time with his mates or his family, but if he does that he will not last too long. He will be replaced very quickly.

The legislation has no guarantees to maintain employment because in the real world if a person is not prepared to work the hours set down for him he will lose the hours, the days and eventually his job. No legislation will change that fact, nor will it guarantee people their jobs. Most workers in this industry are either part-time or casual employees and if they do not work the hours requested they will lose work because those hours will be worked by other employees.

When 24-hour-a-day, seven-day-a-week shopping is a reality my stepson will be forced to work on Sundays. I can give him a copy of the legislation so that he can wave it around and say it guarantees that he will not be penalised if he does not want to work

on Sundays, but the reality is that that will mean nothing to his employer. If he does not work on Sundays when requested he will not work at all. Large multinational companies have subtle ways of forcing unwanted employees to resign their employment, but honourable members opposite do not understand that because they do not understand the way multinational companies work. Employees could face significant intimidation, and no legislation will protect them and their jobs.

Managers of small businesses often spend their Sundays doing their book work because that is the only day they get off. If the government had consulted consumers, as Mrs Powell said she did in her electorate, it would know that they are opposed to open slather shop trading. A week ago I visited the Sunbury shopping centre and one of the most popular things we did was to organise a petition opposing increased shop trading hours. The consumers visiting the shopping centre signed the petition, so consumers in my community do not support the government's view. They do not believe it is a solution to their problems and it is certainly not the solution to the problems of small business, certainly within the township of Sunbury.

Consumers have ample time to shop. Presently they can shop for 137 hours out of 168 hours a week in many of the stores that elect to open. The two supermarkets in Melton that have extended 24-hour-a-day, six-day-a-week shop trading have only one cashier and a security guard to maintain their shops after 10 o'clock at night, yet that is supposed to improve people's choices! It certainly has not created any more jobs and it is silly to say that consumers have extra choices about when they shop because shop trading is being extended to Sundays. They can already shop at supermarkets at almost any time during the week. People can go shopping at their leisure during those times.

Mr Best used statistics selectively. He said that 51 per cent of single parents wish to work. That is commendable. The opposition has no problem with anyone wishing to work, but Mr Best would not say how parents will be provided with the child care they will need to take to allow them to do the extra jobs he expects to be created, especially on Sundays. It is already difficult enough for people to obtain child care during the week, when the vast majority of child care is provided by child-care centres, so it will be even more difficult if those extra jobs are ever created.

The community is facing a sad situation in which many small shopkeepers will find it difficult to survive. I understand what competition is all about, but the government is not providing a balance. Better alternatives are available to balance the needs of large traders, consumers and workers, but in its economic rationalist and non-consultative way, the government has unfortunately decided to follow the path of deregulation. The change will adversely affect many families and will far outweigh any positive changes. For those reasons, I oppose the bill.

Hon. P. R. HALL (Gippsland) — I wish to respond to some of the points made in the debate, particularly by opposition members. Opposition arguments have been predominantly about how big businesses will gain from the change and small businesses will lose. We heard arguments about supermarkets versus milk bars and butchers. One way I try to evaluate those sorts of arguments is to consider how changes will affect me. The opposition's arguments are really about a perceived change in shopping patterns from small to large businesses, and I have considered whether the change will affect the shopping patterns in my household. Once every two or three weeks I do the supermarket shopping and once or twice a week I buy the necessary food and cook tea. I dislike supermarket shopping and my wife does not enjoy it, either. I would never want to do that shopping on Sundays because my family is often at electorate functions or engaged on other jobs around the house. We would prefer to do other things on Sundays. As Mrs Luckins said, she sometimes does supermarket shopping on her way home from Parliament.

Hon. T. C. Theophanous — But why have you changed your position?

Hon. P. R. HALL — If Mr Theophanous would like to listen, he will realise I am explaining my position. I often do supermarket shopping at around 10.00 p.m. on the way home from a function. Mr Power spoke about the impact the change will have on regional towns. In the regional town of Traralgon, where I live, shops are not open 24 hours a day but are often open for extended hours. I have considered whether the fact that supermarkets and other shops will be open on Sundays will change my shopping patterns. Currently I buy milk, bread and, occasionally, newspapers at the local milk bar. I would not change that shopping pattern and buy

SHOP TRADING REFORM BILL

Tuesday, 29 October 1996

COUNCIL

367

those items at the supermarket because the milk bar is too convenient and I can park directly outside it.

Hon. T. C. Theophanous — This is drivell.

Hon. P. R. HALL — No, it is not. The arguments raised by the opposition have been about shopping patterns. I do not believe people will change their shopping patterns just because supermarkets will be open. I would not go to a supermarket to buy milk or a single loaf of bread because it would be inconvenient.

Hon. T. C. Theophanous — You are not telling us why you have changed your position.

Hon. P. R. HALL — If Mr Theophanous kept his mouth closed he might hear some logical arguments about the position. I had a chat with my local butcher, whose shop is always packed on Saturday mornings. I buy red meat from the butcher rather than from the supermarket because I appreciate the service and quality he provides. I told the butcher I would not change my shopping patterns and suddenly buy all my red meat at the supermarket and did not expect other people would change their ways, either. I relate those personal examples because the debate is all about shopping patterns and the fear that people will somehow move all their business from small operators to large operators, particularly supermarkets. I suggest that simply will not happen.

I also wish to recount a conversation I had with a member of the Shop Distributive and Allied Employees Association. At the end of a discussion of the issues I asked him what he thought would happen in Traralgon on Sundays if we had seven-day-a-week trading. He said he thought exactly what happens now on Saturday afternoons would happen on Sundays. If one walks down the street on a Saturday afternoon in Traralgon one finds that hardly a shop is open. Legally they are able to open, but it is not worth the trouble.

The big shopping centre in town, the Traralgon Centre Plaza, is open, but the shops in the main street tend not to stay open because people do not shop at that time. In the country, as Mr Best said, people are more interested in going to the local football, netball or tennis on a Saturday afternoon. If you walk through major or small towns in country Victoria on Saturday afternoons the shops are not open. The shop owners exercise that choice.

I suggest that is exactly what will happen on Sundays in country areas. Retailers will exercise their choice whether to open on Sundays. They know consumers are not interested in spending extra time at the shops on Sunday and consequently there is no benefit or gain for them at all.

I do not wish to elaborate on further arguments put by the opposition except on the one principle — a change in shopping patterns. Most of the opposition's arguments are premised on the fact there will be a change in shopping patterns and people will stop buying from small businesses and will buy from large businesses all the time. For the reasons I have outlined to the house I do not believe that will happen. Therefore, I do not think seven days trading will have the detrimental effect on small business that members of the opposition have suggested. The bill is a positive move. It provides flexibility. People will not be required to open on Sunday if they choose not to. However, in the future they will have that choice. That is what the legislation is about: it gives consumers choice but it also gives retailers the choice of whether they will open on Sundays. It is an issue about choice and that is what we should be promoting: giving both consumers and business people the choice to exercise their rights on this matter.

House divided on omission (members in favour vote no):

Ayes, 32

Asher, Ms	Furletti, Mr
Ashman, Mr	Hall, Mr
Atkinson, Mr	Hallam, Mr
Baxter, Mr	Hartigan, Mr
Best, Mr	Katsambaris, Mr
Birrell, Mr	Knowles, Mr
Bishop, Mr	Lucas, Mr
Boardman, Mr	Powell, Mrs
Bowden, Mr	Ross, Dr
Brideson, Mr	Smith, Mr
Cover, Mr	Smith, Ms
Craige, Mr	Stoney, Mr
Davis, Mr D. McL. (Teller)	Strong, Mr
Davis, Mr P. R. (Teller)	Varty, Mrs
de Fegely, Mr	Wells, Dr
Forwood, Mr	Wilding, Mrs

Noes, 9

Eren, Mr	Power, Mr
Gould, Miss	Pullen, Mr (Teller)
Hogg, Mrs	Theophanous, Mr

SHOP TRADING REFORM BILL

368

COUNCIL

Tuesday, 29 October 1996

Nardella, Mr
Nguyen, Mr

Walpole, Mr (Teller)

Pair

Luckins, Mrs

McLean, Mrs

Amendment negatived.

Hon. T. C. Theophanous — On a point of order, Mr President, the opposition would like to have your ruling on an issue it raised earlier during the debate.

Hon. M. A. Birrell — You're wasting time!

Hon. T. C. Theophanous — We would like to have it on the record.

Hon. M. A. Birrell — That will just prove you wasted time.

Hon. T. C. Theophanous — Stop being a smart alec!

The PRESIDENT — Order! The house should allow the Leader of the Opposition to establish the point of order so that it can be debated and dealt with.

Hon. T. C. Theophanous — During the course of the debate the opposition raised the question of a number of members of this place who hold shares in a number of companies and who have just voted on this bill. The opposition and a number of independent commentators hold the view that they will benefit as a result of this legislation. Those members are: Mr Birrell, Mr Lucas, Mrs Luckins, Mrs Wilding, Dr Ross and Mr de Fegely.

I refer you, Mr President, to standing order no. 155 which states:

No member shall be entitled to vote either in the Council or in any committee thereof upon any question in which he has a direct pecuniary interest, and the vote of any member so interested shall be disallowed.

The issue of a direct interest has been the subject of some dispute, and I am happy to read what *May* says, which is that the interest must be immediate and personal and not merely of a general or remote character. The crucial question is whether their interests are immediate or personal. The opposition contends that it is an immediate and personal

interest for someone to have shares and to be defending, to some extent, the value of those shares.

This issue was raised in this place in relation to another debate in December 1994 when Mr Brian Mier, a member for Waverley Province at the time, referred to the pecuniary interests of Mr Guest, a member for Yarra Province at the time, and his being a major shareholder of Hudson Conway. It states in *Hansard*:

He is a major shareholder of Hudson Conway Ltd, which in turn is a major shareholder in Crown Casino.

Hon. M. A. Birrell — Who are you quoting in *Hansard*? Brian Mier? Some source!

Hon. T. C. Theophanous — In your ruling, Mr President, you said:

I am not sure how many shares Mr Guest has but in comparison with the overall issue he would have only a handful and I do not see that as a direct pecuniary interest.

You then went on to indicate that on the basis of the Constitution Act, 20 persons or less would constitute some kind of benchmark measure. I ask you to address yourself to the question of whether the number of shareholders is relevant. You can have thousands of shareholders, and the first 10 can own 90 per cent of the company. I submit therefore that the test of 20 is not relevant. The question relates to the extent of the shareholdings in a particular company. I do not know how many shares each one of those individuals has nor have they been prepared in debate to reveal that number.

Further, the question of pecuniary interest concerns how much an individual stands to gain and not the proportion of shares the individual may have. I make that argument on the following basis: if a person has a million dollars worth of shares in a company which is worth \$100 million, in relative terms the shareholding might be small — only 1 per cent — but one could not possibly say that that person did not stand to gain from that pecuniary interest. By contrast, one could say a company in which there were only five shareholders —

Hon. R. I. Knowles interjected.

Hon. T. C. Theophanous — You might not care about these issues, but the opposition does. I am

allowed to put the argument, so just shut up and listen.

The PRESIDENT — Order! It is in the interests of the house for this issue to be resolved once and for all. A reasonable debate in the circumstances is appropriate. Once we resolve the issue presumably we will not have to go through it again.

Hon. M. A. Birrell — It has been resolved!

Hon. T. C. Theophanous — It is up to the President to decide these matters, not you. I know you would like to try to direct the President, but fortunately he does think independently of you, Mr Birrell.

Hon. M. A. Birrell — Then I'll look forward to your accepting his ruling.

Hon. T. C. Theophanous — Of course I will accept the ruling. I have no choice about that.

Hon. M. A. Birrell — That is very gracious of you.

Hon. T. C. Theophanous — I would like clarification, however, and I am raising the issues one at a time. The limit of 20, which was indicated in a previous ruling as a valid limit, is flawed in that five people could own very small amounts in a much smaller company and have, for example, only a \$1000 holding compared to somebody who owned a million dollars worth of shares in a \$100 million company. Therefore, the size of the holding is a valid consideration in terms of what normal people would understand as a substantial or non-substantial holding.

I do not know the value of individual shares members hold, but from the point of view of my constituents a \$20 000 holding, for example, is a substantial pecuniary interest. It might not mean anything to some government members, but it means a great deal to people out in the electorate. Therefore, it is a question of community standards and of whether individuals who hold shares in a particular company stand to gain.

Everyone here must make a decision about whether there is a benefit as a result of the legislation going through. If a benefit will accrue to Coles Myer as a result of that and they hold shares in Coles Myer, they get a personal benefit. Frankly, I do not care what is the level of that personal benefit, whether it

is \$5 or \$500 000 — if there is a personal benefit, we contend they should not be voting on the legislation.

Hon. M. A. Birrell — On the point of order, Mr President, in our contention there is no point of order. The standing orders make this quite clear but so does *Erskine May*, 21st edition, at page 354. Under the heading 'Votes on matters affected by personal pecuniary interests' it says:

No member who has a direct pecuniary interest in a question is allowed to vote upon it; but in order to operate as a disqualification this interest must be immediate and personal, and not merely —

Hon. T. C. Theophanous — I just read that out. Weren't you listening?

Hon. M. A. Birrell — For the idiot fringe, I will take you through it twice —

... and not merely of a general or remote character.

In other words, it is directly on point on this issue, and directly negates the juvenile smear campaign that Mr Theophanous has tried to put forward because it makes a distinction between a pecuniary interest which is direct, personal, obvious, and one in which there will be clear gain — —

Hon. T. C. Theophanous — Which is the case in these circumstances.

Hon. M. A. Birrell — And which it is completely evident is not the case that is being alleged in these circumstances, because what Mr Theophanous is trying to suggest is that the standing orders and the precedents of this place say that we should have exactly the same rules that apply, for example, to local government or exactly the same rules as he would have applied in their new terminology — —

Hon. T. C. Theophanous — You don't think — —

Hon. M. A. Birrell — They are distinctly different from local government and always have been, Mr Theophanous. They are exactly the same rules that he would have apply, saying that anyone who has any interest has a pecuniary interest and if you have a pecuniary interest you cannot vote. It is for exactly those reasons that *Erskine May*, based on unbroken precedent since 1811, has said of course members with that type of interest can vote. Otherwise you would never be able to vote, because there virtually

no issue that passes through this or any other equivalent chamber that does not give rise to the type of transient measure that is part and parcel of the stupid point of order that has just been raised.

What precedents do we rely on? This place is replete with precedents from every President. Labor or Liberal, every President has ruled on this matter, and every President has ruled against the point of order raised by Mr Theophanous.

We expect stupidity, boring repetition, tedious tactics and lack of logic from Mr Theophanous. We do not like having to put up with it, but I cannot understand why his backbench tolerates this type of point of order, which is clearly faulty, lacking in merit or logic, and completely without precedent. *Erskine May* is not against what we are contending. It completely underlines what we are contending. Every precedent put in place since 17 July 1811, when Mr Speaker Abbot made the definitive ruling, has been quite clear cut.

We know that the aim of the opposition has been to create some kind of scare campaign, a smear against the members here. What was it actually suggesting? Even if we took this point of order as being substantive, the whole basis of the new angle Mr Theophanous was trying to bring in today during his speech — which, of course, got no response from anyone, let alone the media — is that somehow someone here has a dominant interest in the companies that were read out as part of the smear.

Hon. T. C. Theophanous — That's not what I said.

Hon. M. A. Birrell — You cannot argue that there is a pecuniary interest even if it is general.

Hon. T. C. Theophanous — That's your interpretation.

Hon. M. A. Birrell — You were talking about major interests when you were running down Mr Guest. They were exactly the terms you were relying on. Are we seriously suggesting that someone here has a dominant, major, large, huge or even significantly small interest in Woolworths or Coles Myer? No! You don't even have a logical argument. Even if you got over the hurdle that you didn't get over — establishing that there was any pecuniary interest at all — we know that the

precedents in the Legislative Assembly under Labor Speakers, the precedent in here under a Labor President, the precedent in the House of Lords and the precedent in the House of Commons under Labor Speakers were all completely against what you have put.

There is not a skerrick of logic to this because no-one would ever be able to vote on any issue at all in this place. Everyone would be absenting him or herself if this came up.

Is there any slur on the individuals who have done the right thing and declared their interests in the pecuniary interests register? There is no slur on them; but there is a slur on the fool who threw the mud because what those people did was to decently and honestly fill in the pecuniary interests register. That is what Parliament demands of them. Parliament says, 'You tell us of any conflict of interest and register it in that register. Write it down'. And that is what they did; they followed the law completely. The only evidence you provide is what these people voluntarily put in the register. There was no research by you. Your slur is based on their honesty. What this Parliament said is, 'To declare pecuniary interests you fill in that document, and you do it every year'. And lo and behold, who's the only one who's been caught out recently, dodging the document and —

Hon. T. C. Theophanous — The Premier.

Honourable Members — You!

Hon. M. A. Birrell — We know the only person in this chamber who has been caught out doing a dodgy deal on the pecuniary interests register is Mr Theophanous. You hollow little man! You pathetic little fraud! There is no point of order.

The PRESIDENT — Order! It is early in the morning. Let us deal with this matter. Although it may seem to be repetitious of what has been said, it is appropriate that I use all the material to respond to this point of order. Mr Theophanous has invoked the provisions of standing order no. 155, which says:

No member shall be entitled to vote either in the Council or in any committee thereof upon any question in which he has a direct pecuniary interest, and the vote of any member so interested shall be disallowed.

SHOP TRADING REFORM BILL

Tuesday, 29 October 1996

COUNCIL

371

As has been pointed out by other members, the House of Commons in fact has a similar provision. Again, although it may be a bit repetitious, it is appropriate to read page 354 of *Erskine May*:

... in order to operate as a disqualification, this interest must be immediate and personal, and not merely of a general or remote character. On 17 July 1811 the rule was explained thus by Mr Speaker Abbot: 'This interest must be a direct pecuniary interest, and separately belonging to the persons whose votes were questioned, and not in common with the rest of his Majesty's subjects, or on a matter of state policy'. 'State policy' may be equated with 'public policy' and is not confined to public bills introduced by the government, but is also the subject matter of private members' bills.

The matter has been considered by a number of Presidents and a relatively recent ruling was made by my predecessor the Honourable Alan Hunt on 17 April 1991, reported at *Hansard* pages 816 and 817. This was a case where the house was dealing with the statewide policy regarding the clearance of native vegetation. Mr Hallam will remember he was the subject of the point of order that was raised at that time. Because Mr Hallam was, if you like, subject to an order restricting the clearance of vegetation on his property, the question at that stage was whether that amounted to a direct pecuniary interest that would then preclude him from voting.

The Honourable Alan Hunt, having reviewed the precedents and what is a well-settled quotation from Speaker Abbot, came to the conclusion that in fact there was not a direct pecuniary interest. He said during the course of that ruling:

According to the debate the issue is one of paramount state policy. I think both the opposition and the government agree on that. The government is putting forward that this is an overall issue of important state policy. On the other hand the opposition is saying that as a matter of state policy the government ought not to have acted in the way it did and I believe the debate has been at a high level, treating this on both sides as a matter of state policy.

He confirms that state policy provision.

I will deal with the matter raised by Mr Theophanous regarding my response to Mr Mier in 1994 when I made a reference by analogy to section 57 of the Constitution Act, which deals with contracts with the Crown. If one is dealing with the

Crown through a larger body such as a company or a partnership with more than 20 members an exemption is provided. It was supposed to be an analogy as to whether the number of shares made much difference. In my view, in the vast majority of cases it makes no difference.

If the point of order raised by Mr Theophanous were upheld the provision in the recent budget passed by this house that provided some millions of dollars for motor vehicles for members of Parliament could not have been passed by members of this house because each member is a beneficiary of the scheme. Similarly, earlier this year a bill amended superannuation provisions for members of Parliament, and if the interpretation suggested by Mr Theophanous were used that legislation could not have been passed by this house. Clearly, a member may have an interest which by its very nature would preclude the member from voting because of this provision.

Hon. T. C. Theophanous — Give us an example.

The PRESIDENT — If a member was an owner of a quarry and as a result of legislation being passed the quarry was to be rezoned and used for a particular purpose the member would have a direct pecuniary interest impacting on that person only. This is a matter of state government policy that comes under an exemption articulated in 1811 by Speaker Abbot of the House of Commons.

I do not uphold the point of order, but it is useful that this matter has been laid before the house.

I am of the opinion that the second and third readings of this bill require to be passed by an absolute majority.

House divided on motion:

Ayes, 32

Asher, Ms	Furletti, Mr
Ashman, Mr	Hall, Mr
Atkinson, Mr	Hallam, Mr
Baxter, Mr	Hartigan, Mr
Best, Mr	Katsambanis, Mr (<i>Teller</i>)
Birrell, Mr	Knowles, Mr
Bishop, Mr	Lucas, Mr (<i>Teller</i>)
Boardman, Mr	Powell, Mrs
Bowden, Mr	Ross, Dr
Brideson, Mr	Smith, Mr
Cover, Mr	Smith, Ms

JOINT SITTING OF PARLIAMENT

372

COUNCIL

Tuesday, 29 October 1996

Craige, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Varty, Mrs
de Fegely, Mr	Wells, Dr
Forwood, Mr	Wilding, Mrs

Noes, 9

Eren, Mr (<i>Teller</i>)	Power, Mr
Gould, Miss	Pullen, Mr
Hogg, Mrs (<i>Teller</i>)	Theophanous, Mr
Nardella, Mr	Walpole, Mr
Nguyen, Mr	

Pair

Luckins, Mrs McLean, Mrs
Motion agreed to by absolute majority.

Read second time.

Ordered to be committed later this day.

JOINT SITTING OF PARLIAMENT

Royal Melbourne Institute of Technology

La Trobe University

Victorian Health Promotion Foundation

The **PRESIDENT** — Order! I have received letters from the Minister for Tertiary Education and Training and the Minister for Health, respectively, requesting that arrangements be made for a joint sitting for the purposes of making the following appointments: a member to replace Ms S. M. Garbutt, MP, on the Royal Melbourne Institute of Technology council for the term ending on 31 December 1998; a member to replace the Honourable T. C. Theophanous, MLC, on the La Trobe University council for the term ending on 31 December 1999; and a member to serve on the Victoria Health Promotion Foundation for a three-year term following the expiry of the term of the Honourable R. A. Best, MLC, on 19 October 1996.

I have received the following communication:

The Legislative Assembly acquaint the Legislative Council that they have agreed to the following resolution:

That this house meets the Legislative Council for the purpose of sitting and voting together to choose

members of the Parliament to be recommended for appointment to the council of the La Trobe University and the council of the Royal Melbourne Institute of Technology and to elect a member of Parliament to the Victorian Health Promotion Foundation and proposes that the time and place of such meeting be the Legislative Assembly Chamber on Wednesday, 30 October 1996, at 6.15 p.m.

Hon. R. I. KNOWLES (Minister for Health) — By leave, I move:

That this house meet the Legislative Assembly for the purpose of sitting and voting together to recommend members for appointment to the councils of the Royal Melbourne Institute of Technology and La Trobe University and to elect a member of Parliament to the Victorian Health Promotion Foundation and, as proposed by the Assembly, the place and time of such meeting be the Legislative Assembly chamber on Wednesday, 30 October 1996, at 6.15 p.m.

Motion agreed to.

Ordered that message be sent to Assembly acquainting them with resolution.

CHILDREN AND YOUNG PERSONS (MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. R. I. KNOWLES (Minister for Health).

NORTH MELBOURNE LANDS BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. M. A. BIRRELL (Minister for Industry, Science and Technology).

ADJOURNMENT

Hon. R. I. KNOWLES (Minister for Health) — I move:

That the house do now adjourn.

Tobacco advertising

Hon. D. A. NARDELLA (Melbourne North) — I refer the Minister for Health to a recent High Court decision which concerns tobacco advertising at the point of sale in New South Wales. The court has ruled that the inside of a shop is a public place and as such no tobacco advertising should be visible. The Victorian Tobacco Act provides that no tobacco advertisements inside a shop shall be displayed where they are visible from a public place, but it allows for advertisements inside a shop adjacent to where tobacco products are sold. Tobacco manufacturers have taken advantage of the ambiguity in the legislation to break the spirit if not the letter of the law. That has resulted in a proliferation of advertisements for cigarettes and tobacco in corner stores, and milk bars in particular. Advertisements are often placed in shop windows that are clearly visible from the street or in the street outside shopping malls.

Much of the time tobacco advertisements contain images that are designed to catch the eyes of consumers — and often, children. What advice, if any, has the government obtained as to the validity of legislation allowing for this kind of advertising? Does the government intend to take any action to ensure that the original intention of the legislation — that is, to limit tobacco advertising to areas where tobacco products are sold — is adhered to?

Local government: elections

Hon. BILL FORWOOD (Templestowe) — I ask the Minister for Finance to draw to the attention of the Minister for Planning and Local Government in another place the considerable advances that have been made in local government since this government came to office some years ago.

As we move towards local government elections on 15 March next, a number of petitions are being circulated to keep commissioners in office. Three instances spring to mind — namely, those in the cities of Manningham and Wyndham and the Shire of Melton.

As I understand the process, a petition containing the names of 10 per cent of ratepayers would require the council in question to hold a referendum. It is unclear what would happen if the referendum were carried. What process would be followed to ensure that the democratic wishes of the people of that

municipality were carried out — that is, that the commissioners be allowed to remain in office?

I ask the minister to discuss the matter with the Minister for Planning and Local Government in the other place.

Bicycle headgear

Hon. PAT POWER (Jika Jika) — In a thoroughly bipartisan manner I direct to the attention of the Minister for Roads and Ports helmets for bicycle riders. It is indisputable that the compulsory wearing of helmets has significantly contributed to cyclists suffering fewer serious head injuries.

I have a document that was produced following a research project undertaken on behalf of the Royal Children's Hospital in Brisbane, as reported in the 2 September 1996 edition of the *Medical Journal of Australia* at pages 249 to 251. I can make that document available to the minister. It was part of a larger detailed study, known as the Brisbane bicycle study, in which attempts were made to assess the causes and types of injuries and the helmet-wearing habits of young bicycle riders. The report makes it obvious that although the wearing of current Australian standard helmets leads to the prevention of head injuries, what are medically described as oral maxilla facial injuries — injuries to the face, jaw and mouth — continue to be suffered even by those wearing helmets approved under the Australian standard rules.

In their conclusions the researchers suggest that the helmets needed modification — for example, the addition of lightweight chin protection to more adequately protect the face and jaw.

Not for one moment do I suggest that the Victorian government ought to seek to resolve this problem in its own right, but I wonder whether the minister would be able to give an undertaking that at an appropriate national minister's conference he will table the issue and, at an appropriate point in time, report back to the Parliament on any national activity that might result in these sorts of concerns being addressed.

Responses

Hon. R. I. KNOWLES (Minister for Aged Care) — Mr Nardella raised a matter regarding the impact of a court case in New South Wales. I am not

familiar with that particular court case, but I will make inquiries to see what impact that might have on the operation of the Victorian legislation.

The Victorian legislation was passed with bipartisan support, and obviously if there has been a change to that, we will need to revisit the issue to try to ensure that we maintain the outcomes that we collectively set out to achieve through that legislation.

Hon. R. M. HALLAM (Minister for Finance) — Mr Forwood asked me to refer an issue to the Minister for Planning and Local Government, Mr Maclellan, which goes to the interest of certain communities in the retention of commissioners beyond the elections to be held in March of next year.

I say that as the Minister for Local Government at the time the reforms to local government were introduced, I understand that this is a very sensitive issue and I regard the interest in the retention of commissioners as an interesting development and one which, in my view, at least underscores the importance of the reforms.

I will certainly take the issue up with my colleague, because it is not clear what the legal circumstances would be if a referendum were carried. I will refer the matter to the minister and await his answer with some interest.

Hon. G. R. CRAIGE (Minister for Roads and Ports) — Pat Power raised a bipartisan issue concerning bicycle helmets. Let me assure him that this state has already taken steps to investigate the issue of facial injuries, especially those to the lower jaw and to what he referred to as the cheek bones.

Research, or a study program, was carried out in Brisbane, Queensland, on a small number of children who reported to the hospital. Let me assure the honourable member that last week Mr Lucas and I visited one of Australia's leading companies in bicycle helmet manufacturing, Rosebank. We had an extensive look at the current procedures adopted by that company, and we talked about the issue of

extending the bicycle helmet down along the sides of and across the bottom of the jaw.

I have now visited some three or four major retail outlets, which not only retail, but also wholesale bicycle helmets and bicycles in this state, and also a manufacturer of bicycles in Victoria. I have also spoken to Australia's third-best downhill mountain bike rider.

I have spoken extensively to the people in this industry about what can be developed to give some protection to people's lower jaw, the sides of their face, and their cheek bones. We in the state of Victoria have made communication with all the other states of Australia, with the federal minister's office, and also with the federal Office of Road Safety. This state will once again lead the way in any changes that may be forthcoming.

Some important issues have to be taken into account; it is not just a matter of taking a very small sample of young children. For the benefit of people here, I explain that the bones of younger children are in an entirely different condition than those of older, mature adults.

There are different types of bone injuries. Younger children may not necessarily suffer breaks; they can, for example, suffer green stick fractures, which do not go entirely through the bone. A lot of complicated issues are involved; it is not just a matter of developing a new helmet that will protect everyone in all circumstances. Some reports say there may be some disadvantages.

However, the government has already started the ball rolling in this state, Mr Power, because the issue is of paramount importance to Victoria.

Motion agreed to.

House adjourned 1.16 a.m. (Wednesday).

Wednesday, 30 October 1996

The **PRESIDENT** (Hon. B. A. Chamberlain) took the chair at 10.03 a.m. and read the prayer.

PRESIDING OFFICERS AND PARLIAMENTARY REPORTS

Hon. P. R. HALL (Gippsland) presented report of:

- (a) **Presiding Officers for October 1995 to September 1996;**

and reports for 1995-95 of:

- (b) **Department of the Legislative Council;**
- (c) **Department of the Parliamentary Library; and**
- (d) **Department of Victorian Parliamentary Debates.**

The **PRESIDENT** — Order! I commend in particular the report of the Legislative Council. It is an excellent report which sets a new standard for Parliament. I commend the report of the Presiding Officers, which is also an excellent report.

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Third annual report

Hon. P. A. KATSAMBANIS (Monash) presented third annual report, together with appendices.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

- Architects Registration Board — Report, 1995-96.
- Building Control Commission — Report, 1995-96.
- Casino and Gaming Authority — Report, 1995-1996.
- Chief Electrical Inspector's Office — Report, 1995-96.
- Emerald Tourist Railway Board — Report, 1995-96.

Environment Protection Act 1970 — Order in Council of 22 October 1996 varying the State Environment Protection Policy (Waters of Victoria).

Heritage Council — Report, 1995-96.

Liquor Licensing Commission — Report, 1995-96.

Members of Parliament (Register of Interests) Act 1978 — Cumulative Summary of Returns, September 1996.

Plumbers Gasfitters and Drainers Registration Board — Report, 1995-96.

Port of Geelong Authority — Report, 1995-96.

Port of Melbourne Authority — Report, 1995-96.

Port of Portland — Report, 1995-96.

Solaris Power Limited — Report, 1 July 1995 to 30 September 1995.

State Trustees Limited — Report, 1995-96.

Tourism Victoria — Report, 1995-96.

VETERINARY PATHOLOGY SERVICES

Hon. T. C. THEOPHANOUS (Jika Jika) — I move:

That this house condemns the government for —

- (a) the corruption of the tender process for government veterinary diagnostic and analytical services, as evidenced by allegations of 'gross distortions of the tendering process' by one of the tenderers and the condemnation of the process by non-government members of the tender committee;
- (b) awarding the contract for government veterinary diagnostic and analytical services to Victoria Veterinary Pathology Services and Gribbles Pathology (Vic.) Pty Ltd, a company which has been accused of overservicing and which is associated with friends of the Liberal Party, Wallace Cameron and gaming machine operator Bruce Mathieson; and
- (c) its appalling handling of the contracting out of regional veterinary pathology services culminating in the recent decision to shift government business to Gribbles Pathology, which is likely to lead to the closure of laboratories in Hamilton, Bendigo, Benalla and Bairnsdale and which has resulted in

reduced services and higher costs to Victorian farmers —

and calls for an independent judicial inquiry to investigate the tender processes and the government's decision to contract out regional veterinary pathology services.

The motion is different from notice of motion no. 3 standing in my name on the notice paper in that the words 'which is half owned by' in paragraph (b) have been omitted and the word 'and' has been inserted in place thereof.

Part of the difficulty the opposition has had is tracing the multitude of owners. I intend to seek leave to present to the house a table based on the best knowledge it has been able to obtain. I will demonstrate that the labyrinth of companies are connected.

Hon. R. M. Hallam — You got your own motion wrong.

Hon. T. C. THEOPHANOUS — It is not wrong.

Hon. R. M. Hallam — You have just changed it. If it is not wrong why change it?

The PRESIDENT — Order! Mr Theophanous has not even started the debate on his motion, so I ask members to give him a fair go and enable him to develop his case.

Hon. T. C. THEOPHANOUS — On 15 June 1996 the Department of Natural Resources and Environment published an advertisement in the *Age* inviting tenders for the provision of veterinary diagnostic and analytical services. The advertisement read in part:

In 1994 the department contracted out the operation and management of its regional veterinary laboratory services. Since that time the contractor has operated the four regionally based laboratories and has been the department's preferred supplier of veterinary diagnostic and analytical services. The contractor will continue to manage and operate the laboratory facilities. However, the contractor's preferred supplied status will cease from 31 October 1996.

Tenders closed on Monday, 12 August 1996 and the Minister for Agriculture and Resources, Mr Pat McNamara, announced last Friday that a joint-venture company made up of Gribbles

Pathology and the Victoria Veterinary Pathology Services, half owned by each of those companies —

Hon. Bill Forwood — Half owned?

Hon. T. C. THEOPHANOUS — It is worth clarifying the use of the term 'half owned'. We cannot be certain about the level of ownership, although we believe they are half owned. To assure the house that we are not in any way trying to mislead members we are happy to use the term 'half owned'. A company called Rowan Garden Pty Ltd won the tender to provide the pathology services.

Before going to the concerns the opposition has regarding this issue, it is important to briefly look at what has taken place. The original contract for the provision of regional veterinary pathology services that had been provided by the government was won by Centaur International. It received the original contract in 1994 and at the time the Administrative Appeals Tribunal said that the tender process leading to Centaur winning the contract was farcical.

One of the Centaur directors was Stuart McDonald, the former National Party member and Federal and State President of the National Party. So a company associated with the National Party had won the original tender in a process that the Administrative Appeals Tribunal described as farcical.

At the time farmers were promised expanded services and reduced costs by the then Minister for Agriculture, Mr Bill McGrath. In March 1994 the minister said that nearly four times the current staff will be employed by the year 2000 and that animal health services will not be compromised. Since then staff have been reduced by 40 per cent and pathology services increased by, in some cases, 400 per cent. Indeed, we now know that farmers are paying double the cost that they pay in New South Wales for similar services.

Hon. R. M. Hallam — Where did you get that advice from?

Hon. T. C. THEOPHANOUS — The *Weekly Times* of 16 October states in part that:

Industry concerns have also been compounded by documents obtained by the *Weekly Times* that reveal Victorian farmers pay twice as much for pathology

services as their New South Wales counterparts following privatisation.

Centaur Enterprises charges \$140 for subclinical mastitis tests (up to 20 milks) compared to the New South Wales veterinary laboratory service fee of \$60.

According to the documentation referred to by the *Weekly Times*, Victorian farmers are paying twice as much as their counterparts in New South Wales!

In April this year Mr McDonald resigned as a director of Centaur, so the connection with the National Party was severed in April this year. It is an important point because subsequent to the resignation of Mr McDonald the National Party dissociated itself from Centaur, with the advertisement in the *Age* being inserted on 15 June, two months after Mr McDonald had resigned from that company.

Centaur obtained the original contract under farcical conditions. The government promised that the new service would lead to reduced costs and expanded services, but the opposite has occurred.

Following the resignation of Mr McDonald the tender for the provision of veterinary diagnostic and analytical services was advertised in June. The new contract was awarded to Rowan Garden Pty Ltd, which is half owned by Gribbles. As we know and as the opposition will show, Gribbles is associated with Wallace Cameron, a person who failed to obtain a gaming licence after probity checks and Mr Bruce Mathieson, the Premier's mate.

Hon. G. R. Craige — Is that right?

Hon. T. C. THEOPHANOUS — Ask the Premier about his share transactions. Gribbles has a long history of overservicing and was the subject of a *Four Corners* report. It is another deal for the mates. What a way to treat country Victorians and Victorian farmers! Originally there was a deal to fix up the mates of the government and friends of the National Party through Centaur, but once the National Party divested itself of its relationship with Centaur, another set of mates were put in. Bruce Mathieson and Wallace Cameron were given a contract to conduct the services. Mathieson and Cameron were given a contract by a company that has been the subject of claims of overservicing by *Four Corners* and others.

To make matters worse, the latest tender process has been so controversial that two non-departmental tender committee members voted against Rowan Garden Pty Ltd winning the tender. It has been reported in the press that one of those two tender committee members has resigned and the other has sought to discover whether he can speak out against the decision.

Hon. Philip Davis — In which newspapers?

Hon. T. C. THEOPHANOUS — An article in the *Weekly Times* of 16 October states:

One of tendering committee members, Victorian Farmers Federation pastoral group director member Tony St Clair, has resigned due to concerns over the tendering process.

Another committee member, Dr Jacob Malmo, said he was under ministerial direction not to speak but admitted there were concerns.

Hon. Philip Davis — Is that a direct quote?

Hon. T. C. THEOPHANOUS — It is from the *Weekly Times*.

Hon. Philip Davis — Is it a direct quote from Dr Malmo?

Hon. T. C. THEOPHANOUS — You are pathetic!

Hon. R. I. Knowles — You just want to cast a slur.

Hon. T. C. THEOPHANOUS — I notice the government has not issued a defamation writ against the *Weekly Times*.

Hon. G. R. Craige — Go outside and say it.

Hon. T. C. THEOPHANOUS — It is in the *Weekly Times*, so of course I will say it outside. What a fool you are. In a situation in which, according to the *Weekly Times*, one of the tender committee members has said he is under ministerial direction not to speak it is not unreasonable for the opposition to ask what the nature of the ministerial direction is. Is it a direction that if that person speaks out he will be subject to a \$2000 fine, as happened recently to a public servant? Two tender committee members voted against giving the business to Rowan Garden Pty Ltd. One of those committee members has resigned and the other has voiced concerns and has

been gagged by the minister. That is the circumstance we face in the current tender process.

Incredibly, the government has initiated a rerun of the original tender process in which it decided before the process had begun which of its mates would get the contract. As a consequence Mike Harrison, operations manager of Centaur International Pty Ltd, has written to the Minister for Agriculture and Resources about the matter. I will quote from his letter to the minister of 20 October 1996 because it is an important piece of evidence in the opposition's case. The letter sets out clearly the view of Mike Harrison and Centaur that there was a gross distortion in the tendering process. It states:

I write to express my concern over the integrity of the tender assessment process in relation to the above contract.

It is my understanding that submitters of samples for parasite examination have been advised, by Agriculture Victoria, to commence forwarding these samples to the Victorian Institute of Animal Science (VIAS) Attwood as from 25 October 1996. The attached transcript of an information memorandum to Agriculture Victoria staff confirms that 'there may be a period when samples will need to be directed to Attwood'.

It is assumed that VIAS Attwood was not an original member of the Rowan Garden consortium as Dr Robin Condrón, Head, Animal Health, at VIAS Attwood is a member of the assessment panel. If the proposal to utilise the services at VIAS Attwood is a compromise designed to fill the gap(s) in the ability of the preferred proponent to meet the tender specifications as at 1 November 1996, then it is my humble opinion that this represents a gross distortion of the tendering process. The direction of part of the contract work to a laboratory where the veterinary diagnostic work is under the supervision of a member of the assessment panel can only bring the integrity of the entire process into disrepute.

Nothing could be clearer than that last statement. One of the tenderers —

Hon. R. M. Hallam — A losing tenderer.

Hon. T. C. THEOPHANOUS — It is interesting that the losing tenderer had a mate of the Minister for Finance as its director until April this year, yet the minister has abandoned that tenderer now that it

does not have a connection with the National Party and has decided to get onto somebody else's bandwagon. I do not know whether the minister had any advance warning of his mate's getting out and had to look after the other mob because he and the National Party had had enough of Centaur.

It is an outright disgrace that one member of the tender committee has resigned, another has said he was nobbled by the minister and a letter has been sent to the Minister for Agriculture and Resources by one of the major bidders expressing its concern about a gross distortion of the tendering process. The matter has not been investigated and there has been no inquiry. The minister has simply made another decision. It is an example of the arrogance of the government that even after these matters have been highlighted it is still prepared to give the contract to its mates. The letter from Centaur also states:

The detailed schedule attached to the tender specifications provided an indication of nature and volume of services required. Under the heading Internal Parasites of Sheep, the schedule listed 'faecal egg count monitoring, 2500 tests'.

Faecal egg counts, as you would expect, involve smelly, repetitive, mundane work which is, at best, break even from a financial perspective.

It is clearly unacceptable for the preferred proponent to decline to perform the routine, difficult, unprofitable and personally distasteful services which form part of the tender specifications.

It is also unacceptable for these services to then be provided by VIAS Attwood, especially in view of Dr Condrón's membership of the assessment panel.

I respectfully request that you investigate the above allegations to ensure that my understanding of the situation is correct, and if so, take this into consideration in your deliberations on the contract.

The letter outlines very serious concerns by one of the major bidders. It is not simply saying, 'We think we may not have been treated fairly', it identifies procedures that compromised the tender process. The minister has completely ignored those concerns. Moreover, one member of the tender panel resigned and another was nobbled by the minister by being told to shut up and not say anything. That is the circumstance.

Gribbles Pathology has associations with the Liberal Party, and that is why the other part of the motion refers to that matter. Let me place on record firstly the fact that Gribbles Pathology has been a donor to the Liberal Party. In fact, in the course of 1992 to 1994 it donated more than \$8500 to the Liberal Party. Incidentally, it has not donated a cent to the Labor Party. A company that donates to the Liberal Party has put in for a tender.

Rowan Garden Pty Ltd is the trustee of the Victoria Veterinary Pathology Trust. It was incorporated on 7 July 1995 and its registered office address is 14 Yarra Street, South Yarra. Indeed, almost all of Bruce Mathieson's companies are registered at that address.

Bruce Mathieson is a friend of the Premier's. In fact, he gave the Premier the good oil on the highly successful Guangdong float back in 1993 at around the same time that he was applying for poker machine licences and the government was considering what the limit on poker machine licences should be.

On 27 April 1992 when Mathieson was a director and had a controlling interest in Gribbles, the *Four Corners* program 'Blood Money' alleged that Gribbles was involved in offering doctors free rental as a kickback for using Gribbles Pathology. Gribbles Pathology, which has engaged in widespread fraudulent activity in this state, has made offers of inducements to doctors to encourage them to order unnecessary pathology tests.

Hon. Bill Forwood — Is that from an ABC transcript?

Hon. T. C. THEOPHANOUS — That is correct, the ABC transcript of the *Four Corners* report makes this very clear. Gribbles is a company with a sordid past. Indeed, the *Four Corners* program made it clear that the Gribbles organisation is the major Victorian exponent of fraudulent overservicing in pathology services. Two directors of the company at that time were Wallace Cameron and Bruce Mathieson.

It is important to indicate Bruce Mathieson's connection to Gribbles. He was a director of Advanced Medical Technology Pty Ltd, the major shareholder in Gribbles Pathology, from 21 April 1988. On 17 June 1996 Mathieson, along with his hotel and poker machine partner, Ross Blair-Holt,

resigned as a director of Advanced Medical Technology — the Vetlabs tender was advertised on 15 June 1996. On 17 June, Mathieson and Blair-Holt resigned and were replaced by John Arthur Moule, Hock Cheng Freddie Pang and Mohamed Sultan Bin Sultan. Until 26 September 1995 Mathieson had the controlling interest in Advanced Medical Technology Ltd through his company Jam Hotel Management Pty Ltd. On that date control shifted to companies associated with Wallace Cameron.

Current Australian Securities Commission records show that Mathieson controls companies which still have shares in Advanced Medical Technology. However, because the ASC has to be notified of changes in shareholders only on the lodgment of annual returns, the opposition cannot be certain of the status of Mathieson's shareholdings as the next return is not due until January 1997.

Hon. Bill Forwood — Forget about the accuracy — just chuck muck!

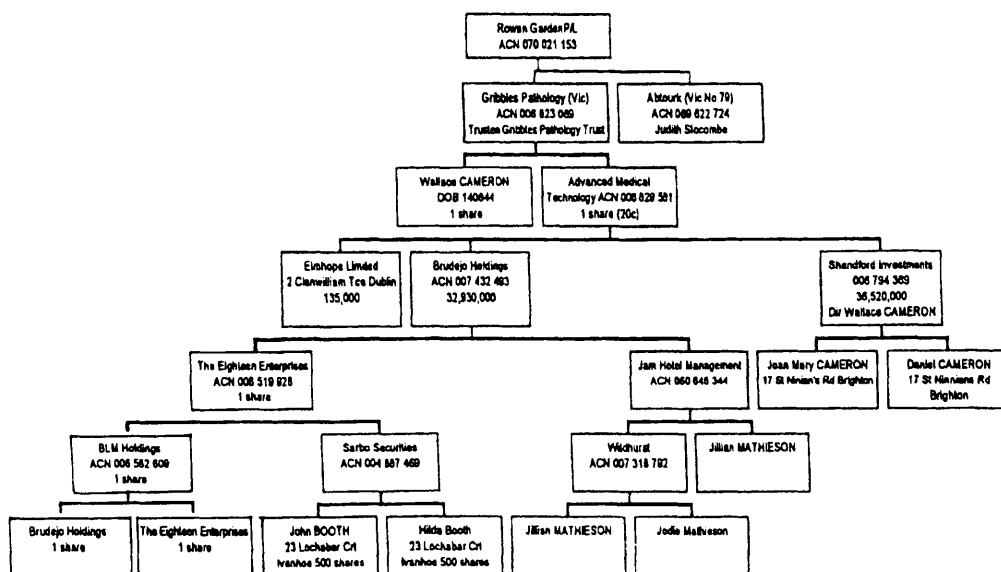
Hon. T. C. THEOPHANOUS — I look forward to your defending Bruce Mathieson and Wallace Cameron. Are they your mates, too?

I seek leave to incorporate in *Hansard* a chart the opposition has put together on the basis of available information. I believe the chart to be accurate. It is produced on the basis of information provided to the opposition and ASC records that have been examined.

The PRESIDENT — Order! Leave is sought for the incorporation of this document in *Hansard*. In a technical sense it may be incorporated. I allow it on the basis just outlined by Mr Theophanous — that is, because it is not a document that appears in a report of some agency or other, he accepts full responsibility for its accuracy.

Leave granted; chart as follows:

Rowan Garden P/L shareholders as at October 1996*



* ASC records for shareholders are only up-dated on the lodgement of annual returns - so any changes in shareholdings in Advanced Medical Technology will not be available until January 1997 when the company's next annual return is due

Hon. T. C. THEOPHANOUS — On the basis of information available to the opposition I believe the chart is correct. However, as with all these things, one can never be certain, and I have already included a qualifier — that is, the ASC records are not updated until January 1997.

The chart gives some idea of the labyrinth of companies involved which can be traced back to Bruce Mathieson. The shareholders in Rowan Garden Pty Ltd are Gribbles Pathology, one share, and Abtourk Victoria, one share. The shareholders in Gribbles are Wallace Stuart Cameron and Advanced Medical Technology, which has the registered address of 14 Yarra Street, South Yarra.

The chart shows that for Advanced Medical Technology, its shareholders include Brudejo Holdings, with a substantial number of shares, 32 930 000, and that it is also registered at 14 Yarra Street, South Yarra. As I indicated before, we know that the companies related to Bruce Mathieson are in fact registered at that address. So you can trace down the labyrinth of companies on that chart the substantial holding that Bruce Mathieson has either himself or through members of his family.

It is important for me to briefly outline some of the incidences that have occurred in Bruce Mathieson's chequered career. As we know, in November 1992 Mathieson got his first pokies operator's licence. In June 1993 Mr Kennett led a trade delegation to China. On 17 June 1993, the *Age* reported Mr Kennett suggesting an almost immediate capping of gaming machine licences in Victoria, limiting the maximum to 15 000 machines. On 28 June, Mr Kennett announced the limit of 15 000 machines and on 23 August the government determined that there should be a maximum of 45 000 gaming machines during the first 12 years of the casino. In September, Crown was announced as the preferred applicant of the monopoly casino licence.

On 6 September 1993, Kennett and Mathieson met in Parliament House to discuss Guangdong. On 8 September 1993, the then Minister for Gaming, Haddon Storey, issued a ministerial directive to the Victorian Gaming Commission, detailing that the maximum number of gaming machines to be permitted in Victoria was to be 20 000, not 15 000. The Guangdong prospectus was also issued.

On 9 September, Wardley Investment Services made a pro forma application for a 200 000-share investment, dated 9 September 1993.

On 13 September, Sino Securities wrote to the Australian Stock Exchange saying that demand was overwhelming and said that they:

... regret to advise we are unlikely to accept any further application for shares.

On 15 September 1993, Mr Storey detailed in Parliament that the maximum number of gaming machines would be 45 000. On 16 September, the National Australia Bank, Custodian Services, wrote to Wardley Investment Services listing the Victorian Workcover Authority and other clients as having made applications to Guangdong Corporation.

On 17 September, according to Ewin Hannan — who interviewed Colin Hiles, a director of Guangdong Corporation — Felicity Kennett applied for 100 000 shares in that company. An initial application for 20 000 shares was successful; and a second application was cut back to 30 000 shares.

A critical point is an internal Wardley Investment Services memo dated 17 September, which shows that Bruce Mathieson's company, Sino Securities, reduced the allocation to Wardley from 200 000 to 150 000, ostensibly to accommodate Mr Kennett's wife. The memo says:

It appears that Mr R. Lee from Sino Securities agreed to allocate 150 000 shares in the above mentioned placement (as per a discussion with David Stevens) ... Please cancel these instructions (for allocation of 200 000 shares) and re-input as follows, in accordance with our allocation of shares

50 000 — Wardley

50 000 — Vic — Small Co.

50 000 — TAC — Small Co.

So when we trace this sad saga, we find that the Kennetts received preferential treatment in this share purchase as a result of their association with Mr Mathieson. These things are a matter of record. They are part of the association Mr Bruce Mathieson has with this government and with the Premier. That association is well documented in a variety of places.

Wallace Cameron, the other half of this sordid affair, is also somebody with a chequered history. Wallace Cameron is a former Melbourne barrister. In 1986, the tax department tried to stop him travelling overseas, claiming he was involved in tax minimisation and that he personally owed \$3 million in tax. These days the tax department is pursuing Mr Cameron for \$2.6 million in the bankruptcy court, but when he bought Gribbles he told possible investors that it was a cash cow.

A *Four Corners* program alleges that Gribbles was involved in offering doctors free rental as kickbacks for using Gribbles Pathology. In July 1992, Wallace Cameron and Sam Holt, the late Harold Holt's stepson, were granted indemnities to give evidence for the prosecution in a case against the Cairns accountant Bill Thompson, charged with 121 counts of making wilful false promise involving \$3.2 million. These people were given indemnity to testify in a case where they were themselves being pursued originally by the tax department for \$3 million, and subsequently Wallace Cameron did in fact — —

Hon. Bill Forwood — What's your point?

Hon. T. C. THEOPHANOUS — He was given indemnity in order that they could pursue a bigger fish. The indemnity was given precisely because he had been pursued by the tax department for \$3 million in tax. He was given indemnity in order to chase somebody else, again with the association of Gribbles.

This is the sort of person that we are told will properly run this organisation. In fact, Wallace Cameron was a director of the St Kilda Football Club and was forced to resign because a probity check had been done with respect to the gaming licence of that organisation and he was found wanting.

So when we go through this sad litany of events, we find Wallace Cameron is an individual who was pursued for tax minimisation to the extent of \$3 million, was accused on a *Four Corners* program of fraud and over-servicing, and failed a probity test in relation to gaming machine licences. This same individual is still around, still trying to make a buck out of the Victorian government in association with Bruce Mathieson and other mates of the government. This is the kind of situation that we now have in Victoria.

I do not intend to go through the whole sad saga of Centaur and the way it received its contract, except to say that it was described by the AAT as a farcical process. The former Minister for Agriculture in another place, Bill McGrath, was forced to readvertise the laboratory's tender after being rebuked for ignoring government guidelines. Centaur was chosen before the guidelines had been put in place but, nevertheless, the decision was made. The then minister said:

This proposal will not only ensure the long-term survival of Victoria's four regional veterinary laboratories but it will also provide enhanced career opportunities for staff and further employment in Benalla.

Not only do we have a situation where costs and charges for farmers have increased enormously but also farmers are being forced to pay twice as much for services in Victoria as they do in New South Wales.

The opposition does not say that it knows all of the ins and outs of what has taken place in this labyrinth but it is seeking to have questions answered. We know that Centaur has a pretty grubby history of involvement with the government. We know that Centaur received a contract under what the Administrative Appeals Tribunal called a 'farcical' tender process. We also know that in April Mr Stuart McDonald resigned as a director and severed his connections and those of the National Party with Centaur. In June a new tender process was commenced and a new contract has now been awarded to Rowan Garden Pty Ltd, which is half-owned by Gribbles. You could call the company grubby Gribbles if you want!

Grubby Gribbles is associated with two other grubby individuals, Wallace Cameron and Bruce Mathieson. Those two individuals are associated with the Liberal Party and are mates of the Premier. Gribbles has a long history of overservicing, but it is the company that has been selected by the government. All this occurred when one member of the panel had resigned, a second one said that he was under ministerial direction to say nothing and when one member of the tender board said that the tender process was flawed. Against that background it is legitimate for the opposition to ask questions about what has taken place and to seek to ensure that these essential services are not closed.

I believe an announcement could be made later this day by Centaur. It has said it is having great difficulty maintaining its operations in country regions. It is of great concern to those on the opposition side of the house that laboratories in Hamilton, Bendigo, Benalla and Bairnsdale may be closed. In those circumstances it is not unreasonable for the opposition to ask how it is possible for a company with that background and connections to have won the tender? Why have committee members resigned, and why did one of the tenderers raise concerns about the process? What kind of guarantee is there for the future? How can we believe a government that said when Centaur was appointed things would be better for Victorian farmers when in fact they are worse!

The opposition calls on members of the house to support the motion to ensure that the government establishes an inquiry to examine what has taken place during the entire sordid affair so that Parliament can do something to protect Victorian farmers and ensure that proper and reasonably priced services are available to them.

Hon. PHILIP DAVIS (Gippsland) — The contribution by Mr Theophanous was the most appalling, inane and irrelevant contribution to be presented by any member of this house. The motion is irrelevant and the material in support of it does not in any way substantiate any of the allegations made. Indeed, the allegations made are a complete distortion of the material made available to the opposition regarding the matter.

I shall go to the principal thrust of the allegations made by the opposition. It is trying to use a debate about the contracting out of veterinary pathology services as a forum to in some way slur the reputations of people not present in this house. It is an opportunity to make allegations by innuendo and direct attack on the good names and reputations of people who are unable to defend themselves. More importantly, the motion is irrelevant because it is clear that Mr Bruce Mathieson, who is referred to in the motion, is not in any way connected with the Victoria Veterinary Pathology Services. If the opposition had taken the trouble to make the relevant inquiries it would have found the substance of the comments made by Mr Theophanous to be wanting.

I shall go through the motion point by point. The opposition has sought to use a grab of words in the

quotation, 'gross distortions of the tendering process', but what do those words mean? If it had gone to the document from which Mr Theophanous extracted that quotation and considered its implication it would have become evident that the quotation rests on the fact that, at the time of the writing of the letter by Dr Mike Harrison, operations manager of Centaur International, the company had been advised as a consequence of the completion of the tendering process that it would no longer be the preferred provider as it had not been successful in the tender process.

They were advised that as of 27 September 1996 the Victorian Government Purchasing Board had approved the tender process. That means Centaur was in a position to understand that it would need to reassess the way it was delivering services. Centaur advised government officers that it would not accept samples from the department for testing after 25 October 1996.

So for the opposition leader to suggest in any way that Centaur was in a position to criticise the introduction of a reserve system by the government to guarantee the provision of diagnostic services to fulfil the government's and farmers' needs is absurd.

Those words, though expressed in correspondence from Dr Mike Harrison from Centaur, simply do not reflect the reality. The reality is that Centaur knew at that time that it had been unsuccessful. It advised government officers that from 25 October it would not accept samples from the department for testing. Consequently it was necessary for the government to put in place, as it did, an arrangement so that those samples could be forwarded to the Victorian Institute of Animal Science at Attwood from that date.

Hon. T. C. Theophanous — That was after the announcement was made. You are a total idiot!

Hon. PHILIP DAVIS — Mr Theophanous, the allegation you are purporting to make is that there was a gross distortion of the tendering process by the government conniving to provide services in the event that Centaur was unsuccessful in the tendering process. I am putting to you that when Centaur was unsuccessful, and it advised the government that it would not be able to take samples beyond 25 October, it was then necessary for the government to put in place a fall-back

position. So for the allegation to be made by you — —

Hon. T. C. Theophanous — What a fool!

Hon. PHILIP DAVIS — Releasing a partial extract from a letter from Centaur simply represents, or misrepresents, the fact that the Victorian Government Purchasing Board — —

Hon. T. C. Theophanous — What date is the letter from Centaur?

Hon. PHILIP DAVIS — The letter from Centaur is dated 20 October — —

Hon. T. C. Theophanous — Is that before 25 October?

Hon. PHILIP DAVIS — In simple terms, Mr Theophanous, if a provider of a service advises that it will no longer provide that service, it is beholden on the customer — in this case the Victorian government — to have an arrangement in place.

Hon. T. C. Theophanous — But the arrangement was there before.

Hon. PHILIP DAVIS — The arrangement was put in place as a consequence of Centaur being unable, or unwilling, to take samples from 25 October because of the fact that it was advised that the tender process had been completed and that it was not the successful tenderer.

In the motion there is a reference to allegations of distortions of the tender process and the condemnation of the process by non-government members of the tender committee. It is evident that Mr Theophanous has — —

Hon. T. C. Theophanous — Is that all you are going to say about Centaur's letter?

Hon. PHILIP DAVIS — I can come back to it later, if you like. With respect to the quotation of Mr Tony St Clair from the Victorian Farmers Federation and comments attributed to him in correspondence, it is evident that Mr St Clair was part of the tender evaluation committee and that he initially participated in the process, but I understand that, regrettably, Mr St Clair took leave and was in Queensland for the period in which detailed

consideration of the tender process was under way. Consequently he was not fully informed about the comparative values in respect to the valuation process.

Hon. T. C. Theophanous — Who was?

Hon. PHILIP DAVIS — If you had been listening you would have heard me refer to your extract from Mr Tony St Clair's comments.

Hon. T. C. Theophanous — So you managed to nobble him? Is that what happened?

Hon. PHILIP DAVIS — Mr Theophanous, Mr St Clair was a professional colleague of mine and it is my pleasure to say that I have known him for probably seven years. I have worked with him in a professional capacity and I am sure that he was acting in the best interests of his vocation.

Hon. T. C. Theophanous — Did you ring him up after the article appeared?

Hon. PHILIP DAVIS — I indicate that I have never discussed this matter with Mr St Clair. I understand from the correspondence you referred to earlier that Mr St Clair expressed on his own initiative some concerns about his participation in the veterinary laboratories tender evaluation process. That quite clearly indicates that Mr St Clair was not fully briefed, because he absented himself from a crucial meeting in which the technical capacities of the respective firms were evaluated.

I am sure Mr St Clair now reflects more properly the view of the organisation he represents. As recently as last week the minister met with VFF officials and the view — and you can read it in today's *Weekly Times* — is that the VFF is very supportive of the savings being achieved in veterinary pathology services, which are directed towards improving animal health programs.

That is important information. I am sure Mr St Clair, being a servant of the members of the Victorian Farmers Federation, will reflect that view. What was the difficulty for Mr St Clair? It is evident that the reason for his personal difficulty with being part of the tender evaluation was that he had not been fully or properly informed because he was unable to participate fully in the tender process and he felt compromised.

In his motion Mr Theophanous suggested that — —

Hon. T. C. Theophanous — Did Mr St Clair resign or not?

Hon. PHILIP DAVIS — It is evident that Mr St Clair has sent correspondence in which — and I thought Mr Theophanous quoted from it — he said he had some difficulties with his position with respect to the deliberations of the tender review committee. Indeed his words were:

I would appreciate a release from my committee responsibilities.

That is fine because it simply reflects the fact that Mr St Clair had a problem because he was not fully aware of the information that all the other members of the committee had.

Hon. T. C. Theophanous — On a point of order, Mr Acting President, the honourable member has been quoting from a document and I ask him to identify it and indicate where it came from.

Hon. PHILIP DAVIS — I am pleased to cooperate. I understand it is the same document to which Mr Theophanous was referring earlier, which is a letter from Mr St Clair to Mr Peter Bailey.

Hon. T. C. Theophanous — On the point of order, Mr Acting President, to my recollection I have not quoted from that document. Given that the honourable member is quoting from a letter that

states that Mr St Clair sought to resign from the committee, I ask that he table the letter so we can all see its full contents.

Hon. PHILIP DAVIS — On the point of order, Mr Acting President, I do not intend to table the letter. I shall not be referring to it further. The point is that quotations from Mr St Clair have been attributed both to the *Weekly Times* and to discussions in the rural press, and this letter is simply a reflection of those comments.

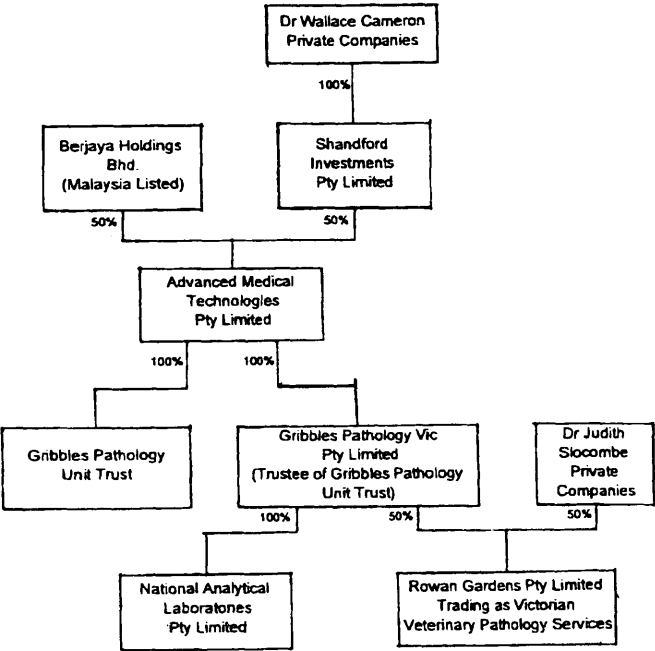
The ACTING PRESIDENT (Hon. Bill Forwood) — Order! On the point of order raised by Mr Theophanous, Mr Davis is making a debating point. He has identified the letter and where it came from, and there is no requirement for him to table it.

Hon. PHILIP DAVIS — I move to the issue of identification of ownership of the corporation that is the subject of this debate. I understand Mr Theophanous takes full responsibility for the document he tabled earlier when discussing paragraph (b) of the motion concerning Victoria Veterinary Pathology Services and Gribbles Pathology (Vic.) Pty Ltd. It shows the advice he received on the current ownership of the corporation. I do not understand how he put that together, but I seek leave to incorporate in *Hansard* a document I believe more properly sets out the position.

Leave granted; document as follows:

GRIBBLES Pathology Pty Ltd

Group Structure



Hon. PHILIP DAVIS — This document more properly reflects the structure of the ownership of Victoria Veterinary Pathology Services, a trading name for a corporation called Rowan Garden Pty Ltd, which is 50 per cent owned by two parties, being companies associated with Dr Judith Slocombe and Gribbles Pathology, which is 100 per cent owned by Advanced Medical Technologies Pty Ltd, which is 50 per cent owned by Shandford Investments Pty Ltd and Berjaya Holdings.

Hon. D. A. Nardella — How does that differ from ours?

Hon. PHILIP DAVIS — It demonstrates absolutely that the case being put by the Leader of the Opposition, that there is a connection with Mr Bruce Mathieson, is illusory. It demonstrates that Mr Mathieson is not a principal of VVPS and, indeed, that all the allegations, comments and innuendo made under cover of paragraph (b) are irrelevant. Mr Theophanous should understand that Mr Mathieson formally concluded the sale of his shares in Gribbles two months before the tender process for this contract.

Hon. D. A. Nardella — What was the date?

Hon. PHILIP DAVIS — It was June this year.

Hon. D. A. Nardella — What date in June?

Hon. PHILIP DAVIS — If you had done your homework —

Hon. D. A. Nardella — So you haven't got a date. You don't know.

Hon. PHILIP DAVIS — If you really push me, it was 17 June. Mr Nardella could also establish that as a fact.

Hon. T. C. Theophanous — Did you ring your mate Bruce Mathieson? Is that how you established it as a fact?

Hon. PHILIP DAVIS — If Mr Theophanous thinks Mr Mathieson is a mate of mine, that is fine. I am a member of the Liberal Party —

Honourable members interjecting.

The ACTING PRESIDENT (Hon. Bill Forwood) — Order! Mr Theophanous has had his

say and Mr Nardella is about to have his. We will make more progress if Mr Davis can have his say without so much assistance from those on my left.

Hon. PHILIP DAVIS — The connection with Mr Mathieson eludes me entirely. Clearly the majority of the Victorian population supports the Liberal Party and the coalition. If Mr Mathieson is also a supporter, he is in good company, and that company is a lot larger than the group that supports members of the opposition in this place.

Hon. G. R. Craige interjected.

Hon. PHILIP DAVIS — The Minister for Roads and Ports says by interjection government members are also enthusiastic about the high level of support the government has in the wider community.

In discussing paragraph (c), which concerns the issue of substance in this motion — the process of developing regional pathology services and a change in direction brought about by the tender process — we should go back a little in time. It serves us well to understand that the move to improve the performance of regional veterinary laboratories has been under way for several years.

Hon. D. A. Nardella — Ever since you privatised them.

Hon. PHILIP DAVIS — I thank Mr Nardella for his assistance and remind honourable members that the next Leader of the Opposition in the Assembly, Mr Ian Baker, is a backbencher who was appointed in 1991 to chair a committee to review agricultural research in Victoria. The review committee brought down what is called in short the Baker report, which highlights the need to effectively review the provision of veterinary laboratory services in regional Victoria. It states:

DARA should critically examine whether all four regional veterinary laboratories should remain.

That is the next Leader of the Opposition saying it is important for the then Victorian government — at that time a Labor government — to examine whether the veterinary laboratories could be sustained. Does the opposition believe the delivery of pathology services through regional veterinary laboratories should not be delivered in a professional way? Is the debate today simply about the naming of some individuals or is it about the

provision of better regional veterinary laboratory services?

The government has a clear commitment to the delivery of better services. It is evident that services to Victorian farmers under the administration of the Labor government were run down. There was a decline in the standard of service as a consequence of the incorrect deployment of resources by the former government. Since coming to office in 1992 this government has increased the availability of veterinary field staff by 13 persons, an important contribution as it means that 13 more people are available to assist farmers.

One of the problems was the proposal to establish business units in Bendigo — an extraordinarily unusual financial arrangement which misplaced the resources of the department and put restraints on the provision of services to farmers. It was a device to shore up the then Labor government and its members in a regional centre. It was politically driven and did not have regard to the provision of services; it was simply to support Labor candidates in marginal electorates.

I come now to the substance of what the motion should be about and what the opposition should be debating — the provision of services to Victorian farmers. In an effort to ensure the availability of a cost-effective service to the department and the farming community it was necessary to review the existing service provided by Centaur. To that end advice to Centaur was given over a period that it would be necessary for the market to be tested regarding the cost of services purchased from Centaur by the department. There was, if you like, market tension to guarantee the effective delivery of available resources.

The house is able to compare the cost to the government regarding the successful and unsuccessful tenderers. On the basis of a comparison of costs to the government based on the 1995-96 financial year, cost savings were achieved in the tender price submitted by the Victoria Veterinary Pathology Services (VVPS) against Centaur with a comparison against the number of tests requested by the government. The comparison reveals that for 6324 tests for chemical residues — organochlorin in fats — the gross cost from Centaur was \$442 680 compared with the VVPS cost of \$139 128 — a significant saving. Centaur's gross cost for 48 268

tests for Johne's disease was \$434 412 compared to \$185 831 for VVPS.

The gross amounts demonstrate an advantage of a comparative performance on tenders. To put it in even more straightforward terms I shall quote the analysis on blood serum. The Centaur cost was \$5 against the VVPS cost of \$4.

Hon. D. A. Nardella — On a point of order, Mr Acting President, Mr Davis is quoting from an unsourced document and I ask him to provide details.

Hon. PHILIP DAVIS — The source of the document is an analysis comparison between a schedule of tests conducted by Centaur and VVPS. It is undated. The urine test is \$12 for Centaur against \$9.60 for VVPS.

Hon. T. C. Theophanous — Is this part of the minister's briefing?

Hon. PHILIP DAVIS — I have not received any briefing notes. The American fowl brood disease test done by Centaur cost \$30 and \$3.30 from VVPS; Johne's disease ELISA was \$10 for Centaur compared with \$3.85 for VVPS; the EBL serum test was \$10 for Centaur compared with \$3.30 for VVPS; the organochlorine DDT, dieldrin test was \$70 for Centaur compared with \$22 for VVPS; the soil test was \$90 for Centaur compared with \$22 for VVPS; and the analysis of the tissue for sulphonamides was \$180 for Centaur compared with \$71.50 for VVPS.

Those figures demonstrate that the tendering process has provided considerable competition. It has ensured the testing of prices to government, which has enabled the government to appoint a contractor able to deliver a more cost-effective service and provide significant net savings to government. The process has enabled the government to ensure that the prices available to it are passed on to farmers. In effect, the Minister for Agriculture and Resources was able to use his leverage to ensure the farming community received similar benefits to the government.

It is also important to understand that services proposed to be provided under this arrangement will be enhanced. The government has given a commitment that there will be no diminution of services, either to the department or to the farming community. That has been achieved by awarding the

contract to a firm that has the most advanced network of couriers, a substantial number of laboratories in operation and a capacity to ensure that all tests are carried out properly and as requested. Victoria Veterinary Pathology Services uses country laboratories at Bendigo, Seymour, Shepparton, Kyneton, Wangaratta, Mildura and Warrnambool and metropolitan laboratories at Frankston, Footscray, Mornington, Reservoir and South Yarra. The location of the laboratories is important because 50 people are currently employed at regional laboratories, and obviously this contract will result in an increased demand for technically qualified employees to cater for additional demands for service. I understand VVPS has already advertised seeking appropriate people in anticipation of increased demand on resources as a result of increased throughput.

I am interested in this matter not just as a government member but also as a farmer. My experience over time leads me to believe the critical factor for the farming community is not where the services are provided but whether they are provided efficiently.

Hon. T. C. Theophanous — So you don't mind closing them down?

Hon. PHILIP DAVIS — It may interest the Leader of the Opposition to know that as a woolgrower and a regular user of the veterinary pathology services it is irrelevant to me where the tests are conducted. For example, only this week I was reminded that all worm egg counts, which are regularly performed to identify either the need to drench sheep or which drench should be used, are redirected by Centaur to its laboratory at Hamilton. Primary producers are able to send off samples with confidence that tests will be performed in a timely manner without their needing to know where.

Hon. T. C. Theophanous — Do you support Bairnsdale closing?

Hon. PHILIP DAVIS — It is quite evident under the proposal I have just referred to that Bairnsdale will be an important centre for VVPS. Gippsland has always been regarded as an important centre for regional veterinary pathology services.

Hon. T. C. Theophanous — By whom?

Hon. PHILIP DAVIS — The Minister for Agriculture and Resources made it very clear when he outlined the process in the tender announcement that a regional veterinary pathology service would be maintained in Gippsland, and that is being achieved. Clearly the government has made a commitment to ensure gross pathology and post mortem services will be available in each community where those tests are required.

Hon. T. C. Theophanous — Are you going to mix the animals with the constituents? Are you going to carry dead sheep into the human pathology centres?

Hon. PHILIP DAVIS — It is clear that the Leader of the Opposition does not understand what goes on. If he understood the issue he would know that in cases of exotic disease scares, post mortems are conducted on dead livestock at farms to reduce the risk of the disease spreading. In other words, the pathologist goes to the farm — the livestock is not taken to the pathologist.

Hon. T. C. Theophanous — Come off it.

Hon. PHILIP DAVIS — The Leader of the Opposition does not believe me. In relation to typical inquiries to identify disease problems, such as in cases of unknown deaths where there is a requirement for a post mortem, in the past year Centaur completed 251 post mortems: 10 on large animals such as cows or horses, 70 on fowls, and the balance on animals of less than 70 kilograms live weight, such as sheep, goats and so on. It is evident that to date there has not been an extensive need for post mortem facilities, but it is important to acknowledge that as part of the government's commitment that service will be retained and laboratories at existing locations will be able to perform gross pathology.

I turn to what the government hopes for, expects and seeks to achieve from the process. The government expects the process will enhance pro-active monitoring of both diseases and chemical residues in livestock and food. The experience to date is that the contracting of services to Centaur in 1994 has led to savings achieved through contracting being available for reinvestment in significantly strengthening the department's animal health service activities.

Currently 18 field veterinary officers and 35 animal health officers are employed to service farmers in rural Victoria.

Hon. T. C. Theophanous — As opposed to 75!

Honourable members interjecting.

Hon. PHILIP DAVIS — You are just showing your ignorance. You are just fools. I have tolerated this long enough. Do Mr Nardella and Mr Theophanous know the difference between field services and laboratory services? They have no idea! There is not one wit on the opposition benches.

My concern in this matter is to ensure the department and farmers have an efficient and cost-effective service that provides timely advice for the monitoring of veterinary pathology services. Indeed, a service will be provided at Bairnsdale as part of Centaur's activities.

Hon. T. C. Theophanous — Centaur has said it will shut down.

Hon. PHILIP DAVIS — At this stage Centaur is the lessee providing the services as we speak — unless there has been an announcement while this debate has been in progress. Mr Theophanous should understand that the department's work is only a portion of the total work performed by Centaur and that Centaur is a private concern that has clients other than the department. It is not a business whose sole client base is the department. Some 60 per cent of Centaur's present work is related to contracts with the department, but it has a significant private client base. That private client base will be serviced by Centaur until such time as either the clients or Centaur determine not to proceed with the servicing arrangements.

Centaur does not provide field services; the department provides them. Officers of the department work in the field with the farming community and farming businesses to ensure both the administration of animal health protocols for the control of exotic disease and the timely provision of advice to farmers about their flock and herd maintenance.

I shall give some examples of the increase in effort that has been committed to this area. All Victoria's dairy herds — 8000 in total — have been tested three times for EBL. This test has been based on bulk milk

samples collected at dairy factories. Results continue to show a low level of herd infection, especially when compared with the scene in the dairy industries of New South Wales, Queensland and New Zealand. Victoria is the leader in this field. Owners of herds that test positive to the bulk milk test are offered the opportunity to participate in control and eradication programs. These are supervised by the Victorian cattle industry through the Cattle Compensation Fund.

During the 12 months to July 1996 more than 26 000 cattle were tested in some 120 herds that recorded a positive bulk milk test result. That is important because it offers improved herd quality and increased productivity for our dairy industry. The Victorian cattle industries have agreed on a strategy to control John's disease in infected cattle herds, which involves subsidising the costs of testing cattle herds known to be infected with John's disease to assist owners to control that insidious disease. To date 49 000 cattle and 231 herds have been tested since the program's introduction in early 1996. That is an enormous achievement directly attributable to the extended efforts being made as a consequence of contracting out veterinary pathology services.

As part of the national organochlorine pesticide residue minimisation program, almost 8000 cattle were tested in abattoirs to monitor for the presence of dieldrin and DDT residues. A soil sampling program is under way in Northern Victoria on farms previously used for tobacco to prevent residues in meat that could result in a significant impact on the viability of beef cattle exports. That is part of a national scheme to enhance the quality of livestock products.

I have the opportunity to highlight many instances of benefits arising from the efforts by the veterinary pathology work that has occurred over the past couple of years, but it is only a part of the total effort the Victorian government makes in improving the productivity of our agricultural sector. At present there is probably no more important area of concern to the sheep industry, for example, than ovine John's disease. In raising this issue I simply note that effective veterinary pathology services can provide low-cost and timely assistance to the sheep and wool industries to ensure the control and reduction in the spread of this disease. It is probably the most important issue that confronts those industries in Victoria, if not the nation.

We have heard a great deal in recent times about the low commodity price for wool, but in my view that is not as significant as the potential impact of a rapid spread of ovine Johne's disease. At present 19 flocks in Victoria have been confirmed to have the disease. For members in the house who do not understand the impact of this disease, I point out that, similar to bovine Johne's disease, it effectively leaves a large proportion of the flock wasting away and simply dying of malnutrition. Evidence in New Zealand shows it can kill up to 15 per cent of a flock each year. It is therefore easy to see that it will not be possible for a self-replacing breeding flock to sustain its viability over the long haul. The disease has not only an impact on the health and welfare of the animals but, importantly, a very significant economic impact.

I raise this issue because it highlights the importance of the government ensuring that proper, reliable and accessible veterinary pathology services are available at a low cost. The sheep industry in Victoria has identified this as probably the major threat to its future prosperity. It is the tip of the iceberg at the moment with 19 flocks having been confirmed with the disease and another 97 being under observation and tested. We simply have no idea of the present level of infection. I understand in New South Wales, where this disease was first identified some 10 years ago, the disease has been confirmed in more than 150 flocks. It is such an endemic disease in New Zealand that authorities have given up and are just living with the consequences. If that happened here it would be a tragedy for the Victorian and Australian sheep industries.

I take the opportunity of this debate to make this observation: unless sheep and wool producers make a commitment to taking action on their own behalf to control this disease they will miss a great opportunity for limiting the damage that will ultimately be done to the sheep and wool industries in Australia.

At the moment the pastoral community is debating whether there should be an industry-funded levy to contribute to establishing management protocols for both slaughter and testing regimes to reduce the incidence of disease. My view is very clear: this is an industry problem. The people most directly affected are the individual flock owners; those who will benefit most from the industry taking the initiative

to control the disease will be sheep owners — and they must make a contribution.

Regrettably, in their own forums the industry organisations have not yet been able to come to a view about this. It is all right for the industry to ask government to take a lead and to make financial contributions, but for government to be able to do so it requires a commitment from the industry. I look forward to there being progress in the debate in the forum of the Victorian Farmers Federation, particularly on an opportunity to introduce an industry-based levy so that government, in cooperation with industry, can advance management protocols for the disease.

There is no doubt there is a crisis. People in the sheep industry are losing confidence because of the uncertainty of where to purchase sheep. I look forward to initiatives being undertaken by the government to introduce protocols in association with the industry to control the damage.

It is important to consider the issue of response to exotic disease outbreaks in terms of the contract that has been awarded to VVPS. It is understood that VVPS will examine specimens for the presence of exotic diseases. In the event that an exotic disease is suspected, it will refer samples for further testing to the Australian Animal Health Laboratory at Geelong, or the Victorian Institute of Animal Science at Attwood. Those arrangements apply currently. It is important to ensure continuity in the important protocols of managing exotic diseases.

In the event that an exotic disease is diagnosed, VVPS will provide the laboratory diagnostic services required by the department in the overall control and eradication campaign.

The critical issue is exotic disease control, and the awarding of the contract does not in any way diminish the government's involvement in and reliance on effective systems for ensuring that the protocols are in place. Indeed, it enhances the opportunity to meet the protocols. Given that a greater number of regional laboratories will be servicing both the department and the farming community, we will have a significant net increase in locations around Victoria where testing procedures will be conducted. The continuance of the protocols will enhance the identification opportunities for exotic disease outbreaks.

Other issues as to the cost of services are relevant. Earlier I referred to the important national Johnes's disease market assurance program, which has been designed to promote the sale of cattle that have a very low risk of being infected with Johnes's disease. All testing costs are paid by cattle owners. For a herd of 100 cattle the laboratory testing costs will be \$385, compared with \$910 under the previous arrangements. Similar savings will accrue to the Victorian cattle industries that are funding testing for the control of Johnes's disease through the Cattle Compensation Fund. These are important savings.

There are significant savings to the Cattle Compensation Fund. The interests of farmers are represented in the management of the Cattle Compensation Fund. The government provides the service of being the administrator of the fund, in effect, but the fund is actually managed by farmers on behalf of farmers. Levies are collected on the transaction of the sale of livestock. The savings accruing to the fund are important because in the short run there is a deficit in the contributions coming into the fund and the expenses going out. So the achievement of a significant saving in this area is important.

I come back to Mr Theophanous's motion, which goes to the matter of the provision of services by VVPS. The case that the opposition has tried to make in support of the call for an independent judicial inquiry to investigate the tender process has not been made out. It is evident from the information that has been presented to the house that significant savings, both to the department and to farmers, will be achieved by the tender process. The tender process is a process of government which is subject to protocols defined by the Victorian Government Purchasing Board and the tender evaluation process has been approved by the board. Further, the tender process will be evaluated by the Auditor-General — that is, the process is open and competitive. It is a public competition. Public advertisement invited all competent corporations to make an offer to provide veterinary pathology services for the government, to bid in the process and to be evaluated competitively, and that was achieved.

The significant savings that have been achieved through the process are clear. Now we can look forward to converting those savings benefits over the next few years. I shall highlight the benefits. The department will save \$2.25 million over three years with a further saving of \$2 million for cattle

producers. The savings are significant both for the industry and for the taxpayer. It is important to understand that the government has made a commitment to reinvest those savings in the animal health area.

Hon. D. A. Nardella — Which is opposed by the VFF by the way!

Hon. PHILIP DAVIS — What is opposed?

Hon. D. A. Nardella — The savings being put into other programs.

Hon. PHILIP DAVIS — I don't believe you are correct, Mr Nardella.

Hon. D. A. Nardella — Look at the *Weekly Times*!

Hon. PHILIP DAVIS — The VFF position is clear: it supports the provision of regional veterinary pathology services, which is consistent with that provided under the new arrangements provided by the Victoria Veterinary Pathology Services. Further, and more importantly, the VFF acknowledges the huge cost savings to the government and the industry as a result of the program and it acknowledges the cattle compensation fund will save in excess of \$2 million over three years as a result of the reduction in the cost for tests. If Mr Nardella has a problem with —

Hon. D. A. Nardella — I don't, but the VFF does!

Hon. PHILIP DAVIS — With the notion that services to the industry and the government will be delivered at a more effective cost, Mr Nardella is in the minority, and that is reflected by the size of the opposition in this house.

Hon. D. A. Nardella — That is not what Bill Whitehead said today!

Hon. PHILIP DAVIS — If it is in the *Weekly Times* he did not say it today! If Mr Nardella wants to quote the *Weekly Times* as his primary source it shows how slack he has become over the past four years. I can remember early in our term of government when Mr Nardella undertook serious research work, but he now relies on extracts from the *Weekly Times* as his primary source.

Hon. D. A. Nardella — So Bill Whitehead is wrong?

Hon. PHILIP DAVIS — Bill Whitehead, speaking as president of the VFF pastoral group, said that he supports the notion of improved, cost-effective services and that the VFF also supports the reinvestment of those savings in animal health programs. That is precisely what the government has sought to deliver!

We have heard by way of interjection from the opposition allegations that services will decline. The government has made a commitment to enhance the delivery of services, and the successful tenderer, VVPS — which is in no way associated with Mr Bruce Mathieson, as was disproved by the information provided today — will provide enhanced services through its laboratories in Bendigo, Seymour, Shepparton, Kyneton, Wangaratta, Mildura, Bairnsdale and Warrnambool. In addition, although the laboratory in Mount Gambier is not in Victoria it will provide services to western Victoria.

One of the great benefits in engaging VVPS is its advanced technology and state-of-the-art innovations. It is a large business with the government contract forming only a small proportion of its turnover. It is possible for VVPS to generate a substantial amount of the investment in new technology, which has not proven to be the case thus far with Centaur. I am pleased that VVPS will be at the leading edge of technology. It will have an electronic data transfer operation to enhance the reporting requirements for animal disease and chemical residue surveillance programs.

The motion moved by Mr Theophanous is completely unsubstantiated. The quotation used in paragraph (a) refers to Mr St Clair, executive director of the pastoral group of VFF and Mr Mike Harrison of Centaur. Neither of the suggestions of anything untoward in the tendering process has been substantiated. Mr St Clair discharged himself from the tender evaluation committee and Mr Harrison's plaintive cry of some distortion was based on the fact that the tender had not been awarded to Centaur but to VVPS. Consequently Centaur advised the department it would cease taking samples from 25 October. As a result the department had to put a regime in place to deal with samples from that date, which meant that the facilities of the department at Attwood had to be made available as a fall-back position for the provision of services.

Hon. D. A. Nardella — Even though the tender document that went out said the successful tenderer would need to provide those services?

Hon. PHILIP DAVIS — The advice from Mr Harrison was that Centaur was unable to continue to provide those services to the end of the month and a stop-gap measure was put in place by the department.

Paragraph (b) of the motion makes allegations about the ownership of VVPS, but that case was not been proven. It is clear that the opposition has been unable to deduce the facts from its research and it tried to make a case of association with Mr Bruce Mathieson. Clearly, he is no longer a proprietor and, indeed, at the closing of tenders and when the contract was awarded Bruce Mathieson had nothing to do with the firms involved.

Paragraph (c) of the motion refers to the handling of the contracting out of regional veterinary pathology services, but it seems that the opposition does not understand the point. It has alleged that services will be reduced but, as I have demonstrated through the course of my contribution, services will be increased considerably because a substantial number of additional laboratories will provide direct access for the farming community and the department.

Further, those laboratories are serviced by an extensive courier network system that is fully integrated with pathology systems for human pathology. Therefore, we can ensure there are enhanced services, certainly by the fast communication of samples for testing.

With respect to the allegation that there would be a higher cost to Victorian farmers, I have highlighted several times in detail individual charges for services as prescribed in the comparative schedules, and identified that the gross amount of savings over the next three years will be in the order of \$2 million for the cattle compensation fund, and that additional savings for government will be more than \$2 million. That means that in effect we have delivered service to farmers and to the government at a much lower cost.

The case has been properly disproved. The opposition should withdraw the motion and apologise for putting the house to the trouble of considering a poorly worded motion; the Leader of the Opposition could not even construct his motion

accurately in the first place, and when he sought to construct it more accurately by making an amendment today, he highlighted and brought to our attention the fact that he simply did not understand what it was he was doing. He got it wrong — again.

Hon. G. R. Craige interjected.

Hon. PHILIP DAVIS — He compounded his getting it wrong again by providing a chart and trying to attribute ownership of the corporation to people who have nothing to do with it.

I conclude my remarks by thanking the house for its tolerance in listening to my observations. I hope all future contributions to this debate will lead to the same conclusion that I have formed: this motion is an absolute nonsense and should be voted down.

Hon. D. A. NARDELLA (Melbourne North) — We just heard Mr Philip Davis go through what he knew about exotic diseases of sheep and cattle. It was detailed information that really demonstrated that he understands a bit about that type of stuff. But in reality it is irrelevant, because the real issue is not what he knows about exotic diseases; it is about the tendering process and about the links with the Liberal Party and the rest of the mates that this government supports. That is the real issue — not his knowledge of animal diseases.

It was interesting to hear Mr Davis talk about how most post-mortems are done in the field. But when Centaur closes its labs the animal carcasses to be examined will have to be trucked from all over regional Victoria to Attwood or, in extreme cases, to Geelong.

The tender specification for the provision of veterinary, diagnostic and chemical residue analytical services, from the Department of Natural Resources and Environment, dated June 1996 says on page 2:

Thorough investigation of disease or chemical residue incidents will often require the application of several specialist laboratory disciplines, for example post mortem examinations, histopathology, microbiology, etc.

So within the tender document is the requirement for the successful tenderer to have the facilities to carry out those particular services.

The fact is, and this has been spoken about by Mr Davis today, that Gribbles does not have those post-mortem facilities — Centaur has, but Centaur has lost the contract. That may cause problems to farming people when they want to have their livestock — or dead stock as the case may be — examined properly.

The *Warrnambool Standard* of 29 October has an article that refers to Dr Slocombe, the director of VVPS, in which it is reported:

She said VVPS was not in a position to do post-mortems and that Centaur International would continue to handle pathology services for the state government.

That is news to Centaur, because it has not been approached to do that. The director of the VVPS company does not understand her own processes and the processes that farmers and the government undertake to carry out the services. That is the type of mess this government has placed Victorian farmers in.

Hon. Bill Forwood interjected.

Hon. D. A. NARDELLA — The question Mr Forwood asks is absolutely irrelevant, because the real issue is the tender process undertaken by this government.

Hon. Bill Forwood interjected.

Hon. D. A. NARDELLA — And I have been on a farm — I have been on a number of farms. But unfortunately honourable members on the other side of the house do not understand what the contracting-out processes will cause to farmers in Victoria.

Mr Davis informed the house that on 17 June Mr Bruce Mathieson, a mate of the government, someone who is used to greasing palms, sold out to the Malaysian partners. But Wallace Cameron is still there. Why did he sell out? Because he knew what would happen.

Honourable members interjecting.

The PRESIDENT — Order! We can have an early lunch, if that is the house's desire. A number of us want to hear the debate, and I ask the house to settle

down while the honourable member makes his dissertation.

Hon. D. A. NARDELLA — Thank you, Mr President. He sold out because he had the good oil; he knew what was going to happen and that the company VVPS was going to pick up the contract. He understands how this government works: if you grease enough palms, that is the way you get contracts. That is part of the problem of this government.

The tendering processes of the government are corrupt; that is the real reason why Rowan Garden Pty Ltd has the contract. Rowan Garden understands getting ahead and how to get these contracts. It is not only Mr Theophanous and me saying that; it is also being said by people in the tendering process who have resigned because they know the system is crook. They cannot take it any more and the only thing they can do is resign their positions so that they do not have to participate in the sham and farce that is the government tendering process. Honourable members are part of that sham and farce if they do not support the motion.

Mr Tony St Clair did not resign because he was not getting enough money or because he had other things to do; he resigned because of his concerns about the tendering process. The other non-departmental person who could not be influenced by the government and who also resigned, Dr Jacob Malmo, said he was under ministerial direction not to speak of his concerns about the tendering process, but he admitted those concerns to the *Weekly Times*.

One need only look at the history of the tendering process to see what has been going on. The tendering process involving Centaur International Pty Ltd was a disaster, and the government has been exposed time and again because of the shonky process involving Centaur. I shall go through that process because it is educational for honourable members to understand how Centaur got its contract. It was part of the mate system that is still in place today.

In 1994 Centaur was given the contract for pathology services. The then finance minister, Mr Ian Smith, said the process was crook and Centaur should not be given the contract without due process. The tendering process was opened up but only for four weeks and then a number of other

tenderers put in requests for extensions of time. Interestingly enough, Gribbles Pathology was one of the other tenderers who requested an extension of time. That extension was not given to Centaur, which had had six months to prepare its tender documents and six months of inside information on what was required. It was successful and picked up the tender. It is all on the public record. We now have the disgraceful situation where only 42 people are employed in place of the previous 70, so the services provided have gone down.

It is interesting to note that a number of the government's mates were involved with Centaur when all this occurred. Stuart McDonald, a former National Party MP and state president of that party, was a member of the board of Centaur International Pty Ltd in 1994 when the company won a contract to operate Victoria's veterinary laboratories in Bairnsdale, Bendigo, Benalla and Horsham. History repeats itself, and one of the sad aspects of this and other cases brought before the house is that the pattern is continuing. There is no level playing field and decisions are not made without fear or favour. The opposition continually has to expose the processes and call for them to be opened up. Not only have Mr St Clair and Dr Malmo exposed the tendering processes this time around, but there is also concern about Centaur and the tenderers who lost that round. The situation as we face it at the moment and as we faced it in the past with other tendering processes, is that the people who expose the government are the people who have missed out on the contracts.

It is extremely important that these processes are investigated to make sure they are absolutely above board. For instance, back in the early 1990s Gribbles Pathology was involved in human pathology services. It is important to know the company's track record to understand what it might do in the future when providing services to the government and to Victorian farmers.

The opposition is aware of the past performance of these companies and it knows that they will be up to their old tricks. They were exposed on the *Four Corners* program and we know they will go back to their old ways of ripping off the system.

The government is being held to account by the opposition on behalf of the people of Victoria. Many people have expressed concern about these deals and the fact that the government is looking after its

mates. The editorial of the *Weekly Times* of 9 October states, in part:

There is no room for another error.

Country Victoria is warning the government that it has made an error; it stuffed it up by awarding Centaur International the tender in a crooked process, and the editorial is saying to its constituents that there is no more room for error. Victoria's farmers do not want to be used as guinea pigs in the provision of services. They want services maintained at the highest level. Threats to the cattle or sheep stock must be dealt with expeditiously and professionally. The article on page 2 of the *Weekly Times* demonstrates the concerns people have with the process.

The government is on notice that the opposition will follow through on this issue. The farmers and users of the service are also putting the government on notice that they will not tolerate their livelihoods being threatened because of sleazy deals. I urge honourable members to support the motion.

Hon. G. R. CRAIGE (Minister for Roads and Ports) — The government opposes the motion. This motion is typical of the opposition: it throws as much mud as it can, hoping some of it will stick. It uses emotive language but produces no evidence. The Leader of the Opposition in this place is a very little man who has presented a motion of little substance. It is a tragedy to see Mr Nardella, a man of some character, being forced to support his leader.

The Leader of the Opposition is not in the chamber supporting members of his backbench. Mr Nardella is carrying the can in supporting his leader, who has not offered one scintilla of evidence to support the motion. In fact, the opposition has relied on articles in the *Weekly Times* and a report from the supposedly reputable *Four Corners* program. The opposition says that because the program makes certain allegations some people are guilty.

I invite honourable members to look at the facts because some issues need to be clarified. The motion was presented yesterday between 3.00 p.m. and 3.30 p.m., but 19 hours later an amendment is being moved to the motion because the opposition got it wrong.

Hon. W. R. Baxter — It is factually wrong.

Hon. G. R. CRAIGE — I agree with Mr Baxter, it is factually wrong. Even the amended motion is wrong. The opposition may need to make amendments to the amended motion. It relies heavily on the history of the events and a private company that has a competitive outlook. I am pleased the Leader of the Opposition is now in the chamber and is showing some interest in the motion he moved. I hope he will listen to what is being said.

The motion is typical of ones moved by the Leader of the Opposition. He has no substance to support the motion. He is a shallow man who hopes the dirt, grime and slurs will stick. He hopes that by throwing enough mud something will happen.

I refer Mr Theophanous to the document entitled 'Rowan Garden P/L shareholders as at October 1996', which he says is correct. I ask Mr Theophanous whether there should be a link between The Eighteen Enterprises and the two companies below it — BLM Holdings and Sarbo Securities.

The DEPUTY PRESIDENT — Order! The question should be put through the Chair and Mr Theophanous may correct it in his reply.

Hon. G. R. CRAIGE — Let us assume there is a link in the chart. The bottom line shows The Eighteen Enterprises as having one share, so if there is a link in the chart that company has a share in itself. Is the Leader of the Opposition suggesting there is a link and that company owns shares in itself? Everyone knows that is not permitted under the Corporations Law. If that is so, does it also mean that Brudejo Holdings, another company shown in the diagram, owns shares in itself? The government wants to know whether the diagram is wrong and whether the Leader of the Opposition needs to make another amendment to his motion. The government is willing to accept that the Leader of the Opposition got it wrong in respect of his motion, the amendment and the chart, but if that is the case it puts the lie to the substance of the opposition's argument. The Leader of the Opposition today said he warrants the correctness of the chart and takes responsibility for everything in it.

Given the sequence of events and the poor quality of debate from the opposition, one wonders who thought of raising this issue. Do opposition members know a journalist from the *Weekly Times* or somebody from the ABC's *Four Corners* program?

There was no strength or quality in the contributions of opposition members on the motion. They simply wanted to throw a bit of mud in the hope that some of it would stick. Not one shred of evidence has been presented by the opposition to support the motion. Instead, opposition members relied heavily on history, the *Weekly Times* and *Four Corners*.

To put into perspective the issue raised by the Leader of the Opposition I will outline a sequence of events concerning Dr Harrison's letter of 20 October to the Minister for Agriculture and Resources. On 27 September 1996, the Victorian Government Purchasing Board approved the successful tenderer. On the same day Dr Harrison was advised that Centaur was not the successful tenderer. Between 27 September and 20 October discussions took place between Centaur and the management of the department's animal health operations area about the continuation of services until 25 October. I do not know how much clearer the government needs to make this.

I congratulate Mr Philip Davis on his contribution today. He showed he understands the issue and has empathy with the farming community — he is a successful farmer and knows what he is talking about. The crux of the matter is whether the Leader of the Opposition knows what he is talking about. He has a degree in sociology or something similar. What a joke! The Leader of the Opposition has tried to talk about matters concerning the farming community, the heart and soul of the state, but he has no idea.

The Leader of the Opposition's attempt to mount an argument was feeble. Not only did he have no significant arguments, the quality of his contribution was poor. He has tried to take over the role of the Honourable David White, a former minister and member of this house, but he has not measured up and will never measure up. The performance of the opposition today was typical of a party with no policies and no direction. Its contributions to the debate were of poor quality. The government opposes the motion.

Hon. T. C. THEOPHANOUS (Jika Jika) — I will make a couple of points in reply. The Minister for Roads and Ports raised questions concerning the diagram. I said at the outset that the diagram was correct to the best of the opposition's knowledge and was based on information obtained from the records of the Australian Securities Commission.

The government made two points. One was that the structure of ownership concerning Bruce Mathieson changed on 17 June. The government refused to disclose where it obtained that information, but presumably it was obtained from Bruce Mathieson himself. The second point was that, because the connections between these companies are complex and go around in loops, no connection has been shown on the diagram where the Minister for Roads and Ports suggested a line should go, because if a line were put there obviously his argument would be correct.

Hon. G. R. CRAIG — Why is it there?

Hon. T. C. THEOPHANOUS — Because it represents a separate set of connections that exist in the bottom section. The government cannot have it both ways. It cannot on the one hand ask why the connection was not put in — we explained why it was not — and then on the other hand say if the connection were there it would be wrong. It is a typically foolish response from the government.

Hon. R. I. KNOWLES — Why don't you just withdraw the document because it is wrong?

Hon. T. C. THEOPHANOUS — It is not wrong. The connections exist.

Honourable members interjecting.

The DEPUTY PRESIDENT — Order! It is impossible to hear the comments being made by the speaker who has the call. Other members have had the opportunity to speak in this debate and make points. The issues that have been raised by interjection will be tested by the vote that will eventually be held on this motion. I ask members to express their views by way of the vote to take place in several minutes and desist from interjecting while Mr Theophanous makes his remarks.

Hon. T. C. THEOPHANOUS — Mr Davis made a point about post-mortems being carried out in the field. The opposition accepts that post-mortems are carried out mainly in the field. However, Mr Davis would know that they are conducted in a laboratory if there are problems. He knows that, but he forgot to admit it. Carcasses are transferred to a laboratory for detailed investigation. Therefore, if Centaur's laboratories are closed, animal carcasses have to be trucked from all over regional Victoria to Attwood at Westmeadows in Melbourne. Mr Davis knows

that is the case, but he tried to mislead the house in the way he presented his argument.

Hon. Philip Davis — On a point of order, Mr Deputy President, Mr Theophanous has asserted that I tried to mislead the house on a particular matter. That is not correct. In fact, in my detailed comments in the debate I made it very clear the government is insisting, as part of this process, that gross post-mortems on large animals will be able to be carried out at the locations in regional Victoria where they are currently carried out.

The DEPUTY PRESIDENT — Order! In this instance I do not uphold the point of order. This is a debate in which Mr Theophanous is commenting about remarks Mr Davis has made. He has not overstepped the bounds by accusing Mr Davis of deliberately trying to mislead the house, but I think Mr Theophanous is sailing close to the wind and should be careful in his further comments.

Hon. T. C. THEOPHANOUS — Thank you for a very insightful ruling, Mr Deputy President.

The point that needs to be made is that the tender specification contained the requirement that the successful tenderer should have the ability to do post-mortems. Gribbles has now said it is not capable of doing those post-mortem examinations. An article in the *Warrnambool Standard* of 29 October reports the remarks of Dr Slocombe and says:

She said VVPS was not in a position to do post-mortems and that Centaur International would continue to handle pathology services for the state government.

It was part of the tender specification that post-mortems needed to be done, but the organisation that won the contract does not have that capacity. It says the previous organisation, the one that lost, can continue to do those procedures. The way this matter has been handled is appallingly unprofessional, to say the least.

An article in today's *Weekly Times* says:

VVPS will offer the pathology service through the Gribbles human pathology labs in Warrnambool, Mildura, Bendigo, Benalla, Shepparton, Seymour, Kyneton and Wangaratta.

Those human pathology services are not the same as the veterinary pathology services that have been available to farmers in this state. They will close. Centaur has made it clear that it will not be able to continue to stay open in those areas — that includes Bairnsdale, which Mr Davis tried to assure the house will not close. However, when asked who will actually deliver the services, Mr Davis is not prepared to say it will be Centaur or that particular laboratory, which he knows will finish up closing. He just hopes the government will somehow be able to accommodate it. I have news for Mr Davis: Gribbles is saying that if there is a problem with a carcass that needs to be examined in detail, it will have to go to Centaur; and if Centaur is not there, it will have to be brought to Melbourne.

The government has not responded to concerns that have been raised by people involved in the tender process, including one of the main tenderers. All the government has done is to say Bruce Mathieson is no longer directly involved. The opposition is happy to hear Bruce Mathieson is not involved, but that raises the question of whether Bruce Mathieson knew back in June that Gribbles would get this contract; whether he then sold his interests in the company to the Malaysian consortium by saying to it, 'Don't you worry about anything because you'll get a contract involving the Victorian government to provide veterinary services'; and whether that is the basis on which he sold them. He knew. He had this information in his pocket, and he sold the company on that basis, with the result that he got more for it than he would otherwise have received. That is the result of his having that inside information.

The opposition condemns the whole process, and it condemns the government for not having the decency to conduct a proper inquiry into the whole affair.

House divided on motion:

	<i>Ayes, 9</i>
Eren, Mr	Power, Mr
Hogg, Mrs	Pullen, Mr (<i>Teller</i>)
McLean, Mrs (<i>Teller</i>)	Theophanous, Mr
Nardella, Mr	Walpole, Mr
Nguyen, Mr	
	<i>Noes, 31</i>
Asher, Ms	Hallam, Mr
Ashman, Mr	Hartigan, Mr
Atkinson, Mr	Katsambanis, Mr

CORRECTIONS (AMENDMENT) BILL

Wednesday, 30 October 1996

COUNCIL

399

Baxter, Mr	Knowles, Mr
Best, Mr	Lucas, Mr
Bishop, Mr	Luckins, Mrs
Boardman, Mr	Powell, Mrs
Bowden, Mr	Ross, Dr (<i>Teller</i>)
Brideson, Mr	Smith, Mr
Cover, Mr	Smith, Ms
Craige, Mr	Stoney, Mr
Davis, Mr D. McL. (<i>Teller</i>)	Strong, Mr
Davis, Mr P. R.	Varty, Mrs
de Fegely, Mr	Wells, Dr
Forwood, Mr	Wilding, Mrs
Furletti, Mr	

Pair

Gould, Miss Birrell, Mr

Motion negatived.

Sitting suspended 1.05 p.m. until 2.06 p.m.

CORRECTIONS (AMENDMENT) BILL

Second reading

Hon. G. R. CRAIGE (Minister for Roads and Ports) — I move:

That this bill be now read a second time.

The purposes of the bill are to enable police to provide for the effective management of police gaols and to provide for various improvements in the management of the Victorian prison system. The bill also seeks to promote competition in the provision of prison industries with the abolition of the Victorian Prison Industries Commission.

Police members perform similar custodial functions to prison officers with persons who are detained in a police gaol. Currently, however, the powers of police to perform search and seizure functions are contained in the Corrections (Police Gaols) Regulations, while the powers exercised by prison officers are contained in the Corrections Act. The bill provides for the powers of search and seizure in police gaols to be more appropriately brought into the Corrections Act and thereby achieve a consistent approach to the exercise of these custodial functions by police and prison officers.

The bill also implements key elements of the government's corrections policy whereby maximum use is made of competition within the correctional

services market. The entry of the private sector into the delivery of correctional services has necessitated major changes in the way prison industries are delivered.

As a result the Victorian Prison Industries Commission, which has traditionally provided prison industries within the Victorian prison system, will be abolished to enable the responsibility for prison industries to be shared between the public and private sectors. The bill will enable the secretary to provide prison industries for the public sector prisons, and for the establishment of a Prison Industry Advisory Committee, which will provide advice to the minister on prison industries. Staff employed by the former commission will be given the opportunity to transfer their employment to the Victorian Public Service to continue the utilisation of their expertise for public sector prison industries.

To improve prison management the bill will provide for compulsory savings from earnings made by a prisoner while in prison. This initiative will ensure that when a prisoner is released from gaol the prisoner is in a position to begin a new life in the community without requiring immediate community financial support.

The Corrections (Amendment) Bill 1996 amends the Corrections Act 1986 and makes a significant contribution to ensuring a high standard of management of correctional services in Victoria.

I commend the bill to the house.

Debate adjourned on motion of Hon. M. M. GOULD (*Doutta Galla*).

Debate adjourned until next day.

CHILDREN AND YOUNG PERSONS (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Hon. R. I. KNOWLES (Minister for Health) — I move:

That this bill be now read a second time.

The purpose of the bill is to amend the Children and Young Persons Act 1989 and repeal the Youth Affairs Act 1986. The amendments to the Children

and Young Persons Act relate to the Children's Court and to the administration of juvenile corrections by the Department of Human Services.

The Children's Court

The bill contains a number of amendments to the act to improve the operation of the court. The bill will:

permit the Chief Magistrate, by notice published in the *Government Gazette*, to appoint days and times that the Children's Court may sit; and

provide that the Chief Magistrate and the Children's Court Senior Magistrate may make rules to prescribe forms for the purposes of the Family Division of the Children's Court.

The bill also enables acting magistrates to be assigned to the Children's Court.

Section 85 statement

I now wish to make a statement under section 85 of the Constitution Act. Clause 17 of the bill provides that it is the intention of section 14 of the act, as amended by clause 16 of this bill, to alter or vary section 85. Section 14, as amended, has the effect of preventing the Supreme Court from granting relief in certain types of proceedings.

Section 14 of the act, as amended by clause 16 of this bill, provides acting magistrates assigned to the Children's Court with the same protection and immunity as a judge of the Supreme Court has in the performance of his or her duties as a judge. The reason for the variation of the Supreme Court's jurisdiction is that this immunity is necessary to enable acting magistrates to carry out the same duties as magistrates without fear of litigation by disgruntled parties.

Juvenile justice

The bill makes amendments relating to the transfer of young persons to and from prison, to provide for greater flexibility in the detention of young offenders. A young person found guilty of an offence may be sentenced by the County Court or the Supreme Court to a term of imprisonment under the Sentencing Act. It may be appropriate for the young person to serve some of this sentence as detention in a youth correctional facility rather than to be imprisoned with adults.

The Department of Human Services operates two different types of youth correctional facilities under the Children and Young Persons Act 1989: youth residential centres and youth training centres. The act currently provides that the Adult Parole Board may direct the transfer to a youth training centre from prison of a person under the age of 21 years.

The bill amends the act to provide a more comprehensive scheme for dealing with the transfer of young persons between prison and youth training centres or youth residential centres.

It provides for the following:

the transfer by the Adult Parole Board of a child under the age of 17 years to a youth residential centre from prison, if certain criteria are met;

the transfer by the Youth Residential Board of a person from a youth residential centre to a youth training centre, if the person reaches an age which makes detention in a youth training centre appropriate; and

in relation to a young person who was originally sentenced to imprisonment but is detained in a youth training centre, that the Youth Parole Board may order the transfer back to prison of that person, where it is appropriate for the remainder of his or her sentence to be served in prison.

These amendments will thus allow the placement of a young person in the facility which is most suitable, having regard to that person's age and level of maturity. It could mean that a young person sentenced to a long prison sentence could spend the initial part of that sentence in a youth residential centre or youth training centre, and be returned to prison when he or she reaches adulthood.

The bill also contains amendments regarding the parole of a person sentenced to imprisonment who is transferred from prison to a youth training centre or youth residential centre. These powers will generally accord with those of the Adult Parole Board in relation to a person who is imprisoned. This means that a transferred young offender is only to be eligible for parole if a non-parole period is fixed by the sentencing court and that period has expired. This accords with the expectations of the courts and the community.

The one exception relates to a young person sentenced to imprisonment for less than 12 months. At present under the Sentencing Act a court cannot fix a non-parole period in relation to such a sentence. Parole may nonetheless be granted in relation to a young person who, following a transfer, is detained in a youth training centre or youth residential centre. It is appropriate to retain this power pending the review of the Sentencing Act, to enable parole to be granted to encourage rehabilitation.

Another amendment relates to the custody of a young person who has been placed on remand by the Children's Court, where he or she is to be brought back before the court for a subsequent hearing. In such a case the young person is to be in the legal custody of the police officer or other officer who brings the young person from the remand centre to the court. This is consistent with other provisions in the act which make clear who has legal custody of a detained or remanded person.

This bill also repeals the Youth Affairs Act. The major power under the Youth Affairs Act relates to the funding of organisations that provide youth services. The minister responsible for the administration of the Community Services Act has power to cause grants to be made to any person or organisation to advance the interests of young persons. Following the merger of the portfolios of Community Services and Youth Affairs, it will be sufficient for the Minister for Youth and Community Services to use this power to fund projects relating to young people. The objectives of the Youth Affairs Act can be met through the use of powers such as this power. As part of the government's policy of simplifying the statute book, the Youth Affairs Act is therefore to be repealed.

The government also recognises the importance of receiving advice on the needs of young people. The Youth Affairs Act established the Youth Policy Development Council. That council has been superseded by regional youth committees. These committees have been established across regional and metropolitan Victoria to provide advice on the needs of young people in local communities. This has strengthened the capacity of the government to receive policy advice from a wide range of groups.

The government is committed to ensuring that services for vulnerable young people are provided through an integrated and effective system which maximises the opportunities for them to be assisted

to remain in contact with their families, their schools, and with other key community supports.

The amendments in this bill relating to the operation of both the Children's Court and the Department of Human Services will enhance the ability of the court and the department to carry out their respective functions, and thus to best serve the interests and needs of young people and the community.

I commend the bill to the house.

Debate adjourned on motion of Hon. M. M. GOULD (Doutta Galla).

Debate adjourned until next day.

NORTH MELBOURNE LANDS BILL

Second reading

For **Hon. M. A. BIRRELL** (Minister for Industry, Science and Technology), **Hon. R. I. Knowles** (Minister for Health) — I move:

That this bill be now read a second time.

The bill provides for the revocation of the permanent reservations over a 1.6 hectare site located on the corner of Arden, Laurens and Queensberry streets and Munster Terrace, North Melbourne. The land was permanently reserved for municipal purposes and vested in the City of Melbourne by virtue of the repealed Hotham Vesting Act 1886 — act 50, no. 906 — and the Hotham (North Melbourne) Leases Act 1888.

The land was used for many years by the council's electricity supply department as a depot. The electricity distribution business, Citipower, is now using the property for the storage of equipment in large sheds. An electrical substation is located on the southern portion of the land.

The bill is required to remove the permanent reservations over the land to enable the land on which the substation is located to be sold to Citipower. This will give Citipower security of tenure over its assets and is consistent with the agreements made at the time the electricity distribution business was formed. The remainder of the land has been assessed as surplus to the government's requirements and will be available for sale.

In order for the permanent reservations to be revoked it is necessary to repeal the Hotham (North Melbourne) Leases Act 1888 and to revoke the relevant permanent reservations.

The bill also contains provisions which detail the consequences of revocation and provide for the Registrar-General and Registrar of Titles to make the necessary amendments to titles.

I commend the bill to the house.

Debate adjourned on motion of Hon. PAT POWER (Jika Jika).

Debate adjourned until next day.

ROAD SAFETY (AMENDMENT) BILL

Second reading

Debate resumed from 16 October; motion of Hon. G. R. CRAIGE (Minister for Roads and Ports).

Hon. PAT POWER (Jika Jika) — The opposition supports the Road Safety (Amendment) Bill and acknowledges that it makes desirable alterations to a number of related acts. By way of explanation, in his second-reading speech the minister says:

The bill makes a number of miscellaneous amendments to the Road Safety Act 1986, the Transport Act 1983, the Road Transport Charges (Victoria) Act 1995, the Impounding of Livestock Act 1994 and the Road Transport (Dangerous Goods) Act 1995.

The minister explains that most amendments have been introduced to improve clarity, to improve efficiency of administration, or to remove minor anomalies. The opposition agrees with that brief summation of the bill, and for those reasons supports the legislation.

A further reason for opposition members supporting the Road Safety (Amendment) Bill is that in consultations we made with people who will be affected by it, we found that they were also agreeable with the recommendations the amending legislation is predicated upon.

In simple terms, the Road Safety Act has been heavily amended to include better arrangements for demerit points and blood alcohol. Given how critical parliamentary committees are to the working of the

Parliament, it is appropriate for the opposition to indicate that the demerit points amendments are consistent with recommendations made by the parliamentary Road Safety Committee in its report entitled *Inquiry into the Demerit Points Scheme*, submitted to Parliament in November 1994.

The amendments to the blood alcohol provisions will include a requirement for a zero blood alcohol reading for those who hold a motorcycle learner permit, even if they have a full car licence, and vice versa. To date there has been an anomaly — someone holding a learner permit did not have to have a zero blood alcohol content if he or she also held a full car licence. The correction to that anomaly is an improvement.

Clause 3 will enable certain civilians employed in the police force to inspect motor vehicles and to prohibit their use on highways. That is a sensible and efficient move forward. I understand the police force considers such civilians to be, in a sense, much more able and qualified to make those decisions than police officers, and we welcome that.

Clause 4 will apply the demerit points register provisions to holders of learner permits. Demerit points will be removed from the driver licence register when drivers complete a 12 months' good driving option and extra periods of suspension will be provided for drivers with more than 12 demerit points.

Clause 6 will apply a zero blood alcohol requirement for persons who do not possess a full licence for the category of vehicle being driven, even if he or she possesses a full licence for another category of vehicle.

Clause 10 will delete an obsolete speeding provision relating to roadwork sites. The opposition indicates its support for this, because it is a move towards the standardisation and uniformity of road signs so that nobody will doubt that the advisory signs they approach in a vehicle are absolutely unequivocal.

Clause 12 will amend the Impounding of Livestock Act 1994 to enable the Roads Corporation to authorise people by category to act as its officers. We ought not underestimate how important it is on rural roads and also in provincial areas and close to the urban fringe to ensure that stock are moved quickly when they are being moved on roads and for stray or wandering stock to be managed in a way

that ensures they are safe, and more importantly, the roads are safe. That is a sensible step forward.

Clause 14 will amend the Road Transport (Dangerous Goods) Act 1995 to provide a more flexible commencement provision in view of a delay in the development of national regulations. Again that is a step forward that ought to be welcomed by everybody. The opposition supports uniform regulations and a movement to national standards, but if there has been a delay it supports an appropriate arrangement to ensure that in the meantime dangerous goods that are carried on our roads are securely fixed, and that there will be no danger to the community at large or those who use the road system.

The opposition sought comments about the bill from a range of interested parties. One of the organisations that provided a substantial response was the RACV. David Cumming, the manager of government and corporate relations at the RACV, set out in a letter dated 1 October 1996 the reasons why the RACV is so supportive of this bill. In that correspondence Mr Cumming says that the RACV :

... agrees with the proposed amendments to the laws relating to demerit points ... the proposal to penalise learner drivers to incur excessive demerit points will help to make learner drivers more aware of their responsibilities ... and ... result in fewer fatalities and serious casualty accidents in the first few years of their driving experience.

Debate interrupted.

QUESTIONS WITHOUT NOTICE

Affirmative action

Hon. T. C. THEOPHANOUS (Jika Jika) — I refer the Minister for Industry, Science and Technology to a report in today's *Herald Sun* that identifies 19 Victorian companies as not having complied with affirmative action requirements, including well-known retailers, a travel agency, a cosmetic company and a car dealer. Will the minister inform the house what his department intends to do to ensure that Victorian firms comply with affirmative action guidelines?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I thank the honourable member for his question, which has nothing to do with my portfolio responsibilities, but I am more than happy to pass it on to the Honourable Jan Wade, Minister for Women's Affairs, and ask her to write to the honourable member.

Health: metropolitan services plan

Hon. C. A. STRONG (Higinbotham) — Will the Minister for Health outline the major developments of the government's metropolitan health care services plan, as part of the government's ongoing program of upgrading and developing health care services?

Hon. R. I. KNOWLES (Minister for Health) — For some time the government has been concerned with developing a coherent strategy that will position our health services for the next century, and a great deal of work has been carried out. It commenced with the establishment of the Metropolitan Hospitals Planning Board and the establishment of the health care networks, and the networks are developing strategic plans for the communities to which they seek to provide services.

As a result of this process, the week before last the government was in a position to release a plan for metropolitan health care services that is the most comprehensive strategic approach ever developed in this state. It has a number of objectives: to move services closer to where people live; to obtain a mix of services more appropriate to the demographic changes that are occurring; and to take advantages of the advances that have been made in medical research and clinical practice. We are ensuring that the system is able to capture and apply the advantages of the quite significant developments in technology.

The plan is ambitious. It looks at the establishment of three new hospitals in the rapidly growing areas of Epping, Berwick and Knox and six integrated care centres that will provide medical, surgical, diagnostic and other community-based services. St George's Hospital and the Caulfield Medical Centre will be consolidated and upgraded as specialised aged-care facilities that reflect the significant demographic changes that are occurring in those areas.

Over the next four years the government will provide significant funds of about \$900 million for the upgrading of existing hospitals, the most ambitious project of which is the rebuilding of the Austin Repatriation Hospital on the former repatriation hospital site. I am pleased to report that the response from everyone, with the exception of the opposition, has been overwhelmingly favourable, and there has been great support in the outer metropolitan areas for the changes.

I am disappointed the opposition has not implemented what it claimed as a new policy direction — supporting people in suburban Melbourne — but has argued for the retention of all the services in the inner city area. Retention would inevitably mean we would not have the capacity to provide increased access to services in the outer metropolitan area. Once again it shows the stark contrast between the approach of the government and the approach of the purported alternative government.

We will move services closer to where people live. We will in fact ensure that we have a service system that is able to respond to the needs of the Victorian community as we move into the next century. I look forward to the implementation of this plan over the next few years. I am confident the detailed planning by many people and the commitment of significant funds by the government will lead to a much better health system than we have had in the past.

Health: metropolitan services plan

Hon. B. T. PULLEN (Melbourne) — My question is to the Minister for Health and it follows on from the answer he has just given to the house. I am certainly in favour of planning, especially health planning, but a good plan must be based on appropriate and wide research, not just on demographic information.

Hon. N. B. Lucas — On a point of order, Mr President, standing orders provide that in asking a question a member is not meant to give his or her own opinion on the matter. We have just heard two opinions from Mr Pullen.

The PRESIDENT — Order! I think the honourable member was about to ask his question.

Hon. B. T. PULLEN — Thank you, Mr President, that was a good ruling. The plan to which the

minister has just referred and the section dealing with the inner and eastern health care network refers to St Vincent's Hospital retaining a teaching hospital role with some resources being shifted over time to build up services in the outer east.

Honourable members interjecting.

Hon. B. T. PULLEN — I ask my question in the spirit that the minister has indicated he wants to do this job rather than based on the chorus of uninformed support from government members. Will the minister inform the house what services from St Vincent's Hospital the government intends to reduce and what specific research has been done to establish that the people currently receiving from St Vincent's services critical to their health will not be disadvantaged?

Hon. R. I. KNOWLES (Minister for Health) — The research across the whole of the network plan has been detailed. The honourable member referred specifically to the inner and eastern network. There is something like a 42 per cent leakage from the middle and outer eastern suburbs of people having to come to the inner city to gain access to tertiary services.

Hon. B. T. Pullen — What about country people?

Hon. R. I. KNOWLES — I shall come to country people, because that is a significant gap in the service system. The development of Knox is in response to that gap and an attempt to respond to those needs. Mr Pullen interjected to ask: what about country Victorians? Yes, country Victorians having access to metropolitan hospitals is important. Currently about 15 per cent of all patients in metropolitan hospitals come to Melbourne for treatment. We are taking a number of steps to try to reduce the need for that to occur.

The establishment of the new La Trobe regional hospital is a way of trying to reduce some of the leakage from the Gippsland area by again taking services closer to where people live. A number of initiatives, such as the telemedicine pilot being developed by St Vincent's with the Goulburn Valley hospital, are about reducing the number of people who have to come to Melbourne for treatment.

We are having discussions with colleges about how we can build up the specialties in these regional areas. When that further development occurs people

will still require access to metropolitan hospitals. At present 50 per cent of all health services are delivered within an 8-kilometre radius of the inner city. After the implementation of the plan 60 per cent of health services will be outside that 8-kilometre radius. There will still be an overconcentration of services within the inner city, but there will be more equity and balance than is currently the case.

The implementation of the network plans will occur over time and will impact on all inner-city hospitals to various degrees. Some specialist hospitals, such as the Peter MacCallum Cancer Institute, the Royal Children's Hospital, the Royal Women's Hospital, and the Victorian Eye and Ear Hospital are developing a hub and spoke concept that will keep the complex services — —

Hon. D. A. Nardella interjected.

Hon. R. I. KNOWLES — I would not expect Mr Nardella to understand any of this, but people in the health industry understand the concept of taking services, particularly some of the complex procedures located in the inner city, to the suburbs.

Hon. B. T. Pullen — Are you saying the basic research on need has been done?

Hon. R. I. KNOWLES — Absolutely, it has been going on for more than two years. The Metropolitan Hospitals Planning Board study was the most comprehensive examination of the existing structures and the gaps, and the networks have been involved again in doing that. Further work is being done on an individual case-by-case basis as each project is further developed.

Workcover: hearing loss claims

Hon. BILL FORWOOD (Templestowe) — I ask the Minister responsible for Workcover to inform the house of the Victorian Workcover Authority's efforts to address the sharp practices of some hearing loss companies regarding Workcover claims?

Hon. T. C. Theophanous — About time he did something about that. Why didn't you go to the meeting conducted at the Trades Hall Council?

Hon. R. M. HALLAM (Minister for Finance) — I thank Mr Forwood for his question and Mr Theophanous for his interjection. The issue of dodgy hearing companies blatantly misleading

workers whose hearing is affected by workplace conditions is of great concern to the government and to me as the minister responsible. Indeed, honourable members may recall that it has been the subject of legislative amendment in the debate on the general reforms of workers compensation.

What concerns me most is that there is still some evidence of unsavoury practices in the workplace and some misleading of workers. It is true, as the interjection of Mr Theophanous implied, that the Victorian Trades Hall Council held a public meeting to inform workers how to avoid sharp practices. The meeting was addressed by a senior officer of the authority and Mr Theophanous.

I commend the initiative of the Trades Hall Council in taking up the matter. I shall go to a number of matters raised by Mr Theophanous — I give him the benefit of the doubt because that is the sort of person I am — because I would like to respond to some of the claims made at the meeting and, if nothing else, because I wish to refresh Mr Theophanous's memory. For example, Mr Theophanous is reported to have claimed the companies are creatures of the coalition's Workcover scheme and that they did not exist under Workcare. Mr Theophanous was the minister responsible for workers compensation, and there is plenty of evidence for anyone prepared to look to indicate that the companies are not a new phenomenon and have been around for some time.

Hon. T. C. Theophanous — On a point of order, Mr President, the minister has ascribed to me certain comments. I do not know from where he has obtained those comments, but if he wants to ascribe comments to me he must indicate where he obtained his information from.

Hon. T. C. Theophanous — We give you an opportunity to speak but you never want to answer any questions.

The PRESIDENT — Order! Mr Theophanous was in the middle of his point of order. I suggest he ignores the distractions and continue with the point of order.

Hon. T. C. Theophanous — I have a right to know whether the minister is sending people to spy on members of the opposition. If the minister is relying on a report provided to him by a member of the Victorian Workcover Authority regarding comments I may or may not have made, it is up to

QUESTIONS WITHOUT NOTICE

406

COUNCIL

Wednesday, 30 October 1996

him to provide a copy of that to me and to the house to check its veracity. The minister was not present at the meeting and I know what was said. He should table the source.

The PRESIDENT — Order! Members quite often put to the house the views of other members.

Hon. T. C. Theophanous — In relation to a third member?

The PRESIDENT — Order! Mr Theophanous often uses the technique of saying that Mr Hartigan, for example, stands for this or says that. If a member knowingly misinforms the house about the views of another member, the matter could be the subject of a privilege motion.

If the inhibition suggested by Mr Theophanous is followed the house would not work because members constantly put forward the views of other members. If the minister is putting what he believes Mr Theophanous said at the meeting and Mr Theophanous believes he is being misquoted, he has the right to make a personal explanation to correct the record. There is no point of order.

Hon. R. M. HALLAM — Thank you, Mr President, for your ruling. By way of consolation for the Leader of the Opposition, I cannot think of an environment less likely to inspire the activity of a spy than a public meeting conducted by the Victorian Trades Hall Council, and I cannot think of anyone who looks less like a spy than Brian Cook.

Hon. T. C. Theophanous — What did he say to you?

Hon. R. M. HALLAM — The Leader of the Opposition will recall I was trying to give him the benefit of the doubt and refresh his memory, nothing more. If these issues have escaped him over the years, I remind him that many of the people who are now involved in these dodgy practices were well known under Workcare. In fact, some of them were union representatives under the previous system. I remind the Leader of the Opposition that some of them are very well known to both of us, so he should not play games. This is not a new phenomenon, and I am happy to put it on the record.

The Leader of the Opposition is also reported to have said that the government passed legislation to register such companies. I am happy for him to

challenge the report of what he said. However, if he did say that, he got that wrong as well, because the government has not passed legislation. The government has acted to approve individuals who fit hearing aids. Medical practitioners who assess such claims must also be approved. That much is true.

A further allegation ascribed to the Leader of the Opposition is that the Office of Fair Trading and Business Affairs is not interested in helping people who are being ripped off by these shoddy companies. I would be happy for him to deny that because I remember him saying that in this chamber. I am happy for my colleague Jan Wade, the Minister for Fair Trading in another place, to defend herself on this matter, because she will do very well in that respect. However, just for the record and to refresh someone's memory, I remind the house that a joint working party has been formed by the Office of Fair Trading and Business Affairs, the Victorian Workcover Authority and the Law Institute to ensure that better information is provided to the community and coordinate action against companies that are acting inappropriately.

The final challenge reported to me was that the Leader of the Opposition said the Victorian Workcover Authority has spent millions of dollars on advertising and has done nothing to put people on inquiry as to the sharp practices of the companies involved. Leaving aside the issue that the Victorian Workcover Authority sponsored changes to legislation that among other things addressed this very issue, a substantial advertising campaign is about to be launched as part of a two-pronged attack. As the first prong an extensive information campaign will seek to simplify the message about hearing loss compensation available to injured workers. For the information of the Leader of the Opposition, it will be directed at senior citizens clubs, community centres and so on. That very important campaign is about to take place.

The second prong is a campaign that is about to be launched to advise people of their rights under fair trading legislation. The campaign will involve a whole range of initiatives to advise people to contact the Office of Fair Trading and Business Affairs to have claims investigated.

Hon. T. C. Theophanous — In future we had better take a tape-recorder when you have Workcover people coming along.

Hon. R. M. HALLAM — That is a very good suggestion. I invite the Leader of the Opposition to do so, because then he might get some of the facts right. I take the issue of workplace safety very seriously, and I have no hesitation at all in absolutely condemning companies that are unscrupulous enough to take advantage of workers.

Hon. T. C. Theophanous interjected.

The PRESIDENT — Order! The barrage of interjections from the Leader of the Opposition is absolutely unacceptable. I ask him to desist.

Hon. R. M. HALLAM — I absolutely reject any notion of providing any support, encouragement or cover for companies that take advantage of —

Hon. T. C. Theophanous — Why don't you close them down?

Hon. R. M. HALLAM — I expect legislation will be introduced to address that precise issue. On the basis of the reported comments of the Leader of the Opposition, and on the assumption that he still has some influence on the opposition benches, I expect that the government will get the absolute support of the opposition.

Hon. T. C. Theophanous — If you want to close them down you will have our absolute support.

Road safety: road rage

Hon. PAT POWER (Jika Jika) — I direct a question to the Minister for Roads and Ports. At page 250 of *Hansard* of 4 June it is recorded that in response to a question without notice the minister said he was not aware of behaviour known as road rage. Is the minister aware of an AAMI survey that indicates that accident rates in Victoria have increased by a staggering 40 per cent in the past two years? Will the minister confirm that the same survey also indicates that 83 per cent of drivers in the 18 to 24 age group exhibit road rage behaviour? What action has the minister taken to address a problem drawn to his attention by the opposition more than four months ago?

Hon. G. R. CRAIGE (Minister for Roads and Ports) — In responding to the honourable member's question I have to resist thanking him for another dorothy dixer. I nonetheless thank him for the opportunity of commenting on this issue and point

to his lack of sincerity about road safety issues. Mr Power is engaged in hysteria and scaremongering. In trying to jump onto the bandwagon he will fall, and the little credibility he now has will disappear.

To be an effective opposition spokesman on these issues Mr Power needs to do more research than merely reading newspapers. Today's *Herald Sun* deals with the AAMI survey under the headline 'War on the road', and I will refer to the results of that survey. In conjunction with other Victorian insurers, the government has done its own survey, and I will also refer to that. Also of interest is Neil Mitchell's interview on 3AW with Michael Kay, the Executive Chairman of AAMI.

Firstly, although the *Herald Sun* article refers to a poll of 600 drivers, honourable members may not be surprised to learn that it was an Australia-wide survey. Honourable members can work out for themselves what sort of evidence would be provided by a survey of such a small percentage of drivers. In addition, AAMI insures only 20 per cent of Victorian vehicles.

When you start to unravel the facts behind the survey you note that its contents comprise statistics of road crashes from AAMI but also a telephone survey conducted by Brian Sweeney for AAMI in which he telephoned only 600 people Australia-wide! I inform the house that AAMI is the insurer of only 20 per cent of Australia's drivers.

I ask each opposition member to reflect on the responses to one of the questions asked, because I am sure all of us would have responded in exactly the same way. The survey asked respondents whether they:

Felt anger when another driver cut me off.

I would say every person in this chamber would feel some frustration at such an incident. The reality of the survey is that there is nothing to compare it with — it has been taken out of the blue. For several weeks Pat Power has been trying to hype up an issue without offering any positive ideas.

I shall tell the house what the government is doing about it, too. The other insurers in this state say there are no particular incidents in their crash statistics that they could relate directly to road rage. It is important to try to understand what road rage is —

the definition may differ from place to place. Reference has been made to assaults following incidents on the roads, and that is how broad the definition is. The references to road rage are pretty wide.

In the 3AW radio interview with Neil Mitchell on 28 October Michael Kay, Executive Chairman of AAMI, made some very interesting points, which are important for members to hear. When talking about what group of people were involved, Mitchell said he thought it would be middle-aged and elderly people, but Mr Kay said:

Well, no, that's not what some research that we're putting together at the moment suggests.

The article in this morning's *Herald Sun* gives the impression that the research is already together and completed — that is, that AAMI has done its research — but in reality AAMI is still putting the research material together.

When talking about what are known as hit-in-the-rear accidents — where the nose of one car hits the rear of the other — and the claim that road rage is one of the major factors in such accidents, Mr Kay says:

Now obviously not all of those are so-called road rage.

As to the frustration that people experience on the roads, Mr Kay says:

... the worst day for having an accident is on a Friday afternoon between 3 and 6 o'clock ... They do stupid things, they take risks and they have accidents.

When the whole transcript of the interview is read in context it is clear that Mr Kay says many other issues are involved in these crashes. In reality this is another hype-up, particularly by Mr Power.

Today I am pleased to announce the allocation of \$2.65 million for additional works to help alleviate the congestion on Melbourne's roads. That is in addition to the money the government has allocated over the past few years. A principal traffic routes program has been established in the Melbourne metropolitan area to improve the traffic signalling and road infrastructure. Some 175 kilometres of metropolitan roads have already been reviewed and improved and the additional money will enable a further 150 kilometres of roads to be reviewed,

including Bell Street, Stud Road, Warrigal Road, Manningham Road, Nepean Highway, Wellington Road-North Road, Docklands Highway, Hoddle Street-Punt Road and Albert Street-Power Street. The further allocation clearly demonstrates the government's commitment to alleviate congestion, which is one factor that adds to the frustration on Melbourne's metropolitan roads.

Roads: Springvale bypass

Hon. D. McL. DAVIS (East Yarra) — Will the Minister for Roads and Ports inform the house of the current status of development plans for the Springvale bypass?

Hon. G. R. CRAIGE (Minister for Roads and Ports) — I thank Mr Davis for my second dorothea dixer today! The Springvale bypass is a high priority of the government, which has been working extensively for some time to further develop the bypass. I place on record the involvement of the Honourables Andrew Brideson and Maree Luckins, who have been excellent in helping the progress of this project. Their involvement has enabled the distribution of a report on options for the future development of the Springvale bypass.

This section of road will require a development between Heatherton Road and Centre Road. In fact, in early September I released a report *Springvale Bypass — Options for Future Development*, which examines two options, both of which include a divided road between Heatherton Road and Centre Road, an overpass of the Gippsland railway line and a signalised intersection at Heatherton, Fairbank and Centre roads.

Option A has been costed at some \$37 million and will provide three lanes in each direction with a speed restriction of 80 kilometres an hour. Option B is estimated to cost some \$73 million with a 90-kilometre speed limit. The report has now been released for discussion by local government, local members and the community to hear their views about the project.

Both the Kingston and the Greater Dandenong city councils have worked with their communities on the matter. It is pleasing to note that the Greater Dandenong council in particular has become energetically involved in the process. It is good to note that it has supported the moves made by this government. The feedback from both those councils,

the local members and the community will help the government through the process and enable it to meet demands and complete this very important project.

City Link: traffic flow

Hon. PAT POWER (Jika Jika) — Is the Minister for Roads and Ports aware of concerns conveyed to shareholders by Transurban's chairperson on Tuesday that the biggest risk with the City Link project is that motorists might snub the 22-kilometre link? The chairperson told shareholders on Tuesday that the biggest risk is whether the Victorian public will use the freeway once the link is in place. Can the minister confirm the traffic flow levels that will be diverted from existing roads and reject any concern by Transurban's chairperson that motorists will not use the City Link?

Hon. G. R. CRAIGE (Minister for Roads and Ports) — I thank the honourable member for his question, and in doing so place it clearly on record that I am sure all members of the government in particular are enthusiastic about one of the most important projects that has ever been embarked on in this state. City Link is about vision; it is about delivery of traffic; and about delivery of transport. In respect of our manufacturing base, it is vital for the long-term future of this state.

The honourable member has referred to some issues concerning City Link and the chairman of the authority. I will refer those to my parliamentary colleague who is responsible for City Link, the Minister for Transport.

Liquor licences and sales

Hon. PHILIP DAVIS (Gippsland) — Will the Minister for Small Business advise the house of the latest trends in liquor licences and sales?

Hon. LOUISE ASHER (Minister for Small Business) — I thank Mr Davis for his question.

Hon. T. C. Theophanous — Have you been on the nightclub tour yet?

Hon. LOUISE ASHER — It is many years since I have been to a nightclub, Mr Theophanous, but I wonder if that applies to you.

The Liquor Licensing Commission annual report for 1995-96 was tabled in the chamber this morning. It carries interesting data about developments in liquor licences in Victoria. I want to draw some interesting trends to the attention of the house.

The number of liquor licences has gone up by 3.8 per cent in the past 12 months. As honourable members would know, this reflects a 22.1 per cent increase in liquor licences over the past four years. The Liquor Licensing Commission approved 10 638 licence applications in 1995-96, which was an increase of 10 per cent on 1994-95.

In terms of market share, there are some interesting developments that the house may want to be made aware of. General licences are down 1.8 per cent to 40.2 per cent of the market. However, packaged liquor is up by 1.6 per cent and that now represents 48.15 per cent of the market.

The Liquor Licensing Commission report of the past 12 months refers to substantial reforms that have been enacted by the government, such as reforms in the King Street precinct — which Mr Theophanous seems to be aware of to a far greater extent than I am in terms of personal visitation — and to the level of on-the-spot fines. The government will monitor those reforms.

The annual report of the Liquor Licensing Commission also sets out targets for the future. In 1996-97 it will focus on improved liaison with the police in respect of licensed premises and improved staff training for important areas such as the responsible service of alcohol. We will also be focusing on the simplification of paperwork.

This report comes hard on the heels of a review that I have announced into the Liquor Licensing Commission, which will be a wide-ranging administrative review and which will include in its terms of reference a reference to the Public Bodies Review Committee report. We will also have a legislative review of the Liquor Licensing Commission as part of our ongoing national competition review of legislation.

The annual report of the Liquor Licensing Commission reflects interesting trends in liquor consumption, particularly the move to packaged liquor. I look forward to meeting the targets in the future.

Essendon Hospital

Hon. D. T. WALPOLE (Melbourne) — I refer the Minister for Health to a report in the *Herald Sun* of kidney dialysis patients at the Essendon Hospital being asked to supply their own linen in an attempt to save the hospital \$12 000 a year. I ask the minister whether he has taken steps to investigate this matter and to rectify it?

Hon. R. I. KNOWLES (Minister for Health) — The way hospitals structure their services is a matter for each hospital. My understanding is that most services providing dialysis have never had the practice to which Mr Walpole refers, and that it was the hospital's decision as to how it could most appropriately use the resources available to it to ensure there was a maximum provision of services; it was a hospital decision to change the practice. There are no public health issues involved. It is a matter of trying to ensure, as all service providers seek to do, that the scarce resources available to the hospital are used to provide optimum health care delivery.

Melbourne Exhibition Centre

Hon. W. I. SMITH (Silvan) — Will the Minister for Industry, Science and Technology advise the house of recent awards won by the Melbourne Exhibition Centre for its architectural design features?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I thank Ms Smith for her question and her interest in this great building.

Members will be aware that the Melbourne Exhibition Centre was opened at the start of this year. It is clearly one of the great successes of Victoria and Melbourne. Even Mr Theophanous would be interested in it and, we hope, show a small degree of pride in an asset that is already of national importance and is regarded as being the best exhibition centre in the Southern Hemisphere.

I am very pleased to advise that this is not a view is held just by the people who were involved in conceiving it but a view held by those who, among their peers, have to pass judgment on whether it is the best. The Royal Australian Institute of Architects had to decide which was the best commercial building built last year. I am pleased to advise the house that the institute of architects award for the

best Victorian commercial building went to the Melbourne Exhibition Centre, and to its architects, Denton Corker Marshall. This is an enormous victory. It is a statement about the architectural achievement of the building and the importance of its presence.

I am also pleased to advise the house that in a completely separate set of awards, the Victorian Design Awards, the Melbourne Exhibition Centre was also a winner. Gary Emery of Emery Vincent Design was the major award winner in the Victorian design awards for his graphic design work for the centre. Honourable members who have been inside the centre will remember the striking and functional internal directional and information signs and graphics. They are regarded as the best that were done anywhere during the year, and they won that award.

The other award we are particularly proud of is the Institution of Engineers award for engineering excellence in the building, which went to Baulderstone Hornibrook, Connell Wagner, and Ove Arup and Partners.

The bottom line is that this building has won every major award a building of its type could win. It won the architectural award for its exterior design; it won the interior design award; and it won the Institution of Engineers award for engineering excellence. In particular the engineers were looking at how the building worked, its functional convenience, its simple architecture and usage by individuals.

I am extremely pleased that the centre has come up trumps in terms of design, architecture and engineering. We couldn't be happier, and it is important that in what we tried to achieve we created an asset that is now regarded as the leader in national significance.

PERSONAL EXPLANATION

Hon. J. W. G. ROSS (Higinbotham) — I desire to make a personal explanation. Following yesterday's debate on the Shop Trading Reform Bill I have taken the opportunity to examine my entry in the register of member's interests and discovered an inadvertent error on my part.

When filing my ordinary return on 14 August 1996 for the year ending 30 June 1996 I deleted the reference to my shareholdings in the following

companies: Australian Foundation Investment Company Ltd, Broken Hill Pty Company Ltd, Woolworths Ltd, Coles Myer Ltd, Qantas Airways Ltd, Santos Ltd and Perpetual Trustees Australia Ltd. Although the information was accurate as at 14 August, that was not the case during the return period, which ends on 30 June. I actually disposed of my shareholdings in the said companies on 6 August 1996 and in Perpetual Trustees Australia Ltd on 8 August 1996.

I thank the house for its indulgence in allowing me to put the record straight, and I apologise for my inadvertence.

ROAD SAFETY (AMENDMENT) BILL

Second reading

Debate resumed.

Hon. PAT POWER (Jika Jika) — Prior to question time I was indicating the opposition's support for the Road Safety (Amendment) Bill and I had expressed appreciation for the comments made by David Cumming from the RACV. Mr Cumming's letter says:

The RACV ... supports the proposal to provide additional periods of suspension for drivers who incur four or more demerit points in excess of 12 ... it is reasonable to conclude that drivers who incur those points have little regard for the road laws or for road safety, and should ... incur a proportionate and appropriate additional penalty.

The act currently provides that where drivers elect to extend their demerit point period by 12 months and do not incur further demerit points during that extended period, all demerit points incurred more than three years before the end of that 12-month period will be cancelled. This provided the anomaly that, where a driver incurred all of his or her 12 demerit points in the space of one year, the driver would remain on the 12 points for a further two years.

The RACV agrees with the proposed changes ... which provide that on successful completion of the extended demerit point period, no regard will be given to any demerit points recorded against the driver as at the date of notice in which the driver elected to extend the demerit point period.

The opposition agrees with the next sentence in Mr Cumming's letter:

This proposed amendment is seen as a positive initiative and an incentive to improve driver behaviour ... the RACV is concerned that this proposed amendment should not be seen as a reward for drivers who only do the right thing after incurring 12 demerit points.

The RACV argues:

... consideration should be given to introducing a reward or incentive scheme for drivers who have incurred any number of demerit points from 1 to 11 ... The proposed amendment to the zero blood alcohol provision of the act are also supported ... While ... holders of a full drivers licence, who hold a learner permit which authorises them to drive a different type of vehicle to that which their full driver licence applies, may be of a mature age and may have many years' experience driving a particular vehicle, may have very little, if any, experience driving another vehicle which their learner permit authorises them to drive.

Sensibly Mr Cumming says:

Driving such vehicles ... requires different driving skills ...

The opposition also took the trouble to contact the Australian Road Federation, and on 7 October its executive director replied saying in part:

The comments ... received from the members of the national council are ... supportive of the ... legislation. The ARF is ... in favour of uniformity of ... legislation over all states ... This is particularly relevant to ... transportation across state borders.

A substantial response was received from the Victorian Taxi Association as a consequence of an approach made to it. In correspondence of 7 October the chief executive of the association says:

(VTA) have no objection to the provisions of the bill as they deal largely with administrative matters ... we have concern ... in respect to demerit points — not with the proposed changes but ... that changes proposed by the parliamentary Road Safety Committee have not been included in the bill.

Hon. G. R. Craige — What do you support, Pat?

Hon. PAT POWER — As a member of the parliamentary Economic Development Committee I believe it is an excellent idea for the government to respond to recommendations made by parliamentary committees. As I said at the outset, one of the reasons the opposition supports the bill is that the changes are consistent with the work of the 1994 inquiry into the demerit point scheme. While acknowledging that the Victorian Taxi Association represents professional drivers and has a particular interest in being compatible with some of the recommendations made in the committee report, I believe further work needs to be done before the community will see it as responsible to move in accordance with the wishes of the VTA and some of the recommendations of the parliamentary committee.

On one hand it is reasonable to argue that professional drivers, such as taxidriviers, are more skilled, have more of an understanding about traffic flows and driving patterns and should be given different treatment. However, I make the point — with which I suspect the minister also agrees — that we must not move in a way that will lead the community to interpret that a particular group is receiving preferential treatment.

The VTA indicated to the opposition — as I am sure it did to the government — that it supports the legislation. It has a special interest and it is not prepared to jeopardise the legislation by being uncooperative. I hope the issues put forward by the VTA, especially those compatible with the recommendations made by the Road Safety Committee, will receive ongoing attention.

For the record I indicate that in its facsimile correspondence to me of 7 October the VTA says:

... that taxi drivers have a much higher exposure to detection within a traffic environment created by the movement of all traffic not just the individual taxi ... high distance drivers are being additionally penalised by the application of the demerit point.

Concerning the 'driving while operating a hand-held communication device', we do not believe there is any evidence to support a prohibition on the use of a microphone or telephone whilst driving a motor car ... it is important that taxi drivers be able to use a hand-held microphone for work dispatch, emergency situations and reporting serious offences.

We fully supported the recommendation that taxi ... drivers not be legally responsible for passengers under 18 years old failing to wear seat belts ...

We objected to the recommendation that there be no variation to the demerit scheme for professional drivers. The report states that 'Information from the licence records of a sample of taxi ... drivers indicated that, after allowing for kilometres travelled, these drivers had better than average demerit points profile'.

I conclude by saying that the opposition decided to support this legislation on the basis that the amendments introduced have been mostly of a nature that will, as the second-reading speech indicates, improve clarity, improve efficiency of administration, or remove minor anomalies. As I have said, the consultations that we have had with those affected by this legislation have indicated that for those reasons there is broad support for this legislation — and I wish it well.

Hon. R. S. de FEGELY (Ballarat) — I am pleased to have an opportunity to speak to this bill. Road safety is an important issue to us all. Those of us who drive many miles in country areas and chalk up many kilometres each year really appreciate road safety.

We have all complained about some of the measures that have been brought in over the years. There was opposition to seat belts when they were initially brought in, and there has been opposition to speed cameras and demerit points.

But we should be looking at them from the point of view of our own safety, put there for a very good reason, rather than, as they are so often considered to be, just money-making affairs for the government.

This legislation is non-controversial, and we appreciate the support given to it by the opposition through the Honourable Pat Power. Some of the provisions, amendments to the Road Safety Act and other acts, are a direct result of the recommendations made by the all-party Road Safety Committee. Three members of that committee are in this house. I referred to the 1994 report and had not caught up with the latest members of the committee — Mr Walpole, Mr Stoney, Mrs Wilding and Mr Best are members of the Road Safety Committee. I suppose it could have been named the roving committee, because it is probably the most travelled committee of any in the Parliament. But by the

standard of the report finally submitted by that committee, it is obvious that any investigation and any travelling it did was well worthwhile.

The report indicates the sorts of things that have been put in place over the years in the interests of public safety. The memorandum in Appendix G of the report of the committee deals with the impact of speed cameras on driver behaviour. It talks about people exceeding the speed limit and says that the state average declined from 12.2 per cent in July 1991 to a mere 3.54 per cent in July 1994 due to the advent of speed cameras. Obviously that in itself must have had a considerable effect on road accidents.

In the sort of winter we have just come through — a long cold and wet winter — you will have noticed, particularly when driving on country roads, the increased danger and hazards. I noticed this year in particular a number of roads that are in need of maintenance; how quickly they deteriorate under these sorts of conditions. Obviously the problems of road safety become more acute when that occurs. We need to constantly recognise just how important it is to maintain our roads and to keep them in the best possible condition.

The bill makes a number of miscellaneous amendments. I will not go into them too much, because some of my colleagues who are more versed in how they came about will no doubt go into the matters in greater depth.

One of the most urgent provisions of the bill is the amendment to the commencement of the Road Transport (Dangerous Goods) Act, which will ensure that the current Victorian law is enforceable until the national road transport committee finalises the new national regulatory scheme for dangerous goods. That is an important provision in the bill.

Mr Power touched on the matter of demerit points and covered it quite well. It was included in the recommendations of the all-party Road Safety Committee. The fact that they have been toughened up is a good thing, but the point that appeals to me is the option to have a 12-month period without losing your licence to drive, which gives you the opportunity to maintain your licence. That is particularly important from the point of view of country people.

It has always been an argument in the bush — we are not encouraging people to lose demerit points or

to break the law — that it is very difficult for country people should they lose their licence; there is not the kind of public transport available to them that there is in the more urbanised areas. This provision will give people an option to have a 12-month period free of any default, and if they manage to achieve that, the demerit points are wiped out. On the other hand, if they transgress and commit an offence, the penalty comes down on them much harder, and so it should. It is a sensible option.

The move towards people on learner permits accumulating demerit points is again a sensible decision and one I am surprised has not been picked up before. It was also a recommendation of the Road Safety Committee, as was the zero blood alcohol level for all learners. The bill also broadens the scope of people who can inspect vehicles, trailers and so on and issue notices of repair. Currently civilian mechanics are employed by the Victoria Police to conduct vehicle checks, and the provision has been broadened to enable them to issue notices of repair on unroadworthy vehicles. The bill also provides for the transfer of responsibility for the issuing of licences for buses, heavy vehicles, tow trucks and so on from Vicroads to the Department of Infrastructure.

The changes to the Livestock Act relate to stray animals on highways and roads. Council officers other than the pound officer or ranger, who in the past were the only people who could undertake that role, can now impound animals or remove them from the roadside and so improve public safety. An issue I thought the bill may have covered is droving stock on highways. I have discussed it with the minister and have been assured that it can be dealt with by regulation and that within the next 6 or 12 months new regulations will be in force to handle the problem. That matter had considerable prominence during the drought in New South Wales and Queensland when a lot of travelling stock were on the roads. Whether liability falls on councils or landowners if an accident occurs is a grey area.

The bill makes sensible and sound changes to the various acts involved, and it is with pleasure that I support it and recommend its passage through the house.

Hon. E. G. STONEY (Central Highlands) — I preface my remarks by saying that I do not believe it is smart to use road safety as a political football, and I have noticed a trend by the opposition to perhaps

go that way. It is a dangerous path to take because road safety is everybody's responsibility and should be treated as such. We must all take heed of police campaigns, of Transport Accident Commission ads and of the need to put on our safety belts. Young people in rural communities must take heed of the statistics that show the high number of rural people being killed on country roads. I believe the community has a responsibility to be careful.

We in this house have a responsibility to ensure that we do not undermine the bipartisanship the Parliamentary Road Safety Committee adopts. Bipartisanship has produced this report on the demerit point scheme, and many of the recommendations in the report have been taken up. Safety on our roads is an issue that affects all Victorians. We worry about our loved ones on the road. We worry about the knock on the door in the middle of the night if our children have gone out. We have a special responsibility as a government and a Parliament to meet the constantly changing needs of road safety and to keep Victorian roads as safe as possible.

As a government we are facing up to those responsibilities, and the bill is proof of the fact that we are prepared to keep meeting those challenges. For example, it is becoming apparent that people are drinking and driving more often and are ignoring the graphic ads shown on television. It is also becoming apparent that young people are taking drugs and driving so that they will not get caught by a breathalyser test. It is these trends in road safety that we have to keep abreast of, and that is exactly what we have done with the bill.

It is also a fact that in the short term the road toll has been creeping up. The *TAC Daily Road Toll Bulletin* dated 28 October 1996 shows that, in the calendar year to 27 October 1995, 332 people died on our roads and in the calendar year to 27 October 1996, 350 died. That is up 5 per cent, although the five-year average to October 1995 is 343, which is really only 7 less than the figure for 1996. Page 9 of the committee's report states:

Since 1989 road fatality rates have fallen by 45 per cent.

It is dangerous to take short-term trends in road safety figures. One really needs to look at a long-term trend and take other things into account.

Another important factor in this equation is that in 1989 there were 776 fatalities on Victorian roads. In 1995, which was the last full year, there were 418 fatalities. Those figures tell the tale. In the long term they reflect the success governments of all persuasions have had in reducing and holding down the road toll. That is why it is so important for this to remain a bipartisan issue and for neither government nor opposition to try to score political points in this house on such a sensitive and important matter.

Since 1992 it has been my privilege to be a member of the Parliamentary Road Safety Committee. As Mr de Fegely mentioned, we have moved around, looked at lots of issues and produced several reports, and the report that was produced in November 1994 was a fine report with a dramatic photograph on the front cover. I am sure that during this debate we will hear more about what is contained in the report and the bill.

The report recommended finetuning of the demerit point scheme. Our committee was required to inquire into, firstly, whether the number of demerit points for different offences was appropriate; secondly, whether penalties and/or warnings prescribed at various levels were appropriate; and, thirdly, whether there was scope for any features that would increase deterrence of repeat offenders or for driver improvement programs for drivers with a high number of demerit points.

It gives one a great deal of personal satisfaction to work on such a committee. The committee produces a report, and in the fullness of time the recommendations are accepted and become part of legislation, as has happened in this case. I know that other members of the committee and I feel good about the fact that we have had meaningful input into this constantly changing moveable feast called road safety and that we are meeting the challenges as they come along.

Rather than go into the fine detail of the bill, as I am sure others will do during the debate, I wish to make a few general comments about road safety and some of the most important aspects of it.

I refer first to Victorian roads. Good roads are an important factor in the road safety equation. It is vital to allocate money to the metropolitan and rural road networks. The Minister for Roads and Ports

today announced a further allocation of funds for the improvement of Victorian roads.

I support the 3-cent petrol levy because it is being used to improve roads and, therefore, road safety and to repair the neglect of the road system that was so evident in the 1980s, particularly in country areas. Neglected roads in the 1980s were the cause of significant frustration to country people.

Vicroads has greater intellectual capital in the area of road building than any other Australian road authority and its recently released forward strategy will ensure the priorities for investment in our national highways and other roads of national importance in Victoria is planned with vision. It is a visionary document and highlights the improvements needed as traffic flows increase on our major highways, including the Goulburn Valley Highway on which, in the past 11 months, 11 deaths have been recorded. It refers also to the Western Ring Road and the much-needed Hume Highway linkage at Craigieburn to the ring road and the Ballarat Bypass.

I refer also to the six-month campaign initiated by the minister, Vicroads and the police called 'Safety First'. It is an integrated scheme with specific targets on things such as seat belts, drink-driving and speeding. The Victoria Police invoke specific targets and campaigns. The philosophy is to impress on the driving public that they have the responsibility in their own hands. It is the responsibility of all of us together to ensure roads are safe. We must be responsible for our neighbours on the road because we should not rely on the authorities to keep us safe.

The bill is a further finetuning of road safety legislation with its thrust towards the demerit point scheme. We must all be vigilant and adaptable as road safety issues change and the measures set out in the bill reflect the government's willingness to adapt to the changes required to our road safety legislation.

Hon. D. T. WALPOLE (Melbourne) — As a member of the Road Safety Committee I wish to make a small contribution to the debate. It has been and continues to be a great pleasure to serve on the committee as all members get along well and are dedicated to the idea that they are having a substantial, positive effect on road safety in Victoria, leading to a reduction in road trauma. Of course, that is predicated on the assumption and hope that

after the committee completes its deliberations the government will pick up some of the suggestions and recommendations.

Victoria has long been a leader in innovative road safety measures, ranging from compulsory seat-belt legislation to the current effective Transport Accident Commission advertisements.

It is pleasing that the bill now being debated encompasses a number of recommendations from the November 1994 report of the committee into demerit points. The committee carried out an extensive and far-reaching examination of the demerit point system and spoke to many experts, including police throughout Australia and identified areas in the scheme that were either anomalous or had failed to be tight enough to ensure the best possible results.

A visit to the trauma unit of the Alfred Hospital was effective in removing any tendency some members of the committee may have had in believing the demerit point scheme was too harsh. Any person who visits the unit and sees the dreadful injuries resulting from road accidents at speeds as low as 60 kilometres an hour could not fail to support measure that may lead to a reduction in road accidents.

The committee identified an anomaly in the scheme where learner drivers may accumulate demerit points to the level where any licensed driver would have his or her licence suspended, yet learner drivers would be permitted to continue driving. The bill addresses and rectifies that oversight.

The bill also introduces a sliding scale of licence suspension according to the degree of irresponsibility shown by the driver. It was felt by the committee that such a sliding scale would be a more effective way of penalising the more irresponsible drivers than the current system, which penalises all drivers who accumulate 12 or more demerit points in a three-year period in the same manner, regardless of how many points in excess of the 12 they have accumulated.

The changes encompassed in the bill will address this issue by introducing progressively longer periods of licence suspension linked to the number of penalty points in excess of the 12 accumulated.

The other measure arising out of the committee's report is the rewarding of those drivers who have accrued 12 demerit points and opt to take the 12-month good driving option by cancelling all demerit points previously accrued if they do not further infringe during this period. However, if the driver further infringes he or she will be subject to an immediate six-month licence suspension. The carrot-and-stick approach will prove to be beneficial in reducing the frequency of road traffic breaches by encouraging safer driving and rewarding those who successfully take this option.

A number of other measures are envisaged that I am happy to support because I believe they are continuing to ensure Victoria is the leader in road safety issues.

It was interesting to note that during the inquiry into demerit points it became clear there was a general belief that the demerit points made a positive contribution to road safety, yet no proof existed that this was so.

I personally believe that such schemes are beneficial, but it would be very useful to prove this contention by carrying out research into the effectiveness of the system, and I seek the minister's support in commending this approach to the government.

In conclusion, although the bill is minor when considered in the whole scheme of things, it will further finetune a package of road safety measures that are second to none. It has my wholehearted support and I am sure that of all members of the Road Safety Committee. If the measures save one life and prevent one injury, they will be worthwhile. I believe they will do more than that. The bill deserves the unanimous support of the house.

Hon. SUE WILDING (Chelsea) — This road safety measure is aimed at ensuring Victoria has a much safer road system. It seems incredible that Victoria has had a demerit point scheme since 1969 when the first scheme was introduced after a Road Safety Committee report. Things have changed considerably since then. From 1969 to 1990 many people were unaware Victoria had a demerit point scheme. In June 1990 only 500 000 demerit points were debited to drivers throughout Victoria and only 300 of those drivers reached 12 demerit points, thus losing their licences. In June 1990 speed cameras were introduced, and they made a vast difference to people's awareness of road rules and

the excessive speeds some people were travelling. So much so that by March 1993 more than 3 million demerit points had been accrued by drivers. By 1990, 300 drivers had accrued 12 demerit points and by 1993 that number had risen to 9500. There was also a huge increase in the number of drivers who had accrued only 1 demerit point, a rise from 6 per cent of drivers in 1990 to 32 per cent in 1993.

Prior to the introduction of speed cameras, drivers treated speed limits with contempt, were mainly unaware of the demerit point scheme, seldom lost points and were certainly not concerned about the possibility of losing their licences because they had accrued 12 demerit points. Thousands of Victorian drivers have now had their licences suspended and the scheme has had a great impact on the Victorian road toll.

I refer to the report of the Road Safety Committee on the demerit point scheme, which was presented to Parliament in 1994. Table 6 on page 11 reveals that in 1980 there were 654 road fatalities in Victoria, which translates to 3.4 per 10 000 vehicles and 16.8 for every 100 000 people in the state. Following the introduction of the demerit point scheme, a growing awareness of the scheme and the introduction of speed cameras, by 1993 the number of road fatalities had fallen to 435, which translates to 1.67 per 10 000 vehicles and 9.46 for every 100 000 people. That is a clear indication that the demerit point scheme has worked in Victoria and that Victorian drivers are becoming far more aware of the need to slow down.

The community is now aware of the scheme. People discuss it at social functions, and to have a high demerit point count is frowned on. People respect the scheme and are ashamed of having accrued demerit points. It is estimated that drivers who accrue 12 points have approximately five times more chance of being involved in an accident, so in one sense demerit points are an indicator of risk. Of course, the ultimate deterrent in the demerit point system is loss of licence. No-one wants to lose his or her licence because we are all far more reliant on cars as a means of transport than we were.

Although the effectiveness of the scheme has not been evaluated, anecdotal evidence suggests that drivers have modified their driving habits. I accrued a demerit point about four years ago, and I am ashamed of it. However, it made me modify my habits and realise I should not exceed speed limits.

I will address most of my comments to clause 4 of the bill, which implements three of the recommendations of the Road Safety Committee. In relation to learner and probationary drivers the report states that the demerit point scheme does not currently apply to people who hold learner permits and refers to the Vicroads submission, which cited evidence from a small sample of learner permit holders who had accrued 12 demerit points — the majority of them held motorcycle learner permits — and stated that Vicroads believes permit holders should be included in the scheme. The report states:

Currently in Victoria if a learner permit holder is detected for a traffic offence the permit holder is responsible for the fine. No suspension or demerit points apply.

Clause 4 addresses that problem because learner drivers must be aware of the need for safety from the start.

The Road Safety Committee also made recommendations concerning suspension periods. The current suspension period is three months. Drivers can choose a 12-month good driving option, and if the conditions of that option are breached a 6-month suspension applies. The report states:

Currently if a licence is suspended for three months ... all demerit points are reset to zero. However, if under the 12-month option a driver successfully achieves a full 12 months without additional demerit points there is no reward in terms of reduction of demerit points.

There could be more incentive for people to take the three-month suspension if they had the reward of returning to no demerit points rather than risking accruing further demerit points and a six-month suspension or, even if they succeed, not having the number of points reduced and carrying the risk that further demerit points may lead to further suspension. Vicroads's recommendation to the committee was:

Legislation and/or regulations be amended so that drivers who elect to try for no points at all for 12 months rather than be suspended be rewarded for successful completion by returning the points for the offences for which they were suspended to zero.

The committee decided to support the proposal and recommend that drivers who successfully completed the 12-month good driving option be rewarded by

having their demerit points reset to zero. Currently approximately 38 per cent of people take the 12-month option, 64 per cent of whom are successful. The unsuccessful 36 per cent incur a six-month suspension.

Some offenders acquire significantly more than 12 demerit points. Many drivers accrue points at a rapid rate, and 49 per cent of people who receive an option letter offering them either a 3-month or 12-month suspension have accrued 12 demerit points in less than two years. It is clear that many drivers are accruing points at a rapid rate.

In some cases drivers have accrued up to 57 demerit points by the time they are offered the option. Vicroads recommended to the committee that drivers who accrued more than 12 points before a suspension came into effect or before receiving an option letter should incur a further suspension of one month for each additional 4 points in excess of 12 points.

The Road Safety Committee worked hard on the report, including conducting almost 18 months of extensive research in Victoria and interstate. It is rewarding that so many of the committee's recommendations are being put into place to ensure that Victoria has a better road safety system.

I thank the other committee members for the way we worked together and produced a report that was unanimously agreed to by members from all parties. We are delighted it has come to fruition, and I fully support the bill.

Motion agreed to.

Read second time.

Third reading

Hon. G. R. CRAIGE (Minister for Roads and Ports) — By leave, I move:

That this bill be now read a third time.

In doing so I thank Pat Power, Dick de Fegely, Graeme Stoney, Doug Walpole and Sue Wilding for their contributions to the debate. I also place on record the reputation that the all-party parliamentary Road Safety Committee now has not only in Australia but internationally. It has been led very professionally by an excellent chairman, the

honourable member for Forest Hill in another place, John Richardson. When recommendations are made by a committee that has had a bipartisan approach to road safety issues it is so much easier for the government of the day to adopt its recommendations because the research work has been done without party-political involvement in the outcomes. The fact that they have been able to work in this way is a credit to the members who have previously served on the committee and those who are currently on it.

The Victorian Parliament has a very proud history of introducing innovative road safety measures. There is no doubt that this Parliament and the members of the Road Safety Committee have led the way on road safety issues not only in Victoria and Australia but also internationally. The credibility of previous reports and the demerit point scheme report we are discussing today clearly place Victoria at the forefront of road safety issues. I make a plea to members of all political persuasions to keep it that way. Let us work together as we have done in the past because by doing so we can gain so much for the Victorian community we represent.

Mr Power raised a small issue, which the committee's report picked up, about professional drivers, whether they be truck drivers or taxidriviers. The Transport Workers Union represents owners and owner-drivers, and of course the Victorian Taxi Association actually represents taxidriviers. The VTA has indicated on previous occasions that there should be separate identification for taxidriviers in respect of demerit points. Mr Power and I are really singing off the same hymn sheet on this issue, but I would go a little further and say there are probably more reasons why professional drivers and taxidriviers should not have any more demerit points because, presumably, the more they drive in a professional capacity the better they become. Bearing in mind the work the government has done in reforming the taxi industry, it would be inconsistent for it to now change what it is trying to do for the taxi industry's image of professionalism. The government has considered the issue, and it will continue to examine it in future.

Mr Power also mentioned the use of microphones or hand-held telephones while driving. It is an offence in Victoria to use either of those devices while driving a vehicle. That is the case for all the right reasons; one is that people are easily distracted. How many times have members driven behind a car

driven by someone with his head to one side, with a telephone wedged between his ear and his shoulder? You cannot tell me that it is not dangerous. A driver cannot put the necessary attention into driving a vehicle if he has a telephone wedged between his ear and his shoulder.

The government recently launched a campaign on this issue and is pretty firm on its commitment that it is an offence to use a hand-held telephone or microphone while driving a vehicle. At present doing so attracts a \$135 on-the-spot fine. I encourage all Victorian members of Parliament to ensure they operate hands-free telephones in their cars, and if they do not have the necessary adaptors they should get them tomorrow, if not sooner.

Mr de Fegely referred to the droving of stock on roads. This is a matter of civil liability covered by the Wrongs Act, which is administered by the Attorney-General in another place. The government addressed other aspects such as the impounding of livestock in the Livestock Act in 1994. The Transport Act provides for the declaration of stock routes. Work is currently being done on the sorts of signs to be displayed warning motorists of the presence of stock on the roads. That will be considered in the context of the road safety traffic regulations.

I conclude by saying that since the report on the demerit points scheme was tabled in 1994 the government has progressively implemented its recommendations in the Road Safety (Miscellaneous Amendments) Bill, the Road Safety (Sign Penalties) Regulations, and the Road Safety (Procedures) (Laser Speed Measuring Devices) Regulations. The bill now before the house includes further recommendations from that report.

Again I thank all honourable members for their worthwhile contributions to the debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

STATE TAXATION (FURTHER OMNIBUS AMENDMENT) BILL

Debate resumed from 15 October; motion of Hon. R. M. HALLAM (Minister for Finance).

Hon. T. C. THEOPHANOUS (Jika Jika) — The opposition does not oppose the State Taxation (Further Omnibus Amendment) Bill but supports the amendments, which will in effect tighten the taxation provisions in a couple of acts of Parliament, such as the Business Franchise (Petroleum Products) Act.

The bill will enable the follow-up of any forgone tax following the liquidation of companies; it tightens up the provisions of the Business Franchise (Tobacco) Act; and it amends the Financial Institutions Duty Act, the Land Tax Act, the Pay-roll Tax Act, and the Stamps Act. It is true to its title of an omnibus bill. In the past the opposition has raised concerns about omnibus bills but this bill is on the one topic of taxation so we understand the need for the structure of this sort of legislation.

The bill provided the Treasurer with an opportunity to do something about tax relief for Victorians, and it provides the opportunity for the opposition to talk about tax relief. The Treasurer once again has chosen to remain quiet on the issue. The promised tax relief that was mentioned so often by the Premier and the government in the lead-up to the last election is yet again omitted in the bill. The opposition urges the government to follow through with its election promise and to provide much-needed and deserved tax relief for all Victorians.

In that respect, the opposition is supported by a number of supporters of the government. Mr Des Moore of the Institute of Private Enterprise, in a statement to the Treasurer in relation to the budget indicated that the government had underestimated its tax take by \$600 million and would continue to do so to the year 2000. The Victorian Employers Chamber of Commerce and Industry argued that Victorians should receive some form of tax relief. After the last state budget VECCI published its view on that.

Of course there was no tax relief, no reduction in business costs and no boosting of consumer confidence in order to build up employment in the state. So we have seen an increase in unemployment

in this state. The past three sets of figures show it went from 8.6 per cent, to 9.2 and to 9.4 per cent.

Mr Ed Sharrn from Access Economics indicated that the budget did not support manufacturing or industry growth and did not promote investment in Victoria. Stephen Mayne mentioned the need for tax relief even before the budget. In an article in the *Herald Sun* of 6 August, Stephen Mayne says that:

Victoria's economy has turned around, and it's time for taxpayers to feel the benefit.

He says also:

As long as Victoria's taxes remain about 35 per cent higher than Queensland, the Sunshine State will continue to grow much faster than Victoria.

That is an extraordinary figure — that Victorian taxes are 35 per cent higher than taxes in Queensland. He continues his reference to Queensland in the following terms:

Its population is set to surpass Victoria by 2030 and one of the reasons is low taxes.

Victorians pay an 8-cent state fuel tax, which raises more than \$500 million a year. Queenslanders pay no fuel tax.

Similarly, Victoria will raise close to \$350 million from financial institutions duty this year. In Queensland this tax does not exist.

So Queenslanders do not pay a fuel tax and they do not pay financial institutions duty. It is no wonder individuals and businesses are making their way up to Queensland. He goes on:

Other small moves, such as abolishing the stamp duty on home owners refinancing their mortgages would be welcome, especially as Queensland and NSW have recently both done this. And it would cost only about \$20 million.

So even fairly small, innocuous measures such as the removal of stamp duty on the refinancing of mortgages — a low-cost item that potentially has the capacity to significantly stimulate the home building sector in Victoria — are missing from the proposed legislation.

There was an opportunity during debate on the legislation for the government to at least put on record a time line for tax relief in this state, but that has not occurred. It has not included even the sort of tax I have just mentioned — that is, the tax on homes, which would directly assist 12 000 home owners.

We need to have a debate in this state about tax reform. The Premier has sought to have such a debate, but he talks about tax summits and the like. The real debate ought to be about whether we will have tax reductions and what form those tax reductions will take — for instance, will there be tax relief for business and the long-suffering consumer and motorist, and so on.

Of course the indicators reveal that Victoria is the highest taxing state in Australia. It has been for some time, and the Treasurer admits it in the autumn economic statement. But that was not the story told in that appalling publication sent to all Victorians, *Victoria: The Story So Far*, which sought to misrepresent the situation in a comparison with Queensland. Rather than using figures for taxes per head of population, the graphs used the overall tax level. Of course, given its higher population in overall terms, more tax is collected in New South Wales, but the amount of tax per head is greater in Victoria.

Victorians have the dubious honour of living in the state where, since 1992, there have been 5000 different tax increases and where an additional \$2 billion in taxes is collected from Victorians. That translates into \$800 for every man, woman and child in Victoria.

I reiterate that the debate on the bill was an opportunity to consider tax relief or at least to put a timetable on the record for that, but unfortunately the government has not done so.

The bill also amends the Business Franchise (Tobacco) Act. The provisions deal with both revenue and health issues. The revenue collected by the State Revenue Office from tobacco franchise and licence fees is estimated at close to \$545 million in 1995-96, which is a lot of money! With Queensland joining other states by adopting a levy of 100 per cent this amount looks set to increase. There is now a much more stable situation. In the past Queensland charged lower fees, which encouraged the practice

of bootlegging tobacco, a practice we all want to see ended.

It is important that fees and charges collected by the government go towards assisting the regulation of tobacco products by ensuring that retailers licensed to sell those products adhere to the regulations. The legislation enables authorities to remove licences from retailers convicted of selling tobacco products to minors and it provides a mechanism for denying retail licences to applicants convicted of selling tobacco to minors. It is a big issue in the community, but it is not well enforced.

All members of the house will recognise how difficult it is to enforce the regulations, particularly those applying to tobacco products being sold to minors. It is difficult enough with alcohol but it is even more difficult with tobacco because it is readily available in milk bars, take-away shops, supermarkets, petrol stations and so on. However, that is no reason not to try. Indeed, it may be a reason to increase our efforts because the truth is that every year in Australia 70 000 school-age children start smoking and approximately 17 000 Victorian children start smoking.

Most members have children. I certainly do and my children are now coming to an age when I am concerned about those sorts of things. I would like to think my children do not join the 17 000 who start smoking every year. Nicotine in tobacco is a very addictive drug; I can attest to that, having been a smoker. I have tried to give it up on a number of occasions and at the moment I am not smoking, but it is not easy. It is far more preferable that people do not start smoking.

Hon. R. M. Hallam — You are a smoker in remission!

Hon. T. C. THEOPHANOUS — Absolutely, and it is particularly difficult while the house is sitting. We made our decisions when we were younger and support for people wanting to quit was not available. A 1993 Anti-Cancer Council of Victoria survey revealed that 23 per cent of 12-year-olds and 65 per cent of 17-year-olds in Victoria have smoked. I have a 12-year-old and I am happy to say that my child is not in that 23 per cent, but I hasten to add that that is so far as I know. It is not always possible to know these things. Obviously, we must monitor the situation. The survey by the Anti-Cancer Council revealed that young people buy their cigarettes from

the local shop, the milk bar or across the road from school during lunch break. That is unacceptable and it needs to be addressed.

The opposition is keen that this issue be addressed on a bipartisan basis. It is a public health issue. We should endeavour to create circumstances where our children do not find themselves starting to smoke at such an early age thereby creating profits for the multinational corporations at the expense of their health. The opposition will not oppose the legislation, but it would appreciate the government taking on board some of the suggestions it has made.

Hon. R. H. BOWDEN (South Eastern) — It is with great pleasure that I support the State Taxation (Further Omnibus Amendment) Bill. It is another important move towards the protection of revenue and it is the result of an ongoing, caring and sensitive approach to the mechanics of our state taxation requirements. As all honourable members realise, fairness and equity in taxation is extremely important for the proper functioning of an advanced economy such as we have in this state. The bill contains numerous and diverse amendments to six acts. It is a timely bill, and I shall highlight some of the amendments it makes.

Mr Theophanous suggested that Queensland's lack of a fuel tax is a good thing for Queensland. It is, but this state must continue with its level of taxation on each litre of petrol to address the financial problems the coalition government inherited. It is important that honourable members bear that in mind. The amendment to the Business Franchise (Petroleum Products) Act 1979 is important because it requires a liquidator of a company to notify the commissioner of the appointment within 14 days. That provision is consistent with other states. It is important to ensure that the commissioner is fully informed about the need to concentrate and focus on the collection of outstanding licence fees that derive from such a business. The notification of the appointment of a liquidator is important to protect revenue and to ensure the business meets its obligations.

The bill amends the Business Franchise (Tobacco) Act 1974. Mr Theophanous spoke about his genuine concern for the welfare of young people, the incidence of smoking in the community and the effect of that practice on community health. It is good that both sides of the house recognise this important health issue. The bill introduces a number of changes and obligations to provide further

assistance on health issues, although in a mechanical sense the bill is properly focused on administrative procedures.

In particular, the amendments will result in an improvement in administration and enforcement. Wholesalers who are unlicensed need to understand that they will definitely be the subject of attention. The legislation has also been tightened up so that retailers who purchase from unlicensed wholesalers can expect to receive attention.

The commissioner may refuse to grant a licence to a retailer and can suspend or revoke existing licences upon conviction under the Tobacco Act 1987 if a seller sells tobacco products to minors. There is no way the retailing of tobacco products to minors can be condoned; this legislation will further tighten that — and that is a good thing.

The commissioner can also refuse, suspend or revoke licences where retailers use premises that are not the premises mentioned in the appropriate licence or permit.

Various amendments in the legislation impose increasing penalties under the Business Franchise (Tobacco) Act 1974. These are summarised simply as: unlicensed retailers selling tobacco from premises not specified in the licences, failing to notify transactions with unlicensed wholesalers, and failing to keep correct records. It is extremely important that there be proper distribution of tobacco products and that because of the revenue and the health consequences of those products, those involved in their wholesaling and retailing maintain correct records. That is further addressed in the bill. There is a deterrent factor in the amendments that will assist the community in a health way, and will also assist with the mechanics of the taxation requirements.

There are amendments to the Financial Institutions Duty Act 1982 to allow for transfers to short-term accounts from accounts held by registered short-term operators with any registered financial institution in Victoria. Previously those short-term transfers had to be through a bank; but now, as long as the financial institution is registered in Victoria, such transactions are allowed.

Another amendment ensures the payment of the correct amount of financial institutions duty where there is a continuing credit contract applying. That is a further minor but important amendment to

address a loophole to more correctly and professionally manage the provision of credit.

I refer to the second schedule of the Land Tax Act 1958 and the budget statement of 11 September 1996, which announced an increase in the cap on land tax movements to 50 per cent. That will mean maximum capping of the amount of land tax payable for the 1997 year and will ensure that payment does not vary more than 50 per cent above the tax payable on the same property or holding for the 1993 year.

Given the movement over a period of time, this is a good and sensible move and will give some practical direction to the management of obligations under the Land Tax Act. Some very minor and obsolete provisions in the Land Tax Act are further addressed by the bill.

The legislation contains an amendment to the Stamps Act 1958 relating to rental businesses. As we all know, the rental business market is an important one for small business in this state, and is diverse. There are the retail or small-value weekend-type rentals of various machinery and products, and there is also commercial hire of equipment for trade. At present, if receipts exceed \$6500 a month and are more than \$80 000 per annum, the hirer is required to register and pay a turnover fee of 1.5 per cent on what is received over the \$80 000 per annum.

As announced in the budget, this amendment to the Stamps Act 1958 will marginally adjust that threshold so the figure is now \$6000 per month and the duty is halved — to 0.75 per cent for rentals on or after 1 January 1997. Commercial hiring will now attract the new turnover levy and will be consistent with other states.

The exemption from stamp duty on mortgage securities for consumer credit contracts has been lifted to \$35 000, in conformity with the government's approach to assist the financial community in relation to the CPI. Victoria is now in line with New South Wales and is following a consistent major market movement.

The existing exemption relating to loans for commercial vehicles or farm machinery is maintained. This bill will have no negative impact on that.

Within the bill are further amendments to the Stamps Act 1958 to cover modern practices on the

Australian Securities Exchange and two other types of exchange contracts such as trading in commonwealth shares by instalments. CHESS units in foreign securities are now dutiable. That is again similar to the duty practices that apply in states such as South Australia, Tasmania and New South Wales. So the legislation further aligns our taxation practices with those of nearby markets.

The Stamps Act 1958 has been further amended to extend the existing exemption on transfers of shares on a company buyback. The exemption now includes shares acquired through a broker where the company is registered in Victoria. That will further help the small business and commercial markets and shows that the government is taking a sophisticated approach to address the mechanisms of the marketplace as quickly and as appropriately as it can.

The bill will insert penalties to the Stamps Act 1958 for breaches of record keeping, which is most necessary. As a result, trading in marketable securities can be on a more regular basis.

I will mention one or two other measures. One is that this bill amends the Pay-roll Tax Act 1971 so that the commissioner is now able to assess members of a trading group constituted under section 9A. The amendment clarifies the responsibilities of trading members within a companies group. From time to time there has been some dispute about non-employer members of a group being assessed for payroll tax. There have been claims that sometimes there has been avoidance of payroll tax by non-employer members of a trading group, who do not have to pay it. The avoidance loophole and mechanism has been closed, and non-employer members of a group are now required to pay payroll tax.

In closing, I say that it is well and truly understood that Victoria has a relatively high taxation regime in comparison with its neighbouring and competitive sister states. The Treasurer and the Minister for Finance are taking action to make sure that Victoria is not only a good place in which to do business but that its level of taxation is recorded, well managed and understandable. These measures are part of a continuing stream of sensible adjustments and amendments to the appropriate financial, revenue and tax acts to make sure businesses both large and small understand what we are doing. We are committed to managing the affairs of this state in

GAMING MACHINE CONTROL (AMENDMENT) BILL

Wednesday, 30 October 1996

COUNCIL

423

such a way that the people of Victoria can continue to give us good credit. These measures are further evidence that the Treasurer and the Minister for Finance have a strong grip on our economy and are mindful of what needs to be done in a timely manner. It is with pleasure that I support the bill.

Motion agreed to.

Read second time.

Third reading

Hon. R. M. HALLAM (Minister for Finance) —
By leave, I move:

That this bill be now read a third time.

In doing so I thank Mr Bowden for his contribution and I also thank Mr Theophanous for his comments and his support for an important legislative initiative.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

GAMING MACHINE CONTROL (AMENDMENT) BILL

Second reading

**Debate resumed from 16 October; motion of
Hon. R. M. HALLAM (Minister for Gaming).**

Hon. T. C. THEOPHANOUS (Jika Jika) — The opposition does not oppose the bill, which aims to remove from the Community Support Fund the administrative costs of the fund and by doing so make the administration of the fund more transparent. If the bill will achieve that, the opposition certainly supports it. Not only will the administration costs be removed from the fund but details of some of the administrative procedures will be open to scrutiny, such as the advice given on assessment of applications, the monitoring and reporting of programs, the preparation of estimates and the status of the fund. The opposition welcomes all those initiatives.

It is imperative that local community groups do not feel isolated or intimidated by the processes involved in applying to the fund, because it is designed, as is apparent from its very name, to support the community. Consequently, the community should be involved in the decisions it makes and it should serve the community, not the other way round. Many community members and organisations do not have anyone who can specialise in the preparation of applications for grants and so on. Consequently, their attempts to get funds may well be overlooked.

In the past such groups have included ethnic bodies that need funds for a variety of programs, including those that assist addicted gamblers and their families. It is important to assist those groups and organisations in the preparation of applications for grants. In addition steps should be taken to ensure that the Premier does not have sole control of the distribution of the fund, thereby making it his slush fund to be used for his pet projects. It is not only the opposition that has identified concerns about this; the matter has been the subject of considerable concern in the press and other forums. I refer to an article in the *Herald Sun* of 7 September 1995, which states:

Welfare groups who were told there was no money for their problem gambling programs are furious at state budget revelations that \$26 million in the Community Support Fund was unspent.

Salvation Army spokesman John Dalziel said the army was refused one grant this year and was waiting for a response for another.

He said the first submission for \$120 000 was to fund five psychologists.

The army was refused the money because of 'insufficient funds', not because the program did not meet the fund's criteria.

We do not want that situation repeated. While that was going on the Community Support Fund was being used by the Premier and the government for their pet projects.

Hon. R. M. Hallam — That is a cheap shot.

Hon. T. C. THEOPHANOUS — The minister knows it has happened before. He knows the situation has not been above reproach in the past. I

remind the house of what the Auditor-General said about the Community Support Fund in his report in May 1996, when he said:

To date involvement by the wider community in decision-making processes for determining distributions from the fund has been very limited. This report suggests a board-of-management-type structure, comprising a broad representation of community interests, as a mechanism worthy of consideration by the government to specifically recognise the community's prime position in relation to the fund.

Unfortunately the bill does not take up the suggestion of the Auditor-General, and we contend that the Premier should not have the final decision about the distribution of the fund. However, we welcome any action that involves making the fund more transparent. In the past the opposition has argued for increased accountability and transparency.

I ask honourable members to contrast the Victorian system with the New South Wales approach, which is not open to the whim of the government of the day and which is open to public scrutiny. In New South Wales a fund has been set up under the umbrella of a trust deed. It is overseen by various organisations such as church, welfare and community groups. It is precisely the system proposed by the Auditor-General.

Hon. R. M. Hallam — I am not sure the Auditor-General suggested a model.

Hon. T. C. THEOPHANOUS — I think he did. The Minister for Gaming is not disputing that there is a model in New South Wales. The quote I referred to earlier said that a board-of-management-type structure is the way to go. I do not understand the point being made by the minister, but in any case it is included as one of the findings of the Auditor-General's report, and the opposition supports that view. The opposition has been calling for the establishment of a trust deed similar to that which operates in New South Wales and in line with what the Auditor-General said. The opposition will continue to call for that approach to this important fund.

The opposition believes there should be a board comprising nine members representing a cross-section of the community and that the administration of the fund by the board should be

open and transparent. We welcome the present changes, which increase transparency, but indicate we are still of the view that the Auditor-General's suggestions and the practice in New South Wales are models that Victoria should move towards.

In the past the opposition has directed attention to some questionable aspects of the operation of the fund. For example, considerable funds were allocated to the *OneAustralia* syndicate. That allocation was not made public until after the syndicate's yacht sank along with a considerable amount of our money. That was not an example of transparency. Indeed, the opposition made a number of FOI requests regarding successful recipients of the fund and the procedures that had been followed only to receive vague and inappropriate answers.

The opposition has identified a number of programs on which the fund should focus, such as treatment or rehabilitation programs for those who are addicted to or abuse drugs; financial counselling programs; youth programs; community advancement programs; sport and recreation programs; and programs for the development and promotion of tourist areas.

Currently the Crown Casino makes no contribution to the fund; it is required under the Casino Control Act to contribute to a community benefit levy. That levy is not similar to the Community Support Fund, which is made up of funds from the proceeds of gaming machines in hotels and clubs.

The Minister for Gaming was asked a question on notice about the amount of money Crown Casino had paid into the community benefit levy as required by the Casino Control Act. The response from the minister was as follows: in 1992-93, no moneys; 1993-94, no moneys; 1994-95, \$3.2 million; and in 1995-96, \$4.7 million. The funds contributed to the government's coffers from gambling taxes on electronic gaming machines is substantial, but the amounts referred to by the minister in his answer to a question on notice are not substantial for the purposes of this fund.

Hon. R. M. Hallam — What answer are you referring to?

Hon. T. C. THEOPHANOUS — The answer provided to the opposition in response to a question on notice.

Hon. R. M. Hallam — Which question?

Hon. T. C. THEOPHANOUS — I do not have the question number, but I shall get it later.

Hon. R. M. Hallam — You are paraphrasing a response to a question that you can't identify!

Hon. T. C. THEOPHANOUS — I cannot indicate the number, but I shall get it in due course.

Gambling taxes this year will be 25 per cent higher than last year. Massive amounts of money are being collected as taxes from the casino and gaming machines. The amounts allocated to the Community Support Fund do not match the levels which the government receives and which we believe should be given back to the community.

Hon. R. M. Hallam — All the funds go back to the community.

Hon. T. C. THEOPHANOUS — The government collects taxes that go to consolidated revenue.

Hon. R. M. Hallam — To the Hospital and Charities Fund or the Community Support Fund.

Hon. T. C. THEOPHANOUS — The fund is used by the government in a variety of ways.

Hon. R. M. Hallam — No, the money is tagged to those two funds. They are directly sourced.

Hon. T. C. THEOPHANOUS — The government now collects from gaming machines, the casino and other gaming sources an inordinate amount. I cannot recall the total amount collected, but in the vicinity of \$1 billion is collected as taxes of one form or another. The opposition says not enough of that money goes back to the communities who actually pay the taxes. A high proportion of the taxes are generated from gaming proceeds in the northern and western suburbs of Melbourne, yet the amounts that go back to those communities are disproportionately lower than the amounts collected.

Hon. R. M. Hallam — How can you make that claim when you are unaware of the process?

Hon. T. C. THEOPHANOUS — These issues have been reported in the press and were the subject of debate in this house. The revenue from poker machines and other forms of gambling is

proportionally higher in the poorer areas of Melbourne, some of which fall within my own electorate. The number of machines in various suburbs in my electorate are: Reservoir, 275; Thornbury, 135; Northcote, 141; Preston, 283; and Thomastown, 110. A considerable amount of revenue is derived from that substantial number of machines, yet an analysis would reveal that the amount going back to the community does not equal what is being taken out. Although some information has been provided, I would like the government to do a proper analysis of where most of the revenue is coming from.

Hon. R. M. Hallam — Would you run the same argument in respect of income tax?

Hon. T. C. THEOPHANOUS — In some ways we would. Firstly, we say income tax should be progressive — that is, people who can afford to pay should pay more. Secondly, we say it should be returned in a more acute way in the form of government services to people who are in the greatest need.

Hon. R. M. Hallam — That is a different argument. You are arguing that dollars raised from electronic gaming machines in a particular community should go back to that community. Now you have changed the argument around.

Hon. T. C. THEOPHANOUS — The Minister for Gaming interjected and asked me about income tax. This is not the same thing, and he knows it. In so far as an analogy can be drawn, it must be drawn on the basis of considering where the income tax dollar is raised and where it goes back to. Generally speaking, tax revenue goes back to those in greatest need. The same cannot be said about the gambling dollar, because the opposition contends that a disproportionate amount of gambling revenue is taken out of poorer areas and does not go back in the same proportion. That has a significant effect on poorer areas. It has a significant effect on businesses in my electorate. Business operators have raised with me the effect of gaming machines and the casino on the level of business they do and the difficulties it creates for them.

The opposition does not oppose the bill on the basis that it changes the administrative arrangements in relation to the Community Support Fund and appears to provide greater transparency. However, the opposition again makes the point that the

government ought to take up the recommendation of the Auditor-General and establish a proper community-based fund similar to the fund that operates in New South Wales so that all payments out of the fund are above board and are seen to be above board by the community.

Motion agreed to.

Read second time.

Third reading

Hon. R. M. HALLAM (Minister for Gaming) —
By leave, I move:

That this bill be now read a third time.

I acknowledge the support provided by the opposition and wish the bill a speedy passage.

Remaining stages

Passed remaining stages.

BUILDING (AMENDMENT) BILL

Second reading

Debate resumed from 16 October; motion of Hon. R. M. HALLAM (Minister for Finance).

Hon. PAT POWER (Jika Jika) — The opposition does not oppose the bill and understands it is an important aspect of continuing best practice in the plumbing industry. The opposition will await with interest the contribution of Mr Smith. It is important for the plumbing industry to be brought under the umbrella of the Building Act because it is one of the core sectors of the building industry. Together with the electrical trades, plumbing is absolutely essential to the industry.

The object of the bill is to facilitate the implementation of water reforms and to promote better regulation of plumbing, gas fitting and drainage. The bill will transfer the occupational regulation of plumbing from the Building Control (Plumbers Gasfitters and Drainers) Act to the Building Act and transfer most of the power to make regulations concerning plumbing work from the Water Act and the Water Industry Act to the Building Act. As I am sure Mr Smith will later indicate from his first-hand experience as a

contractor in the industry, there is a need for ongoing regulation of the plumbing industry and of plumbing work.

The bill will replace the current system of universal inspections with a system of self-certification by plumbers. The success or failure of self-certification will depend on the reliability of licensed plumbers and may lead to problems. The opposition acknowledges that the government's intention is to streamline procedures and gain cost efficiencies by removing unnecessary and potentially obstructive regulations. It is clear, especially to those with experience in the construction industry, that it is essential for work carried out in the plumbing sector to be completed to the highest quality and standard. Not only is plumbing work one of the first parts of the construction process and likely to be one of the most permanent parts of any building's infrastructure, it is also absolutely important from the points of view of safety and hygiene that plumbing work is done to an excellent standard so that it will remain intact and efficient for many years.

Along with all the other sectors in the construction industry, the plumbing industry has moved forward a great deal since the end of the Second World War. I am sure Mr Smith will be able to tell of the kinds of technology and equipment that are now available which mean that plumbing work can be done much more efficiently. It is now possible for estimations and costings to be done very accurately. Because of the importance of health and safety matters, especially in office buildings and factories, it is absolutely critical that the plumbing work is of a very high standard.

The opposition expresses one word of caution about self-certification. This is not to suggest for one moment that plumbers would be anything other than conscientious and earnest in the accreditation of their work, but the opposition calls on the minister and the government to ensure the ongoing monitoring of the self-accreditation process so there is no deterioration in standards and so consumers do not have to meet higher costs than was previously the case. The opposition has no difficulty in recording that the level of training and retraining that plumbers expose themselves to means their technical skills are very often of the highest order. There is no question about the competence and capacity of the plumbing sector to undertake this self-certification work. But I am sure people would acknowledge that when a sector is able to determine

its own future, so to speak, it needs to be continually monitored to ensure that that approach is successful.

The enormous boom in the Victorian construction industry in recent years and the various sophisticated designs and equipment now found in modern homes, offices and commercial/industrial sites are an indication of how important plumbing work is to the infrastructure in both our homes and our workplaces. The importance of those who work in the plumbing sector is absolutely critical in ensuring those high standards continue.

The opposition wishes the bill well, but it asks the government to continue to monitor self-certification to ensure that if any problems arise from time to time they are identified and the necessary action is taken as quickly as possible.

Hon. K. M. SMITH (South Eastern) — It gives me pleasure to speak on this bill, express my total support for the way the industry is heading on self-regulation and applaud the fact that plumbers themselves will bear more responsibility for the work they carry out.

Since I have been a member of Parliament there has always been talk what a good thing it would be to deregulate the plumbing industry. I see my great deregulator friend, Mr Hartigan, nodding his head in agreement with that. When I entered this chamber some eight years ago I thought, 'This is a big deal, I am a plumber and I have finally made it into Parliament'. But when I came here I found three other plumbers sitting on the government benches opposite me — actually, there were two plumbers sitting opposite me and one sitting in the chair that you now occupy, Mr Deputy President.

Brian Mier and George Crawford were both stalwarts of the trade union movement. George Crawford and I used to battle it out in the sticks when the plumbing industry was booming many years ago. I have some memories of funny times when we, the free traders, used to advertise for new staff. I used to specify that non-union labour only need apply. That always brought a fairly quick phone call from George Crawford saying, 'What in hell do you think you're doing, Smith? I told you before that you have to have union people involved'. As I said at the time, I do not see a need for that. I employed only good plumbers, and if it is a choice between union and non-union labour, I would rather have people who wanted to work as well as

being good plumbers. George and I used to sit at the same table during the master plumbers annual dinner and fight about what was the best way to go — a union or non-union operation. I was right in the end, and as it turns out we both finished up members of this place.

Brian Mier was the other member of the plumbing union, as was Rod Mackenzie, whom I noticed here yesterday. He is still around the place — probably checking up and looking for some plumbing jobs around here because this place is getting on a bit! It is remarkable that of the 44 members of this place 4 of us have been plumbers, one from the right side and the others from the left — and that is probably quite right!

It is nice to reflect on the good old days, but I should talk a bit about the bill and its importance not only to the industry but also to the public. One of the arguments I have always used with my colleagues — this is when it all started — when they have talked about deregulation has been that we have to look after people's health and safety. They would never accept that plumbing was a health and safety issue; they thought it was an industry that was only about putting roofs on farm sheds. However, there is a lot more to it than that. It also relates to hot and cold water, whether it be from a tank, board mains or water mains in the streets; sewerage connections and the way they are carried out; and the gas industry.

I am pleased the gas industry is involved in this amending bill because for so long type A gas connections and installations in particular — that is, the domestic ones — were always carried out by Gas and Fuel inspectors and inspections were a requirement. That work has now been dragged away from Gas and Fuel because, as with many of the large bureaucracies, there were problems getting people to carry out the necessary work and connect gas meters for the consumers. The gas industry will now be under the administration of the new Plumbing Industry Board to be established by this bill. The people carrying out the gasfitting work will be responsible under the board in the same way as are the plumbers who carry out water and sewerage and roof installations.

Self-certification is not entirely new. It is certainly new to Australia, but France and New Zealand have been involved in this sort of process already. Based on the information I have been able to obtain it is

working very well in those places. There will always be rogues in the plumbing industry who will try to use whatever means they can to cut corners. Those rogues have been in the industry for a long time and they will always be there. The only difference is that the board will have some teeth to enable it to act against them. The provision for self-certification will not make it any easier for those people to get away from the clutches of the new Plumbing Industry Board.

Honourable members can be sure that the current inspectors will have lists of those people and they will be driven out of the industry. We call them the cowboys of the plumbing industry. We get out and give them the hard time they deserve because they put people to a lot of expense in having rectification work carried out.

Rectification work does not always need to be done. We are looking at the work plumbers do being guaranteed for 10 years. Usually a plumbing problem will occur very early in the piece. There will be a leak in the water pipes; the waste pipes will be leaking; the roof will be leaking; or there will be water on the ground because of some problem with the drainage system. It is normally identified very quickly.

Also, a random audit will be carried out of 5 per cent of the jobs done in Victoria. There is nothing more frightening for a plumber working on a job than to all of a sudden have an inspector turn up and say something like, 'G'day, how are you? Ken Smith, isn't it? I saw your name on the side of your truck. What work are you actually doing on this job?'. If you are not expecting an inspector to arrive, you get quite a surprise.

I had a good relationship with those people. I did not have any problems with my plumbing work. Over almost 30 years only one official complaint was put in about my work — by a woman who wanted the work carried out for nothing. When we presented her with the bill she suddenly thought she had some problems. The complaint was thoroughly investigated by the then Board of Works and the Master Plumbers Association of Victoria. At the time I was given a clean bill of health. That is not a bad record for a plumbing contractor. If the Board of Works found anything was wrong during the time I was working, it was always fixed immediately. That was the way I worked, and I believe most of the plumbing contractors in Victoria work the same

way. Plumbing is a profession, as it should be, that protects the health and safety of consumers.

It is marvellous that finally the Parliament of Victoria is recognising the need for the regulation of the plumbing industry and consumer protection. The bill will also smarten up the way members of the trade operate. Plumbers will not have to stand around for days waiting for inspectors to undertake inspections because they will be done a lot quicker and therefore plumbing could be cheaper.

I know there were some arguments in the other house that the bill will not provide any benefits to consumers. There will be a lot of benefits to them, including guaranteeing a job for 10 years. A job that costs more than \$500 will have a guarantee from an insurance company that the work has been carried out satisfactorily. That is a far better guarantee than is provided by anybody else!

I was a member of the Master Plumbers Association for most of my plumbing life and represented my area on the Victorian executive of that organisation. In conjunction with the plumbers union, the Master Plumbers Association was involved in setting up the Plumbers, Gasfitters and Drainers Registration Board. They will be very heavily involved in the promotion of the proposed new plumbers board.

I put on record, as Mr Hallam and Mr Craig often do, that during all the time I was involved with the Master Plumbers Association it was — and I certainly know it is now — an extremely professional organisation. The bill will ensure that the new board works properly, that the consumers of Victoria are protected from the cowboys of the industry and that the members of that particular association comply in every way with the requirements of the board.

I support the bill. As I said, it is marvellous that the Victorian Parliament has given recognition to the plumbing industry and the need for regulation to control it. I understand a lot of the things that have been done in Victoria have been looked at by other states and other countries. Earlier this year, during a Commonwealth Parliamentary Association visit, I had contact with the Scottish-Northern Ireland Plumbing Employers Federation. I had some long and enjoyable discussions with its chief executive, Mr Robert Burgeon. That organisation is looking very intently at what is proposed in Victoria. It seems it will be adopted not only throughout

Scotland and Northern Ireland but throughout England as well. So other people are looking at what we are doing as a basis for setting their own standards in the plumbing industry. I totally support the bill.

The DEPUTY PRESIDENT — Order! I am of the opinion that the second and third readings of this bill are required to be passed by an absolute majority of the whole number of members of this house. I ask that to establish an absolute majority is present the bells be rung.

Bells rung.

Members having assembled in chamber:

The DEPUTY PRESIDENT — Order! In order that I may ascertain that the majority has been obtained, I ask honourable members in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Third reading

Hon. R. M. HALLAM (Minister for Finance) — By leave, I move:

That this bill be now read a third time.

I thank Mr Power for his contribution and for the support of the opposition. I particularly commend my colleague Mr Ken Smith for his entertaining insight into the bill and its ramifications for both the plumbing and the building industries.

Motion agreed to by absolute majority.

Remaining stages

Passed remaining stages.

Read third time.

BUSINESS OF THE HOUSE

Sessional orders

Hon. R. I. KNOWLES (Minister for Health) — I move:

That so much of the sessional orders be suspended as would prevent new business being taken after 10.00 p.m. during the sitting of the Council this day.

Motion agreed to.

PROFESSIONAL BOXING AND MARTIAL ARTS BILL

Second reading

Debate resumed from 16 October; motion of Hon. LOUISE ASHER (Minister for Small Business).

Hon. M. M. GOULD (Doutta Galla) — The Professional Boxing and Martial Arts Bill repeals the Martial Arts Control Act 1986, transfers some provisions of the act to the Professional Boxing Control Act 1985 and renames that act the Professional Boxing and Martial Arts Act. It deregulates amateur martial arts to bring them into line with amateur boxing. It deregulates part of the professional boxing industry by removing the requirement that agents, managers, ring announcers, seconds and timekeepers hold licences and that doctors be accredited. It retains licensing for promoters, trainers, matchmakers and judges of all martial arts contests. It establishes the Professional Boxing and Martial Arts Board, which will advise the minister on the regulation of professional boxing and other forms of professional martial arts.

The bill puts in place changes that have been endorsed globally by the commonwealth sport and recreation ministers council and it brings Victoria's highly regulated industry into line with other states where amateur martial arts are less or differently regulated. It provides mutual recognition between states for professional boxing and martial arts events.

The bill that was originally introduced in 1995 removed the requirement that judges and promoters be licensed. After discussion at the sport and recreation ministers council that requirement was reinstated, which the opposition believes is a good thing. The martial arts industry has been growing

during recent years because of the perception of a greater level of violence in the community. Self-defence courses for women and young people have been increasing, but it is noted that a less attractive element has also been attracted to the industry.

The primary purpose of the bill is to remove the regulation of amateur martial arts and to establish a method of regulatory control consistent with other forms of professional boxing and martial arts to ensure safety and probity, which will make amateur martial arts consistent with amateur boxing. Current legislation provides insufficient control over toughman events and other similar no-rules professional combat codes, which have a reputation for being dangerous for participants and being run by fly-by-night operators who default on the payment of fees and prize money. The bill allows the banning of those sorts of activities, and the opposition supports that measure.

The bill enables the minister to impose licensing requirements on promoters, trainers and others involved in professional boxing and martial arts contests, to endorse rules and impose legal constraints to ensure safety, to control blatant mismatching and to require financial probity. The bill gives the minister the power to ban toughman and no-rule events. However, it provides the opportunity for appeal against the minister's decisions through the Administrative Appeals Tribunal.

As I indicated, the opposition does not oppose the bill, but because of the nature of the industry, which attracts both good and bad elements, it is appropriate that it be regulated. Violence already occurs in the community and we do not want to encourage it further. We want to encourage the positive aspects of this sport, such as self-discipline, control and fitness. The police force, social workers and probation officers encourage young people to participate in a controlled sport. About 200 000 people in Australia actively participate in some form of martial arts. One of the major reasons the sport has grown is the number of women who are participating in self-defence courses because it gives them a feeling of empowerment in an ever-increasing violent community.

It is appropriate that instructors are adequately trained and qualified and taught appropriate safety measures and skills. However, the bill removes the

requirement for amateur martial arts instructors to be licensed. The original provision was used to ensure that dangerous codes of martial arts were not introduced in Victoria. Those codes operate in the United States of America and use dangerous implements such as blades and knives. Concern has been expressed that deregulation may allow those codes to be established here.

The bill ensures that the mismatching of competitors does not occur, and it also reduces the opportunity for unscrupulous operators to abscond with prize money or ticket takings. The bill also merges the current two administrative boards to become the Professional Boxing and Martial Arts Board, which is a good thing because at times it is difficult to see a difference between the two sports. The board will advise the minister on any regulations that might be necessary in those two areas.

People in the industry are keen to ensure that it is run professionally. They have advised the opposition that they are happy with the direction in which the regulations are heading because they will result in appropriate safeguards being put in place.

One area the opposition is concerned about is the deregulation of amateur martial arts, which is to bring it into line with amateur boxing, which is deregulated. Some people in the industry are concerned that the monitoring of people who can be instructors will be reduced. Amateur martial arts is a growth sport and increasing numbers of women and children are undergoing instruction. There is concern that unscrupulous people and people not of good character around children could get into it.

All members of this house have to keep an eye on this. I am sure each member has a number of these organisations in his or her electorate and each member must ensure that they are monitored so that unscrupulous operators do not get into these activities.

The board for amateur martial arts was set up in 1986 because the industry could not self-regulate. We need to keep an eye out to ensure that the board, and whatever regulations are put in place, are constantly monitored and that sufficient resources are there so that that monitoring takes place to protect the children and the large number of women who attend these establishments to undergo self-defence courses.

The opposition does not oppose the bill, but raises a concern about ensuring that the monitoring of the amateur martial arts is maintained on an ongoing basis, and that there are sufficient resources for that monitoring to take place for the protection of the Victorian community. The opposition will keep an eye on that. That is our only area of concern, and except for that one issue, we do not oppose the bill.

Hon. R. A. BEST (North Western) — It gives me delight to support the bill and to explain the rationale of the government in introducing the Professional Boxing and Martial Arts Bill.

The legislation meets the government's commitment to mutual recognition and reduces the amount of licensing and regulation, which is consistent with the government's licence simplification program. It also fulfils the coalition's sport and recreation policy commitment to self-regulate the martial arts industry where possible and where appropriate.

The bill also has a number of other purposes. The main purposes are to remove the requirements that agents, managers, ring-announcers, seconds, and timekeepers involved in professional boxing and martial arts contests hold licences, and that medical practitioners involved in those contests be accredited.

The bill also repeals the Martial Arts Control Act 1986 and transfers certain provisions in that act regulating the martial arts to the Professional Boxing Control Act 1985. It renames the Professional Boxing Control Act 1985 as the Professional Boxing and Martial Arts Act 1985; it restructures and renames the Professional Boxing Control Board; and it enables the minister to make rules for the proper conduct of professional boxing and martial arts contests.

This bill differs from the bill that was introduced during the spring session of 1995. However, it is similar to and has the same name as the bill that was introduced then, with the following exceptions. It is now intended that judges of both professional boxing and professional martial arts contests will be required to be registered. This change is largely as a result of discussions held between ministers of sport around Australia during their July meeting. It provides for a uniform approach to combat sport regulation across various jurisdictions. It also recognises the importance of controlling judges to achieve industry probity.

Changes have been made to the definition of professional contest. These changes distinguish between professional boxing and professional martial arts contests and provide for exemption from the act for an event that is organised or conducted by the Victorian Amateur Boxing Association or the Amateur Boxing Union of Australia. The definition of professional martial art contest remains unchanged.

It is important to appreciate the number of participants who contest or participate in the sport: about 200 000 contestants take part in the martial arts of kickboxing, judo and so forth.

There is a difference between amateur status, which does not require participants to be registered; professional status, which requires participants to be registered; and amateur boxers or martial arts contestants, who will no longer be required to be registered. However, professional kickboxers and boxers will be required to be registered.

This is an ongoing, evolving process within the martial arts and boxing fraternities. In my time in Parliament I have seen a number of pieces of legislation pass through the house that have resulted in, first of all, deregulation and then regulation of certain aspects of these industries. One of the things that has been consistent is the performance of and the role that the boxing fraternity has been able to assume within the sporting fraternity. It has become, and is recognised as, a very credible organisation.

This type of legislation brings credibility to participants in both sports and recognises that some areas of the martial arts industry have been exposed and are vulnerable to people of less reputable stature and people who do not necessarily hold the sport as their first interest but rather have engaged in it for financial gain. The measures provided for in the bill will bring greater credibility to the martial arts industry.

This is not a complex bill; it is not difficult to understand. It brings Victoria into line with the other states through the introduction of mutual recognition and provides the opportunity for distinction between the amateur and professional components of the sport. It gives me great pleasure to support the bill.

Motion agreed to.

Second reading

Read second time.

Hon. R. I. KNOWLES (Minister for Health) — I move:

Third reading

Hon. LOUISE ASHER (Minister for Small Business) — By leave, I move:

That this bill be now read a third time.

In doing so I thank Miss Gould and Mr Best, who participated in the debate. The opposition raised the issue of the monitoring that will be in place after the bill is passed, and I am happy to give the following advice that has been given to me.

There is no evidence to suggest that the licensing of amateur martial arts instructors is an effective tool against dangerous practices or that there are people not fit to instruct children. However, my advice is that monitoring of amateur martial arts will continue and, most importantly, that industry codes of practice will be developed in conjunction with martial arts organisations.

I also comment on two aspects of the bill. Firstly, the bill is consistent with the part of the government's licence simplification program for which I carry responsibility, and anything that results in a reduction of licensing and regulation is a highly desirable outcome. My final observation is that the bill will be consistent with legislation in other states. With regard to any other details of the bill, I think Mr Best has clearly explained the government's rationale for the bill, and I wish it a speedy passage.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

UNIVERSITY ACTS (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. R. I. KNOWLES (Minister for Health).

That this bill be now read a second time.

The purposes of the bill are to merge the Hawthorn Institute of Education into the University of Melbourne, to make certain changes to governance and advisory arrangements at Swinburne University of Technology, to make further provision for the Governor to act as visitor to Victorian universities, and to make a number of miscellaneous amendments to the acts establishing Victorian universities.

Victoria's nine universities play a vital role in the economic and cultural life of this state. The universities are state bodies established by and subject to state legislation and have very important roles in our Victorian education system. However, they receive most of their public funding from the commonwealth government and are subject to commonwealth funding policies as part of a national higher education system. They also operate with a high degree of academic independence in keeping with longstanding traditions of freedom of inquiry.

It is important that this tradition be preserved while maintaining the strong links between the universities, other parts of the education system and the wider community which ensure that the universities provide the research and teaching which are so important to this state in the most effective way possible.

Changes have been made in commonwealth funding arrangements this year. These changes, together with rapid advancements in communications technology and substantially increased international involvement not only by our own universities but by universities throughout the world, have created a context in which it is essential that the universities undertake effective long-term strategic planning. This is important not only in the interests of their own future development but also for the effective provision of vital education services for the communities they serve.

In keeping with this need, provision is made in the bill for a change in structural arrangements affecting Hawthorn Institute of Education and the University of Melbourne and the governance arrangements for

Swinburne University of Technology, together with a number of other matters.

Hawthorn Institute of Education was originally established as a college of advanced education with a particular responsibility to prepare teachers for technical schools. From the beginning there has been a strong relationship with industry, as is appropriate for the preparation of teachers with particular interest and expertise in vocational education and training. This emphasis has continued but, in addition, the institution became actively involved as one of the early leaders in the export of education services.

In 1992 Hawthorn affiliated with the University of Melbourne in a very close relationship through which Hawthorn became part of the university's institute of education and academic awards became awards of the university. At that time the former college was transferred by legislation to a company called Hawthorn Institute of Education Ltd, which was established by the university.

The institute and the university have now agreed to move to an even closer relationship in which the academic programs and staff involved in teaching them will move to the university and a new company to be called Hawthorn International Ltd will take over the commercial operations of the current institution. The elements of the institute associated with those commercial operations will move to the new company. This arrangement will create additional flexibility in development of programs and a closer administrative relationship to strengthen capacity for program delivery and planning for the future.

Swinburne University of Technology is one of Victoria's multisector universities with a range of excellent programs in technical and further education as well as those in higher education. A new campus has been established at Lilydale to provide higher education services for the outer eastern region of Melbourne, and students will commence studies on this new campus at the beginning of 1997.

As part of its planning for the future, the university recently carried out an extensive review of governance arrangements and the outcomes of this review are now being implemented. The government is pleased to cooperate with the university in introducing legislation to give effect to

certain of the changes which are being made. These include a move to a divisional structure, a reduction in the size of and streamlining of the operations of the council and provision for additional advisory boards to assist the council and the university administration in identifying and responding to the needs of the community for academic programs.

It is intended that the new boards of higher education and Swinburne at Lilydale will be principally concerned with matters of divisional strategic and business planning, annual and performance planning and associated human resource planning. The boards will not duplicate the academic advice provided by the university's academic board. Detailed terms of reference will be specified in statutes.

The role of the university visitor has a long history in traditions of university education and in English medieval ecclesiastical law, providing a mechanism for the resolution of internal university disputes. The concept was adopted in civil universities in England in the 12th and 13th centuries with an eminent person from the wider community serving in this role. In Victorian universities and elsewhere in Australia it has been the practice to appoint the person holding the office of Governor to fill this position.

The visitor has a ceremonial role in universities which is exercised in functions such as the installation of chancellor, presentation of graduation addresses and participation in special events. The visitor also has the power to deal with internal disputes at a university which cannot be resolved by other means. The visitor does not deal with matters involving rights and liabilities of people external to the university.

It has been the practice for a number of years for the visitor to appoint another person to act on his behalf in dealing with disputes within universities. Normally the person appointed in such cases has been a judge of the Supreme Court.

The amended wording for provisions relating to the appointment of visitor is intended to make it clear that, in acting in that role, the person holding the office of Governor is acting as the visitor and not as the Governor of the state and to make it clear that the visitor has the power to appoint others to act on his or her behalf in dealing with disputes.

There are several other matters dealt with in the bill. One of these is to modify the definition of postgraduate student at several universities to include postgraduate courses other than those of master and doctor within this category in keeping with current administrative and statistical arrangements elsewhere.

The second change involving Royal Melbourne Institute of Technology, Swinburne University of Technology and the University of Ballarat, relates to the term of appointment of a member of council recommended for appointment by the Parliament and appointed by the Governor in Council.

The existing wording in those acts makes it possible for a person who ceased to be a member of Parliament and was not re-elected to continue as a member of the university council despite the fact that the basis for that person's council membership had changed. This is clearly not appropriate.

It is intended that these changes will come into effect from 1 January 1997. They will lead to improved and more effective planning for provision of programs at the University of Melbourne and at Swinburne University of Technology and will provide clarification and improvements at other universities with respect to the other matters dealt with in the bill.

I commend the bill to the house.

Debate adjourned on motion of Hon. M. M. GOULD (Doutta Galla).

Debate adjourned until next day.

The ACTING PRESIDENT (Hon. B. W. Bishop) — Order! The time has arrived for the house to meet with the Legislative Assembly in the Assembly chamber to recommend members for appointment to the Royal Melbourne Institute of Technology council, La Trobe University council and the Victorian Health Promotion Foundation.

As it is proposed to conclude the joint sitting at a reasonable time, the chair will be resumed at 8.00 p.m.

Sitting suspended 6.15 p.m. until 8.02 p.m.

JOINT SITTING OF PARLIAMENT

The DEPUTY PRESIDENT — Order! I have to report that this house met with the Legislative Assembly this day to recommend members for appointment to the councils of the Royal Melbourne Institute of Technology and La Trobe University and to elect a member of Parliament to the Victorian Health Promotion Foundation, and that the Honourable Barry Thomas Pullen, MLC, was chosen to be recommended for appointment to the Royal Melbourne Institute of Technology council for the term ending on 31 December 1998; Anthony John Sheehan, MP, was chosen to be recommended for appointment to the La Trobe University council for the term ending on 31 December 1999; and the Honourable Ronald Alexander Best, MLC, was appointed to the Victorian Health Promotion Foundation for a three-year term commencing on 20 October 1996.

SHOP TRADING REFORM BILL

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — It is my pleasure to speak generally on clause 2. I was extremely pleased personally and on behalf of the coalition government to introduce this legislation, and I congratulate honourable members who have spoken on the bill.

The debate has attracted the interest of a large number of honourable members and I particularly welcome the contributions of coalition members, whose genuine and personal statements reflected the broad cross-section of support for the legislation.

There is no doubt that in its second term the Kennett government had the option of simply continuing the incremental and ad hoc changes that have been made to shop trading legislation over the past four decades — the piecemeal, unsatisfactory and unfair approach that has led to the existence of a highly discredited and unworkable piece of legislation. Instead, the Kennett government correctly took the bolder and more positive step of making

comprehensive and long overdue changes to the shop trading legislation.

The government's bottom line is that the needs of consumers should be reflected in the law, and that is what the reform proposal does. It is not beholden to any sectional interest group, as was the case under previous governments, and it reflects the needs and aspirations of ordinary Victorians who want, for example, to be able to shop with their families on weekends.

There is no doubt that consumers have voted with their feet in favour of shopping on Friday nights and Saturday afternoons and, on the occasions it has been available to them, on Sundays.

There is also no doubt that we have seen an increase in weekend shopping in an incremental and often unplanned manner through the use of the various loopholes, exemptions and exceptions under the current ramshackle law.

We have seen craft markets turned into full-scale retail markets in many municipalities across Victoria. We have seen the idea of tourism precincts grow to the stage where dozens of areas now have full-time tourism precincts. We even saw the previous Labor government break the ice on this issue by introducing shop trading on 10 Sundays a year.

All of that meant weekend trading that was unclear and contradictory, where consumers were not sure when they could shop and traders were not sure when they could open.

There was also the absurdity of previous governments — in particular the weak and indecisive Cain and Kirner governments — simply responding to a crisis as it arose instead of dealing comprehensively with the failed law.

As a consequence of that, this government decided not to take the easy way out, not to duck the question, not to bring in yet another piecemeal reform, and not to bring in a change based on some backroom deal with the union. Instead, it brought in the comprehensive change that was the logical outcome of the review promised by us during the 1996 election campaign.

I am delighted with this change and I have been refreshed and inspired by the public response since

it was announced. Overwhelmingly the public has endorsed each proposal the government has put before it. Overwhelmingly the community supports the bill. Only a few special interest groups have decided to oppose it — only a handful of people who are protecting their own interests have been —

Honourable members interjecting.

The CHAIRMAN — Order! The committee stage gives members an opportunity to comment on every clause of the bill as frequently as they wish to, so I will not tolerate constant interjections between members across the chamber when somebody is making comment on any particular clause. I therefore ask members on both sides of the chamber to desist from interjecting and to take their correct opportunities to speak on each clause. As I said, the Chair will respect their right to speak when they wish to do so on each clause, but it will not allow them to interject constantly when another member is speaking.

Hon. M. A. BIRRELL — I was particularly pleased by Mr Power's speech when he said he accepts the coalition has the mandate to deregulate shop trading. The government agrees with his comment. It particularly understands that this important and landmark change is overdue; that the public has long since reached the conclusion that it is improper to treat shopkeepers as criminals simply because they want to sell produce to willing consumers on a weekend; and that the public has long since rejected the concept that it should be against the law for them to buy products on Sundays.

The absurdities that have come from the previous law included the fact that you can buy everything for a Sunday barbecue except for the red meat! You can avail yourself of certain services on a Sunday but you cannot go to a hairdresser because it is somehow a criminal offence to go to a hairdresser on a Sunday. The previous law was so absurd that you could buy products in one suburb while it was a criminal offence for those products to be sold 100 metres away.

The time has come for comprehensive change, not the inadequate change that has occurred over the past 20 years and not the examples of weak and indecisive ministers who have had the capacity to change the law but who have had neither the

political will nor courage to do so. There is a simple reality: major change in the public interest requires leadership, which is what members are seeing through this bill.

As I said at the outset, we are delighted to be able to bring this reform forward. I am absolutely delighted with the unanimous support of the coalition for this proposal. I make it clear that it is a matter of enormous pride to me to have the coalition's unanimous support on this issue, especially after the long history through the 1960s, 1970s and 1980s, when this issue bedevilled us. I commend members of the National Party and the Liberal Party who spoke on the bill from the heart and who made their support for it clear. I commend the coalition members of Parliament for the fact that they have worked together as a team to ensure this proposal was put before the people for a decision to be made here.

Overwhelmingly, for many years members of the public have shown they welcome change in this area. The guiding principle adopted by the government is what was in the interests of the public. That guiding principle leads to the conclusion that you must be committed to the needs of the consumers and, as a consequence of that —

Honourable members interjecting.

The CHAIRMAN — Order! I have said it once and I do not want to be on my feet saying it repeatedly throughout the committee stage: I will not tolerate people from both sides of the chamber constantly having dialogue while another member is speaking on a clause of the bill. I remind members that the practice of the committee is that members may speak as often as they like on any clause. If they choose to do so the Chair will recognise them, but I will not tolerate constant interjections from both sides of the chamber while somebody else is speaking. I make those remarks particularly in respect of the recent conversation between the Minister for Finance and Mr Theophanous. I ask members to desist while the Minister for Industry, Science and Technology has the call from the Chair.

Hon. M. A. BIRRELL — Of course, the debate has changed radically, even in the past 10 years. Ten years ago much of the debate was about how people did not want to open their shops because they would rather be at home on a Sunday with their families. The primary debate now is that shop

owners do not want certain shops to be open on Sundays because that will mean their competitors will be able to open against them. That type of self-interest should not be enshrined in legislation, and under the government's proposals it will not be because, in a welcome change from the past, this bill is not the result of the fact that an organisation like the union has control of the minister and therefore has control of the result. I am extremely pleased about that.

The people who have determined the destiny of this legislation are the consumers. I welcome the fact that the consumers, who have had no pressure group to represent them, have now in 1996 actually found the voice that they long needed.

The coalition regards this bill as an important part of deregulation and the promotion of competition. It looks forward to the jobs boost, the economic boost and the retail boost that will come from it. There will be a clear upside from this, and the government is doing it for that reason as well as to liberate an area where there should be no criminal law stopping someone from buying or selling a product on a Sunday. At long last that anachronism is being removed.

Clause agreed to.

Clause 3

Hon. T. C. THEOPHANOUS (Jika Jika) — I move:

1. Clause 3, page 3, lines 13 to 17, omit all words and expressions on these lines and insert —

“ordinary shop closing times” means all times on —

- (a) New Year's Day;
- (b) 26 January (Australia Day);
- (c) Good Friday;
- (d) Easter Sunday;
- (e) 25 April (Anzac Day);
- (f) the first Tuesday in November (Melbourne Cup Day) but only in metropolitan municipal districts;
- (g) Christmas Day;
- (h) The day after Christmas Day (Boxing Day);
- (i) Geelong Cup Day but only in the City of Greater Geelong.

My first amendment seeks to change the definition of ordinary shop closing times, which is used in this bill to define the days on which trading is not allowed. On page 3 ordinary shop closing times are defined as:

- (a) all times on Christmas Day and Good Friday;
- (b) between the hours of 12.01 am and 1.00 pm on Anzac Day;

The effect of the committee accepting the argument the opposition is putting in support of this amendment would be to extend the number of designated days on which trading will not be able to occur from the miserable two and a half days that is proposed to be granted by the government, that is, Christmas Day, Good Friday, and half of Anzac Day, to include a number of other days — New Year's Day; 26 January, Australia Day; Easter Sunday; the whole of Anzac Day; the first Tuesday in November, which is Melbourne Cup Day, but only in the Melbourne metropolitan municipal district; the day after Christmas Day, Boxing Day; and Geelong Cup Day, but only in the City of Greater Geelong.

The first point I make is that even in New South Wales, which the minister has used by way of example, there are seven non-trading days. Currently New South Wales has the most liberal laws in the country. The minister has put a number of arguments on shop trading. One is that it is inappropriate to have any restrictions whatever. Even if you accept that argument, the minister by his own proposed legislation then allows two and a half days when he says that shopping should not be allowed. If shopping should not be allowed on two and a half days, what is the argument for saying only two and a half days? We would like to know what the minister's rationale is in choosing those two and a half days? As I have said, the days that have been chosen are Christmas Day, Good Friday and half of Anzac Day. There must be some rationale underlying the minister saying that shopping is okay in Victoria on every other day of the year but not on those two and a half days.

Hon. Jean McLean — Will they go shopping if they shop on those days?

Hon. T. C. THEOPHANOUS — Presumably they will go shopping if they shop on those days — and shopkeepers if they open on those days.

We would like to know the difference, in a religious or any other sense, between Good Friday, Easter

Friday and Easter Sunday. For Christians Good Friday represents a certain religious ceremony and Easter Sunday represents another part of that religious ceremony. One commemorates the death of Christ and the other one is a celebration of Christ coming back from the dead. We want to know what the distinction is between Easter Friday and Easter Sunday. Why is one a day when there can be shopping and the other a day when there cannot be any shopping? The minister has said: people ought to be able to shop at any time, 24 hours a day, whenever they want. But in his own legislation there are exceptions of two and a half days. It is not unreasonable to ask what the rationale is for choosing those two and a half days.

Hon. R. I. Knowles — Are you advocating that we treat Good Friday like Easter Monday?

Hon. T. C. THEOPHANOUS — Easter Sunday! You obviously do not follow much of a Christian ethic, either!

Hon. R. I. Knowles — I probably go to church more often than you do.

Hon. T. C. THEOPHANOUS — I don't know whether you do or you do not. I am happy to accept the Minister for Health's comment on Easter Monday because the same argument can be put. It doesn't matter whether you choose Easter Sunday or Easter Monday. If the minister thinks Easter Monday is more important, then let him explain why Easter Monday is not in the list of days on which trading cannot occur but Easter Friday is. That is the total absurdity of the legislation. We have a right to ask why that should not be the case.

We also want to know the answer to the question: why is Australia Day, which is supposed to be the day on which all Australians feel pride in their country and celebrate that feeling, not an acceptable day on which no trading can occur, so that people who are shop assistants — and I can tell you that a lot of them do care about Australia — can celebrate that day without having to go to work, as is required by this particular government?

It is the government's responsibility to explain to the committee — I specifically ask the minister to do so — the rationale for including Christmas Day but not Australia Day; Easter Friday but not Easter Sunday or Easter Monday; and the first half of Anzac Day but not the second half of Anzac Day.

If you are a shop assistant, a shop owner, or someone in any other business and you happen to be a returned soldier and want to go for a drink with your mates on the second half of Anzac Day or just enjoy the remainder of the day with them after you have been in the march or you want to spend some time with your family, you will not be able to do so because the absurd situation is that the minister has said you can't do it. You have to work in the afternoon whether you like it or not. The government treats Victorians who work in shops with a kind of contempt. They work in shops seven days a week providing a service for the people of Victoria.

Does any member honestly believe if Easter Sunday were included it would make a huge economic or social difference to the state? It is an absurdity. Shop assistants are entitled to ask, 'Why can't we, like every other Australian, have extended time off over Easter by taking off Good Friday and Easter Sunday?'. Honourable members should bear in mind that a person who owns a shop would be able to take off a maximum of only two days a year because of the way the legislation has been structured. Under the present proposal it is a maximum of one day off at a time. You could take Christmas Day or Good Friday. At least if you have Easter Sunday off you might be able to take three other days off and have an extended weekend once a year.

There is no logic to the bill or to the 2.5 days that have been chosen. Even in the government's Employee Relations Act, the one that was knocked over by federal legislation, there are more exemptions than the miserable 2.5 days off a year that the government wants to give shop assistants.

The government comes in here and says it has consulted. On behalf of the opposition I ask the minister to indicate the logic or reasoning for the selection of the 2.5 days and why no further days were considered.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — The logic is evident to anyone who has done some basic research. The current tourism precincts have exemptions for only two days a year — Good Friday and Anzac Day — and that is supported by the Australian Labor Party. The bill extends the exemptions to include Christmas Day.

Extended shop trading in the central business district was introduced by the Kennett government in late 1992 with three exemptions: Good Friday, Christmas Day and Anzac Day until 1.00 p.m. That precedent has worked extremely well and is universally popular. Indeed, I have not heard a peep of criticism from the ALP about the shop trading changes in the CBD.

In tourism precincts only two days are exempted, but that will now be extended. The government believes they are proper days for exemption. Anzac Day is arguably the most significant and emotional national day, and perhaps in recent years it has taken on a heightened significance. Good Friday and Christmas Day reflect a statutory recognition of the great significance and importance of those days to people of the Christian faith.

It may be possible for honourable members to argue whether they are relevant to their religions or ethnic backgrounds, but that was not a proposition that was put today or tonight. It could be argued that these exemptions are relevant only to certain sections of the community, but there is overwhelming support for them.

On the basis of precedent of the legislation that has operated successfully in the CBD for the past four years without a whimper and on the basis of expanding the precedent of the tourism precincts which have operated for more than two decades, the government has those days as the exceptions to the rule, unless a referendum is passed in a municipality that provides shops will be closed on Sundays in that municipality.

The government believes the days when shops are closed are logically related to those 2.5 days a year, but I place special emphasis on the national and unifying significance of Anzac Day.

Hon. M. M. GOULD (Doutta Galla) — The public holidays listed in the amendment moved by the opposition are paid public holidays under the provisions of the Public Holidays Act. Will shop assistants be entitled to payment for days if they do not work?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — On any day that shop assistants volunteer to work the outcome will be based on the award or the agreement struck between the employee and his or her employer. I look

forward, as has happened in the past, to agreements being entered into voluntarily that are mutually satisfactory to employers and employees, whether it is a Sunday or a public holiday. The bottom line that cannot be avoided in terms of understanding the success of weekend trading and the overwhelming reason why weekend trading works is that employees fall over themselves in their efforts to volunteer for work on Sundays.

It was interesting to note that during the pathetic diatribe from opposition members during the second-reading debate not one single example was given of an employee being forced to work on a Sunday, and that is because there isn't one single example! I should have thought the martyrs for the cause would have been brought out by the union or their lackeys, but they were not. I expect it to work amicably and I can give you proof positive of that: it has worked amicably in the CBD for the past four years without complaint. The union representing shop employees has willingly entered into written agreements for Sunday and public holiday employment. I have no doubt that will spread elsewhere.

Hon. M. M. GOULD (Doutta Galla) — My last question to the minister relates to the public holidays that are currently listed in the Public Holidays Act and our amendment to insert those public holidays back into the legislation.

Will workers be paid when they are not at work for those public holidays that are now being taken away as a result of this legislation? Seven days of workers' pay entitlement will be taken away by the deletion of the public holidays as closed times.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — They will be paid whatever they are required to be paid under an award or an agreement.

Hon. M. M. Gould — What award?

Hon. M. A. BIRRELL — Whatever they are required to be paid. This legislation does not affect that. It did not affect it in the CBD. It has not affected it since the 1970s in tourist precincts.

This is not new; it has been happening for two decades. It has worked perfectly, there has been no complaint and the union has been the quickest body

to sign up Sunday agreements and holiday agreements — no complaint, no problem.

Hon. D. T. WALPOLE (Melbourne) — Minister, you made comment about workers in the past volunteering to work on these particular public holidays. Yet, you have removed from the Shop Trading Act the provision placed in there by the Labor Party for voluntary work on those days. Are you saying that you will defend the right of shop assistants to work only on those days in circumstances where they are prepared to volunteer to do so, and that you will protect their right not to be coerced into working on those days?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — Perhaps I could bear to comment on that when Mr Theophanous moves his amendment no. 9, which is directly on that topic.

Hon. T. C. THEOPHANOUS (Jika Jika) — Minister, you indicated just now in response to Miss Gould that the union has made agreements in the past and that those agreements included agreements with large companies in the central business district. Indeed you wrote a letter to the *Herald Sun*, in which you pointed some of these out, including agreements said to be made with Myer and David Jones.

I asked you a question about this — you did not answer it then; perhaps you would be good enough to answer it now — about the so-called agreement between the union and David Jones. I asked you whether you were aware of the agreement and could provide a copy of the agreement, or whether you knew anything about the content of that agreement, since you had cited it as an example in your letter; and you have also now reiterated that in response to Miss Gould about such agreements being in place.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — While it does not bear on this clause, I am happy to respond. The union has entered into a range of specific agreements, and employees have agreed to work on Sundays under a number of different arrangements with a number of different firms, including David Jones, which opens on Sundays, and employees of —

Hon. T. C. THEOPHANOUS (Jika Jika) — Including David Jones; is that what you said?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I am saying that — you can read the *Hansard* if you wish. David Jones is open on Sundays and its employees agree to that being so.

Hon. T. C. Theophanous interjected.

Hon. M. A. BIRRELL — I do not have any David Jones documentation here, but what I have is the enterprise agreement between the NUW/SDAEA and Safeway for 1993 to 1996, where the unions signed a clause saying:

When seven-day retail trading is legislated for throughout Victoria, then Sunday ordinary hours will become part of span of hours for employees covered by this agreement.

Now, QED, the agreement is with the union; voluntarily and willingly the union has agreed to have seven-day trading, including Sundays. There has been no controversy about this; it was the first piece of legislation I ever introduced as a minister: CBD, seven-day-a-week, Sunday trading. If you are looking for the genesis of the legislation here today, look back to that legislation I introduced in late 1992.

We introduced it quickly and there was absolute industrial harmony after we did that, because the union snapped into action, and on behalf of its members signed up amicable deals for Sunday trading and holiday trading. I have no doubt that that will occur again. If I stress the point I just have to — we have not heard a peep out of anyone over this issue. It has been remarkably well handled by all players, to mutual advantage.

Hon. T. C. THEOPHANOUS (Jika Jika) — I was very interested in the minister's response to this line of questioning, because on frequent occasions in this place the minister has accused the opposition of not having done its research, or of being arrogant, or of all sorts of things under the sun.

Here is an example of a minister who has taken one of the most significant steps in relation to shop trading that has ever been taken in this state; yet he puts a letter in the papers in which he makes a major point of the fact that agreements have been put in place following his enactment of legislation in relation to the CBD, and that among the agreements that have been made are agreements the union made with David Jones.

The minister then got up a minute ago and on his feet did a bit of research. He first of all said, 'Oh yes, including David Jones' — and I will be happy to go back over the *Hansard*, because that is what the *Hansard* will say, 'including David Jones'. Then he shuffled through his papers and could not find an agreement which involved David Jones. So he then said, 'Oh well, maybe it doesn't exist' — or he was not sure, and instead he started quoting from another agreement involving Safeway and the union.

Of course this is an example of the level of research of this minister, with all the staff he has at his disposal and with a massive department that works for him. He still cannot get a basic fact right; he cannot get it right to the extent that he writes to the paper and makes a fool of himself.

I want the minister to indicate that he is prepared to apologise to the union if it turns out to be the case that no agreement exists between David Jones and the union. Is the minister big enough to apologise for having made claims which are untrue, or at least to say, 'Well, I got it wrong'?

Of course where there are no agreements, employees and the union fall back on existing awards. That is what happens, and in the circumstance of David Jones I believe that is exactly what has occurred. There is no agreement. There may well be one in the future, but there is not one now. So the minister on this occasion got it wrong and based a significant part of his argument, including what he sent into the papers, on an incorrect fact. He got up just a minute ago and started to say, 'including David Jones', shuffled through his papers, could not find the agreement in relation to David Jones, and started quoting instead an agreement with Safeway. That is how much research this minister has done on this issue.

I also want to direct the minister's attention to another matter.

The CHAIRMAN — Order! Before Mr Theophanous continues, I am struggling to find the relevance of some of his comments, which should be relevant to the clause he seeks to amend.

Hon. T. C. THEOPHANOUS — Clearly agreements have been reached with some organisations, and Safeway is one the minister has mentioned. Those agreements go to the question of public holidays and time off for shop assistants. The

clause deals with the number of days to be designated as public holidays or days shop assistants would have off, so it is relevant to the type of agreements that have been struck on the levels of pay for those days.

The minister also responded to my comment that in the past tourist precincts had only two such days — Christmas Day and Good Friday. That may well be true, but these so-called tourist precincts are places where we expect tourists to go at times such as Easter and Christmas and the designation of only two such days in tourist precincts is not unreasonable. If you have a business at a tourist precinct somewhere like Lorne or down the peninsula where tourists go, you would not want to close it.

However, that is not what we are talking about with the bill. We are talking about shops everywhere, and we say the precedent Victoria should follow is that set by New South Wales. We are not prepared to accept responsibility for what the government did with the CBD. That was the government's decision, not ours. We say the only precedent that should apply to the whole of the state is what applies in New South Wales, where at least seven days have been granted to shop assistants. Although there might be an argument against that in tourist precincts, there is no argument across the broader area of the state and in particular in the Melbourne metropolitan area. I ask the minister to respond to that and also to say whether he got it wrong in relation to David Jones.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — As I said, I do not have documentation on David Jones. Indeed, I probably do not have it on most of the shops, but I did have documentation on Safeway because of the explicit nature of the clause. I am happy to hunt it out.

Hon. T. C. Theophanous — Will you apologise if it doesn't exist?

Hon. M. A. BIRRELL — I shall respond appropriately in a written form, if not in an oral form, to the honourable member.

The second issue was about tourist precincts. We do not support the Labor Party's amendment and we do not believe there should be a long list of exempt days. Actually, Mr Hartigan said we have got the

bill wrong because we have included so many exempt days and we should have restricted them.

Hon. T. C. Theophanous — Take out the two and a half days?

Hon. M. A. BIRRELL — Yes, that is what he said. It is not a view that turns him into a dissident, but it was certainly the only discordant note on our entire side. We understand that, because it is possible for people who have different ethnic or religious backgrounds to ask why we chose Christmas Day. What the government is trying to represent in its proposal before the house is that these are core days where there should be no trading other than exempt shops such as milk bars.

It is a difference of opinion; we think these should be the core days. We take it that the ALP thinks there should be more core days. We do not take that view and we fall back to the clear, cross-community acceptance of this measure in the city of Melbourne, which is not just a tourist precinct and in which this has been the law since 1992. I have heard no complaint about it and I think it works well.

If Melbourne, as a capital city, and its environs can trade on those days, other areas should also have the right to trade on those days. A number of places would not trade on those days. It would be common that most people would not trade after 1.00 p.m. on Anzac Day. It would be common that as a matter of choice they would not trade on Boxing Day, but we leave it up to them.

I accept that the Labor Party has a different point of view, but what view one takes is simply a matter of policy. I do not believe the days that should be exempt can be rationalised beyond opinion, and we recognise that the opposition has a different opinion from ours on that topic.

Hon. T. C. THEOPHANOUS (Jika Jika) — I have one final question on which the minister may want to comment. One of the days we have suggested is Geelong Cup Day, which would apply only in the City of Greater Geelong. I am not sure from reading the bill, but it would seem to me that that is a day on which the people of Geelong should be able to make a decision. It would enhance the Geelong Cup if the 10 000 or so shop assistants in Geelong were able to attend the cup, thus making it a more successful event. Can the minister say whether under the bill there is any latitude for the government to grant the

Geelong community the right to shut its shops on that day?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — We have decided not to exempt Melbourne Cup Day or any cup day, and that includes the Geelong Cup Day. We do not believe it would be right to pick up on one particular cup day. If Geelong, why not somewhere else?

Honourable Members — Wycheproof; Ballarat; Bendigo; Traralgon?

Hon. M. M. Gould — What about the Werribee Cup today?

Hon. R. I. Knowles — Or grand final day?

Hon. M. A. BIRRELL — That interjection asks why the most religious of all days, grand final day, is not included. That is because people watch it on the telly or go to the event. We do not need to ban trading. People simply do not shop, and there is a message in that.

The government does not need to stand between the consumer and the trader to sort these days out. Frankly, if everyone wanted to go to the Geelong Cup, good luck to them. I would welcome it if they did, but frankly most people do not want to go to the Geelong Cup, including most people from Geelong. I do not see why we should legislate for one racing day as against others.

We have not legislated for Melbourne Cup Day. Someone could argue that it would cut at the heart of the success of the Melbourne Cup, and the reality is that there is no-one around at about 3.00 p.m. on the first Tuesday of November. You would be a mug to open your shop on Melbourne Cup Day in the hope that someone would come in. People may arrive to shop at 4.00 p.m. on the first Tuesday in November more than likely penniless but perhaps incredibly rich, but you do not need government legislation to stop people shopping on Melbourne Cup Day. I do not think you need it for Geelong Cup Day, either. I wish the Geelong Cup every success, but I do not believe legislation is required to prop it up.

Hon. D. A. NARDELLA (Melbourne North) — The minister said that no-one brought up the issue of people working on weekends — Saturdays or Sundays. I raised the issue during my contribution.

The minister may not have been present when I referred to my stepson having to work on Saturdays. He is not given the choice. If he does not work on Saturdays he does not have a job.

When the legislation passes people like my stepson and others in similar positions will be given the same choice: work on Saturdays or Sundays or do not work at all. Regardless of what is in the legislation, they will not have a choice.

The CHAIRMAN — Order! Although the minister responded to that issue, which is what Mr Nardella is responding to, he also said, and Mr Walpole accepted this view, that it was a substantial issue that would be covered in debate on amendment no. 9. It may be an issue that Mr Nardella can canvass then.

Hon. D. A. NARDELLA — I have concluded that matter.

There are three parts of the equation: the consumers who the government is talking about and says it represents; the shop assistants and workers within the retail industry; and the owners of the businesses themselves. I visited many of my local shopkeepers in Sunbury and they were aghast at the thought of having lost the battle and being forced to compete on Sundays with large retail concerns. When the Leader of the Opposition, John Brumby, and I informed them they would have to work on Saturdays and Sundays they said they would be worse off. It would be open slather trading for small businesses.

It is very sad that the government and the minister do not understand how people in communities like mine think. Families are trying to support their children and they are telling us that open slather Sunday trading will affect them markedly. In fact, they believe they will go to the wall.

Small businesses have not been consulted. They do not want to work on New Year's Day, Australia Day, Good Friday, Easter Sunday, Anzac Day, Christmas Day or Boxing Day. They were aghast because those special days are important to them. They are the days on which they take a break from their small businesses: the butchers, the toy shop, the carpet store and so on. They are the people we are attempting to protect and the people the government does not care about; it does not give a stuff about the fact that they will

PORT SERVICES AND MARINE (AMENDMENT) BILL

Wednesday, 30 October 1996

COUNCIL

443

go to the wall. Members of the government have no compassion. I urge honourable members to support the amendment.

Hon. D. T. WALPOLE (Melbourne) — I support the amendment and Mr Nardella's comments. He spent some time talking to retailers in the Moonee Ponds shopping strip.

Hon. R. A. Best — Scaring them.

Hon. D. T. WALPOLE — No, not scaring them, simply asking them about their thoughts on shop trading hours. I was surprised to find that not one person I spoke to supported the changes. I thought there would be some support for the changes, but I did not think it was majority support. Not one single person said 'I support the changes'. Neither the shopkeepers I spoke to nor the group of young people sitting in the sun enjoying cups of coffees, one of whom was a part-time shop assistant, supported the changes.

The point was made that many of the small business proprietors do their books on Sundays because that is the only day they get off. They do not enjoy that day so they look forward to the public holidays when their businesses are closed. That is when they go out and enjoy being with their families and not having the stress of worrying about their businesses, but the government wants to take that from them. There will be an enormous reaction from those people and if the government has not consulted with them, which clearly it has not, it will have a hell of a shock.

Committee divided on omission (members in favour vote no):

<i>Ayes, 28</i>	
Asher, Ms	Furletti, Mr
Ashman, Mr	Hartigan, Mr
Atkinson, Mr	Katsambanis, Mr (<i>Teller</i>)
Baxter, Mr	Knowles, Mr
Best, Mr (<i>Teller</i>)	Lucas, Mr
Bishop, Mr	Luckins, Mrs
Boardman, Mr	Powell, Mrs
Brideson, Mr	Ross, Dr
Cover, Mr	Smith, Mr
Craige, Mr	Smith, Ms
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
de Fegely, Mr	Varty, Mrs
Forwood, Mr	Wilding, Mrs

Noes, 8

Eren, Mr	Power, Mr (<i>Teller</i>)
Gould, Miss	Pullen, Mr
Nardella, Mr	Theophanous, Mr
Nguyen, Mr	Walpole, Mr (<i>Teller</i>)

Pairs

Birrell, Mr	Hogg, Mrs
Bowden, Mr	McLean, Mrs

Amendment negatived.

Clause agreed to.

Progress reported.

PORT SERVICES AND MARINE (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. R. M. HALLAM (Minister for Finance) on motion of Hon. R. I. Knowles.

CHILDREN'S SERVICES BILL

Second reading

Debate resumed from 16 October; motion of Hon. R. I. KNOWLES (Minister for Health).

Hon. M. M. GOULD (Doutta Galla) — The regulation of the Victorian child-care system currently falls under Part XI of the Health Act 1958. Changes to the operation of those provisions were last made in 1989 and regulations were last updated in 1994. The regulation of children's services centres will be excised from the Health Act and placed into a separate Children's Services Act. All activities covered by the act will be described as children's services. Administrative control of the industry will be under the Secretary to the Department of Human Services. The act will principally cover the licensing of children's service operators and the enforcement of those provisions. The regulations are expected to cover the detail of the standards of care and facilities provided in the centres.

The bill does not cover family day care. It relates specifically to the operations of centre-based care of five or more children under the age of six years. The

variety of child-care centres includes long-day care, occasional care, preschool services, multipurpose services and preparatory services. It is important to note that the bill does not cover family day care.

Clause 1 states:

The main purpose of this Act is to provide for the licensing and regulation of children's services.

However, nowhere does the bill clearly state that either the minister or the secretary to the department must consider the needs of children who use the services that will be regulated in this legislation. During the committee stage the opposition will move an amendment to the purpose clause because it is concerned the wording does not cover the needs of children in child-care centres. The proposed amendment refers to Article 3 of the United Nations Convention on the Rights of Children, to which Australia is a signatory.

The opposition has consulted considerably and widely on this bill with the industry and a variety of interest groups. A number of the people with whom it consulted are also members of the Ministerial Children's Services Advisory Group. The office-holders include individuals and organisations, such as the Australian Early Childhood Association, the associated subsidised child-care centres, Kindergarten Parents Victoria and the Lady Gowrie child-care centre. The opposition has consulted with the ACTU, the Australian Services Union and the education union. It has also consulted with the Child Care Centres Association of Victoria. As I said, a number of representatives of those associations are on the Ministerial Children's Services Advisory Group, which has been involved in putting the industry's views to the minister on the regulations that are currently being developed to supplement and support the legislation.

During the consultations with that wide range of organisations a number of concerns were constantly identified. A most frequently identified issue was that the consultation process in the development of the bill was just a token exercise. A number of issues that were raised by the advisory group were basically ignored; they are not evident in the bill, nor do they seem to be in the proposed regulations — what little has been seen of them.

I understand that at the most recent meeting held a couple of weeks ago copies of the proposed

regulations were circulated to the members of the advisory group but they were not able to take them away and study them to ensure the new regulations would not diminish in any way the provisions of the current regulations. The copies were collected after the meeting.

Another concern raised by the advisory group was the high level of discretion the Minister for Health will have to exclude child-care operators from various provisions of the regulations. That exemption is set out in clause 6(1), which states:

The Minister, by notice published in the *Government Gazette*, may declare that all or any of the provisions of this Act do not apply to any specified children's service or any specified class or type of children's service.

Again, I foreshadow that in committee the opposition will move an amendment to clause 6 to seek the insertion of a provision that would still give the minister the power to exclude a children's service from being eligible for a licence, but would require the minister to give reasons for doing so. That is to prevent the situation arising after the legislation is enacted of a child-care centre that abides by the current set of regulations not being able to obtain a licence because of the new criteria under which a licence will be granted. Our concern is that if there is an exclusion the reasons should be published.

Another concern is that a transitional period is allowed during which existing licensed centres can meet the requirements of the new legislation. If licences are due to expire within the next 60 days after the bill is passed, the centres will not be able to meet the requirement of the bill to apply for a new licence. It is just for those centres. I put on the record that when the issue was raised in the other place the opposition was told that government amendments would be introduced to address that concern.

Hon. R. I. Knowles — Yes, which by and large address the concerns expressed.

Hon. M. M. GOULD — We appreciate the government taking on board our observations. They were made after wide consultation was undertaken by the opposition with a variety of the organisations that are involved in conducting child-care centres.

Another matter of concern raised was the shifting onto employees of the costs of police checks that will

be required to be undertaken of somebody who is to be employed in the industry. Concern has been expressed also about the storage with the child-care provider of the information on a police check. I will check which clause relates to that requirement.

Under the current legislation an employer may require a prospective employee to undergo a police check. That has not been and is not a problem. But the shift in costs is. At present if an employer requires a prospective employee to undergo a police check, which costs \$30 each time, the department pays for the check, which is undertaken at the local police station. In future a prospective employee will be required to pay for the police check out of his or her own pocket. The industry employs 15 000-odd employees. They are mostly young people and they might change their jobs more often than, say, once every couple of years. If they are required by their employer to have a police check done each time they apply for a job, and that costs them \$30, this is an added cost to them. We are talking about 16-year-olds and 17-year-olds, usually young women. Their wages are not high; they are quite lowly paid workers. The proposal is a cost shifting exercise by the government onto the employees.

Another concern is that the employee must hand the police check over to his or her employer. I don't know whether you, Mr Acting President, or any other members in this house have undergone a police check. The document contains personal details. Concern has been expressed about the security of that information once the document is handed over to the employer — that is, that it is put in a secure place. As I said, currently the department pays for the police check. It is read, the employer is advised there is nothing wrong with the employee and a tick is put against his or her name. The employer might employ four, five or even more staff — I will come to that later — but the bill is changing the regulations. Child-care centres could be open 24 hours a day, seven days a week. Like the business activities covered by the Shop Trading Reform Bill that we were debating before we came to consider this bill, child-care centres might have extended operating hours.

The employment of shift workers to cover the extended hours would result in a third or a half more staff being required. A secure area would be required for storing the personal details of those workers. Civil liberties and confidentiality are issues that have been raised with the opposition.

Anonymity for those who report on staff or operators who allegedly breach the provisions is another issue. The concern relates to the risk of frivolous or vexatious complaints. No-one suggests that people should not be able to raise concerns if they have the slightest belief that a child might be at risk from a carer, an owner or operator. The opposition would be the last to say that, but the industry has suggested that a number of complaints are made around the time bills are sent to parents or guardians. They may get a bit annoyed and angry with the operators of the child-care centres and put in complaints. In the past it has been identified that complaints have been made at the same time as bills have been sent out. Because of the protection contained in the legislation for the person making a complaint that person cannot be identified unless approved by the secretary to the department or the Magistrate's Court. Concern has been expressed that some people may be targeted for the wrong Reasons. The opposition does not oppose people raising concerns about possible abuse, but it must be ensured that complaints are genuine concerns and are not frivolous.

There has been mixed reaction to the extension of the prosecution provisions in part 4 of the bill to include staff as well as proprietors who may not have been treating their charges appropriately. It has been said that an employee could be put in a difficult situation by an employer after being directed to use certain equipment in a certain way that could be deemed to be dangerous and the employee could then become responsible. Currently the employer or licensed person is the person who would be prosecuted or sued, but under the bill the employee also has a duty of care.

Other concerns have been raised about the regulations for child-care centres. There is uncertainty about the standards of staffing, the physical set-up of centres, staff qualifications and the application of national standards under the regulations. However, the government has become a signatory to the standard for centre-based, long-day care, although it did not sign the staffing standards on the child-qualified staff ratio. I would not like those standards to be reduced as a result of the proposed regulations. The difficulty the opposition has is that nobody knows what is in the regulations.

Guidelines or protocols for authorised officers are lacking. It is a matter of terminology. One minute an authorised officer could be a police officer who

arrives at the premises and has the right of entry at any time and is able to seize whatever documents he or she chooses. At another time the authorised officer is the person who talks to the licensee or operator about departmental protocols or guidelines. It is a bit like the officer having a split personality. One minute he or she is doing one thing and the next minute he or she changes hats and is doing another.

Clause 6 provides the minister with the capacity to declare that all or any of the provisions of the act do not apply to any specific children's services or any specified class or type of children's services. It is a wide-ranging power and it is not qualified by any requirement that the minister consult or consider the impact of any exemption. Although there are reasonable grounds for the minister to have this discretion, the power is broad and the opposition is concerned about it. The opposition will move an amendment to this provision during the committee stage.

The bill outlines the process to be taken when obtaining a licence. It is not possible to operate children's services without a licence, which is reasonable and logical.

The licence is granted to an individual to operate a specific venue. The next process is that application for a licence is made to the secretary; the premises does not have to have been constructed prior to that application.

Under the act to date you had to apply for a licence and you had to have the construction built; you could not pick up the licence without having it built.

It is a two-stage process. The first step is to get the approval in principle, and satisfy the secretary that the proposed premises are satisfactory, and that the proprietor is a fit and proper person. The second step is to apply for the licence to operate a children's service, and that is granted if approval, in principle, has been obtained, the applicant remains a fit and proper person and nothing changes during that time.

There is only one mandatory requirement required to obtain a licence: the centre must be operated to ensure the safety of the children being cared for and to ensure that their developmental needs are met — everything else is up to the discretion of the department. We have concerns that that is the only mandatory requirement.

The terms of the licence under the proposed legislation will be up to three years. However, during the course of that three-year period it can be varied. If an application is not granted, there are rights of appeal to the AAT on decisions affecting a licence renewal, variations or suspensions of a licence, or the refusal to grant such a licence.

As I indicated earlier, centres that are registered at the time of the commencement of this act will be deemed to be licensed centres. So there is a transitional rule. The deemed licence will expire when the current registration would have ordinarily expired, and proprietors must ensure that they have applied for the renewal of their licences prior to the expiration of the deemed licences.

Applications for renewal of a licence must be made at least two months, but not more than three months, before the current licence expires, and a centre operating after the expiration of a licence will be in breach of the act and subject to prosecution, and a penalty is attached to that.

The renewal of the licence is made on the basis of the provisions of the new legislation. There is no general transitional agreement to allow centres to meet these new requirements. As I indicated earlier, if they expire within that time, it will be difficult, but as the minister has indicated, we will address that issue.

The current provisions relating to police checks is a problem that we have some difficulty with. It must be ensured that confidential information obtained on those police checks is appropriately secured and that civil liberties are not breached.

The bill outlines the responsibilities of proprietors and staff in the operation of the centres. They include protecting children from hazards, ensuring that appropriate supervision is always maintained, that the cleanliness is always up to standard and that the centre is in good repair. Although there may be some areas of concern about the liability of the staff in ensuring that those standards are met, on balance there is not a huge problem with that because the care of the child is always paramount for these people.

The bill substantially increases the enforcement provisions of the current legislation. The capacity of the department in relation to its investigative and prosecuting powers has been enhanced, and the staff employed in children's services, as well as

providers, can be liable for prosecution under breaches of the act.

The department has the power of entry already — and that is basically unchanged. However, if a premises is unregistered, because it does not fall under the licensing requirements of the act of course a search warrant would be required.

The department is being given greater powers to investigate breaches of the act. Those powers include: the searching of premises; the seizure of documents and materials; questioning, interviewing, and investigating people who are on site; and determining if and what breaches may have occurred.

The opposition does not oppose the bill. However, as I foreshadowed it has highlighted a couple of areas that it will raise in committee, some of which will be addressed by the government — and we appreciate that.

I know, as a sole parent — as the old cliché goes: I got left holding the baby — how difficult it is for parents to go to work and put their children in child care.

As a working mother, one of the most heart-wrenching things I ever had to do was give my child over to someone else's care. It is important that appropriate measures are put in place so that parents who hand over their children to child-care workers know that the licensing procedures, the regulations and the standards are of the highest levels and are maintained at all times. The bill goes a long way towards achieving that. It ensures the department has the authority and the power to investigate any breaches of licence or any abuse that may be inflicted on a child. In principle the opposition supports the bill, but it wishes to follow up a couple of areas in the committee stage.

Debate adjourned on motion of Hon. M. T. LUCKINS (Waverley).

Debate adjourned until later this day.

LAND (REVOCATION OF RESERVATIONS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. R. I. KNOWLES (Minister for Health).

PORT SERVICES AND MARINE (AMENDMENT) BILL

Second reading

Hon. R. M. HALLAM (Minister for Finance) — I move:

That this bill be now read a second time.

The bill makes a range of amendments to the Port Services Act 1995 and the Marine Act 1988 to further enhance Victoria's port reforms and the safety of users of Victorian waters.

The proposed amendments to the Port Services Act cover six main areas. Firstly, the bill removes provisions in the act empowering the Melbourne Port Corporation to collect a compulsory port promotion levy from occupiers or users of port land. The provisions were intended to apply for a two-year transitional period from the commencement of the act while other arrangements were put in place. However, it has not proved necessary to impose the levy. Instead, Melbourne Port Corporation will continue to undertake promotion of the port to the extent that it considers appropriate as part of its business as port landlord. The government, through the Minister for Roads and Ports and Business Victoria, will also work with port industry participants in each of Victoria's ports to further promote the opportunities and benefits Victoria's ports provide.

Secondly, the bill extends the final date upon which staff may transfer from port authorities to the new port bodies and still retain accrued employee entitlements. Some employees are currently being seconded from the port authorities to the successor bodies. The amendment ensures that seconded workers do not lose employee entitlements in the event that their formal transfer occurs after the current final date.

Thirdly, the bill makes clear that the ability of the Victorian Channels Authority (VCA) to recover loss caused by acts or omissions on port land or port waters extends to economic loss. This is important, for example, in an instance where a ship may block channel access, and thus cause economic loss to the VCA — without causing physical damage to VCA

property. A statutory right of recovery by the VCA has been retained because it is not always possible for the VCA to obtain contractual indemnities from the owners or agents of visiting ships prior to the ships entering VCA channels. For similar reasons, and consistent with competitive neutrality principles, the right of recovery has also been extended to other channel operators undertaking duties related to channel management and maintenance under an agreement with the VCA.

Fourthly, the bill removes the statutory right of Melbourne Port Corporation to recover losses arising from damage caused by third parties. Unlike channel operators, there are no special factors relating to MPC's operations sufficient to justify a statutory right of recovery. MPC will thus be in the same position in this regard as the private port operators in Geelong and Portland.

Fifthly, the bill provides that the services subsidiary of Melbourne Port Corporation, Melbourne Port Services Pty Ltd (MPS), is a port corporation for the purposes of the corporate planning and reporting sections of the Port Services Act. This amendment allows the government to deal directly with MPS in the corporate planning process. This ensures that MPC, as a customer of MPS, does not inappropriately receive commercially sensitive information about the operations of MPS as a result of MPS corporate planning information being passed through it.

Finally, the bill extends the period within which a pricing order regulating port charges in the port of Hastings must be made. Under the act any pricing order must be made within 12 months of the act receiving royal assent — in other words by 28 November this year. However, given the time required to resolve complexities arising from state agreements which exist between the government and Esso and BHP regarding their respective facilities in Hastings, it will not prove possible to finalise a pricing order by that date.

Other minor amendments to the Port Services Act include:

- making explicit the statutory power of MPC and VCA to enter into contracts, including contracts of indemnity;

- extending the dates by which repeals of various provisions of previous port authority acts must

- occur, to ensure that the winding up of those authorities has been completed before the repeals take place;

- making it clear that a port corporation may delegate certain functions to a local authority; and

- providing a mechanism by which land transferred from MPC to another body may be formally removed from MPC management.

The bill makes several amendments to the Marine Act 1988 designed to improve marine safety enforcement. These amendments give effect to recommendations made by the Marine Board of Victoria after a 1995 investigation into the operation of power skis. The investigation was prompted by an incident in Port Phillip where a child in a dinghy was killed in a collision with a power ski.

Firstly, the bill provides for local councils to retain infringement penalties for notices issued by council staff for contravention of certain sections of the Marine Act. This recognises the costs incurred by councils in enforcing marine safety provisions and helps ensure that councils are not disadvantaged by more diligently enforcing these provisions. Secondly, the bill provides for an increase in the level of penalties for certain offences relating to marine safety, to make them commensurate with the seriousness of those offences.

Other amendments to the Marine Act and to the Water Industry Act 1994 expand the areas which may be declared to be designated ports and clarify the powers of local authorities, including Melbourne Parks and Waterways, within those ports. These amendments are intended primarily to enhance the ability of local authorities to regulate recreational boating.

I commend the bill to the house.

Debate adjourned on motion of Hon. PAT POWER (Jika Jika).

Debate adjourned until next day.

LAND (REVOCATION OF RESERVATIONS) BILL

Second reading

Hon. R. I. KNOWLES (Minister for Health) — I move:

That this bill be now read a second time.

The bill provides for the revocation of permanent reservations of lands described in the schedules to the bill and to make other related provisions. The bill removes these reservations either to facilitate sale of lands or because the purpose of the reservation is no longer appropriate for the existing or proposed use of the land. I turn now to the particular parts of the bill.

Part 1 — Preliminary

Clause 1 of the bill sets out the purposes of the bill. Clause 2 of the bill provides for its commencement on the day on which it receives royal assent.

Part 2 — Revocation of reservations and Crown grants

Clause 3 of the bill deals with land located in Johnson Street, Maffra, that was permanently reserved for a shire hall and offices in 1877. The land has been under the control of, and used by, the former Shire of Maffra — now the Shire of Wellington — as its municipal offices by virtue of a Crown grant. An adjoining area, temporarily reserved as a site for public buildings, also under the control of the Shire of Wellington, is currently used as a car park.

As a result of local government amalgamations, the Shire of Wellington no longer has a use for the land. The Gippsland and Southern Rural Water Authority is currently occupying the old municipal offices under lease and has indicated that it wishes to purchase the site and the adjoining car parking area. The land has been declared surplus to the government's requirements and the revocation of the permanent reservation is required to enable sale of portion of the land to the Shire of Wellington, which will then negotiate sale of that land, and improvements, to the authority. The remainder of the land, currently occupied by a kindergarten, will be re-reserved for an appropriate purpose and placed under the control of the shire.

Clause 4 deals with land located on the corner of the Calder Highway and Adams Street, Marong that was temporarily reserved as a site for a shire hall in 1877 and subsequently permanently reserved for a shire hall and offices in 1908. The land has been under the control of and used by the former Shire of Marong (now the City of Greater Bendigo) as its municipal offices by virtue of a Crown grant.

Part of an office building that is currently occupied by Vicgrain is also located on the reserve. The land has been declared surplus to the government's requirements and the revocation of the permanent reservation is required to enable disposal of the site.

Vicgrain has expressed an interest in purchasing that part of the reserve it currently occupies. The remainder of the site is to be re-reserved as a Conservation of Historic Interest Reserve and the City of Greater Bendigo appointed as committee of management of the reserve.

Clause 5 deals with an area of 300 square metres at the rear of land in North Parade, Creswick that is part of a government road that will be closed and sold to an adjoining owner. The site was also permanently reserved for public purposes in 1881. The site is part of an 823-square-metre parcel of Crown land which is currently vacant and has been assessed as having no conservation or public land values.

The land has been declared surplus to the government's requirements and the revocation of the permanent reservation is required to enable disposal of the site. The Shire of Hepburn (former Shire of Creswick), has agreed to the sale of the land.

Clause 6 deals with a narrow strip of land of approximately 2000 square metres north of Cooper Street, Epping that runs diagonally east toward the Darebin Creek. The site is a disused Melbourne and Metropolitan Board of Works pipetrack and was permanently reserved for public purposes (Melbourne and Metropolitan Board of Works Main) in 1933.

There are no improvements on the property apart from the remnants of disused concrete piers, which originally carried a water supply pipeline across the Darebin Creek.

Adjoining landowners have expressed an interest in purchasing that part of the reserve adjoining their

properties. As the land has been assessed as surplus to government requirements the revocation of the permanent reservation is required to enable its disposal. A small portion of the land will be re-reserved and added to the frontage to Darebin Creek.

Clause 7 deals with land that was permanently reserved for pipetrack and filter beds for purposes of water supply in 1868. The area covers approximately 3 hectares of the total 11.48 hectares of the reserve. This area has been developed and contains three brick residences, each with a garage, a small office block and a number of sheds.

Central Highlands Water has expressed interest in acquiring the 3-hectare site in order to give it security of tenure over its assets, that is, the houses and office block. It is intended to sell 3.027 hectares to Central Highlands Water and 281 square metres to an adjoining land owner. The balance of the reserve is still used for water supply purposes and also forms part of a government road.

The Shire of Moorabool has no objections to the proposed revocation. The former Minister for Natural Resources has certified that the land is no longer required for water supply purposes.

Clause 8 deals with an area of 854 square metres of land, which is a very small part of Mount Martha Park (approximately 53 hectares). Mount Martha Park was permanently reserved as a public park in 1929 under the control of the Mornington Peninsula shire as committee of management. The subject land has unintentionally become part of Churchill Road, an unconstructed track that serves as a collector road to nearby residential areas.

Churchill Road is generally contained within a designated road reserve. However, over many years of gradual residential development, part of the road has followed an alignment along the natural contour of the land and has deviated into the Mount Martha Reserve. The Mornington Peninsula Shire Council now intends to construct Churchill Road.

After consideration, council has determined that the impact of road construction on vegetation would be considerably less if the existing alignment was retained rather than realigning the road within the actual road reservation. The shire has requested that the small portion of Mount Martha Park be excised and proclaimed government road.

Clause 9 deals with an area of 34.6 hectares at Koroit that was originally temporarily reserved for a racecourse and other purposes of public recreation in 1868 and later permanently reserved for the same purposes in 1883. The site was managed by a committee of management between 1870 and 1994. Racing was originally conducted on the reserve but ceased in the 1930s. The land has been declared surplus to government requirements and will be considered for sale.

Clause 10 deals with two areas of Crown land permanently reserved for conservation of an area of historic interest in 1984 and 1986. The reservations were part of the site managed as the Maritime Museum of Victoria — home of the *Polly Woodside* — by the National Trust as committee of management.

Following construction of the Melbourne Exhibition Centre, consolidation of the area under the control of the Maritime Museum has taken place and the subject land is no longer part of the museum. Instead, it now comprises part of the open space between the Exhibition Centre, Yarra River and the Maritime Museum. The area is to be leased to the Exhibition Centre Trust, which will manage the land as open space.

Clause 11 deals with an area of 2337 square metres located 400 metres west of the Gold Reef Mall with frontage to Sloane Street in Stawell. The land forms part of a 3.7-hectare site known as Cato Park, which was permanently reserved in 1914 for recreation, convenience or amusement of the people. Cato Park was managed by the town of Stawell (now the Northern Grampians Shire Council) by virtue of a Crown grant restricting its use to the purpose for which it was reserved. The council has continued to manage the land, although it surrendered the grant in March 1995 in order to clarify the future management arrangements for the reserve.

The land is zoned light industrial and contains a large brick building, originally operated for the purposes of electricity supply but later used by the Holeproof company. The building is now vacant.

The excision of this portion of the reserve is necessary to legitimise its use and allow the land to be sold. The land has been declared surplus to government requirements and will be considered for sale. The council does not object to the area being excised from the reserve as it has been effectively excluded from the time the factory was first built.

The council has expressed an interest in purchasing the land.

Clause 12 deals with an area of approximately 380 square metres located adjacent to the Nepean Highway at Seaford. The site forms part of Crown land permanently reserved for conservation of an area of natural interest and public recreation, being the coastal reserve between Port Phillip Bay and the Nepean Highway.

The proposed land excision results from a lengthy community consultation process by Vicroads to determine how best to resolve an accident blackspot on the corner of Station Street and Nepean Highway, Seaford. The intersection design was modified during the process in order to recognise concerns of local traders, residents and community groups.

The area affected is an area that intrudes into the reserve to a maximum depth of 2.6 metres and stretches for 210 metres along the Nepean Highway. The final plans for the intersection treatment works minimise the loss of the foreshore reserve. The Frankston City Council made a decision to grant a planning permit for the proposal in November 1995 and a subsequent appeal was disallowed by the Administrative Appeals Tribunal.

Clause 13 deals with a small area of land which is part of an unused government road located off Howlett Road in Neerim South. The adjoining landowners have sought to purchase the land. The land has been assessed as surplus to government requirements.

In the process of preparing the documentation for sale it was discovered that the land, which fronts the Tarago River, was permanently reserved for public purposes in 1881 as part of the broad reservation of water frontages across the state. The subject land is inaccessible to the public. Adequate public access to the river is available at various places nearby. The revocation of the permanent reservation is required to enable sale of the site and incorporation into adjacent freehold land.

Clause 14 deals with an area of 42.54 hectares known as Expedition Pass Reservoir, which is located within the Shire of Mount Alexander. The land was permanently reserved for water supply purposes. The site was formerly managed by Coliban Water, but is no longer required for water supply purposes.

Upon revocation of the permanent reservation the Shire of Mount Alexander is prepared to assume management responsibility for the land that will be reserved for public recreation.

Part 3 — Consequences of revocation of reservations and Crown grants

Clauses 15 and 16 of the bill contain provisions which are generally applicable to land bills of this type and which detail the consequences of revocation and provide for the Registrar-General and the Registrar of Titles to make the necessary amendments to titles.

I commend the bill to the house.

Debate adjourned on motion of Hon. PAT POWER (Jika Jika).

Debate adjourned until next day.

SHOP TRADING REFORM BILL

Committee

Resumed from earlier this day.

Clause 4

Hon. T. C. THEOPHANOUS (Jika Jika) — I understand the clause basically defines exempt and non-exempt shops. I take it the purpose of the clause is to ensure that certain shops will still have to remain closed on two and a half days of the year.

Hon. M. A. Birrell — Or on Sundays if a municipality passes a referendum.

Hon. T. C. THEOPHANOUS — Yes. I notice the bill still includes the 20-or-more-employees criterion, and the list of shops in schedule 1 includes hardware shops, shops for the sale of foodstuffs and groceries, furniture shops and so on. Will the minister explain whether the effect will be that small hardware and furniture shops will be able to open on Christmas Day, Good Friday and Anzac Day morning and how this anomaly gels with his notion that shops ought to be shut on at least the specified two and a half days of the year?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — Currently exempt shops can open on Christmas Day, Good Friday and Anzac

SHOP TRADING REFORM BILL

452

COUNCIL

Wednesday, 30 October 1996

Day, and the government is retaining that situation. Exempt shops will be able to open on any day.

Hon. T. C. Theophanous — You have expanded the list.

Hon. M. A. BIRRELL — The list is almost identical to the previous list. The fewer-than-20-employees test was inserted in 1983 to effectively place a cap on the size of the shops involved. I think Parliament had exhausted its capacity to further define the shops it wanted to keep shut on certain days. The 20-person test was a critical upper limit that meant that large supermarkets or retail stores could never be exempt shops because they would employ more than 20 people and, therefore, could not open on Christmas Day, Good Friday or Anzac Day.

Hon. T. C. Theophanous — But, in effect, small hardware and furniture shops can still open.

Hon. M. A. BIRRELL — They currently do open on those days and they will still be able to open on those days. However, they may choose not to open.

Clause agreed to; clause 5 agreed to.

Clause 6

Hon. T. C. THEOPHANOUS (Jika Jika) — I move:

2. Clause 6, line 29, after this line insert —

“() at all times on a specified Sunday or Sundays; or”.

This amendment will test amendments 3, 4, 5, 7 and 8 standing in my name. The amendment seeks to take up one of the issues the government has put forward as a major reason for the legislation. The government has put a view to the community that there ought to be maximum choice and has argued that the bill is about providing choice. However, for some strange reason, although choice is being allowed in relation to 24-hour trading, except for two and a half days a year, choice is limited under the referendum proposal for communities who wish to choose the Sundays on which they would like shops to open. The opposition argues that that is, in effect, no choice. It really is smart-alec response from a smart-alec minister.

The minister has obviously spoken to his mates at Ikea or the other major companies that are supporting him and they have said to him, ‘If you

stick in a referendum proposal, for goodness sake make sure you minimise any chance that it will get up’. The minister decided to introduce a proposal under which local communities can decide to have a referendum on allowing shops to open on either all Sundays or no Sundays.

The minister knows that most people in the community like to shop on the Sundays immediately preceding Christmas because that has been highly successful in the past. In fact, the minister tried to make political capital of the fact that the previous minister responsible for consumer affairs had issued press releases indicating just how successful and popular pre-Christmas Sunday trading was. The minister is trying to be really smart about this, and he and everybody else knows it. Everyone I have discussed the proposal with, including the small business associations and the large retailers, recognises — —

Hon. Louise Asher — Which small business associations?

Hon. T. C. THEOPHANOUS — I am happy to go through them. I can tell the committee that the Minister for Small Business has not spoken to them. When the Master Grocers Association and the Retail Confectionery and Mixed Business Association came to see me — —

Hon. Louise Asher — I have seen them.

Hon. T. C. THEOPHANOUS — Not about shop trading, you haven’t. You may have seen them about other things, but not about shop trading.

Hon. Louise Asher — I saw them last week.

Hon. T. C. THEOPHANOUS — What a confession! Here is the Minister for Small Business, trying to make the businesses smaller — —

Hon. D. A. Nardella — The Minister for Smaller Business!

Hon. T. C. THEOPHANOUS — Yes, we might rename her the Minister for Smaller Business. It was only last week that she bothered to allow one of the smaller groups to see her. As the groups have indicated, it is like getting an appointment with the Queen. That is what the Small Business Association (SBA) has said about the minister.

Hon. Louise Asher — And I saw them yesterday. I have seen them all.

Hon. T. C. THEOPHANOUS — I think we should all bow in acknowledgment that Her Majesty has actually seen a couple of the small business associations! However, she managed to see them after the event. That is the sort of consultation she has had. Did the minister ask them about the bill before it was introduced? Did she make representations on their behalf? No, she did not. She flick passed the whole thing because it was too hot for her ministry to handle; she flicked it over to the Minister for Industry, Science and Technology so he could make a decision and so she could insulate herself from what had taken place.

This bill is a blatant abuse of the democratic processes and democratic choice. It says a person can gather signatures for a petition but that that person has no say on what can be in the petition. The choice a person has is to gather signatures for a petition advocating either all Sundays or no Sundays. Effectively everybody has all Sundays, but you can get up a petition to have no Sundays. Everyone knows — these business organisations certainly do, large and small — that the legislation is designed to try to reduce the chances of a referendum actually getting up. I venture to suggest that if somebody got up a proposal for the first Sunday of each month plus the three Sundays before Christmas — the Premier's policy, which he reiterated two days before the election and again two months afterwards — there is no doubt that the chances of getting up a referendum would be maximised. Everyone knows that.

The Minister for Industry, Science and Technology has decided to be a real smart Alec. He has decided to put up a proposition in the name of democracy and choice that is designed to circumvent democracy and choice and to stifle the democratic process rather than actually expand it. Indeed, every part of this proposition in clause 6 and the subsequent clauses relating to the referendum or the notion of a referendum is put on the basis of trying to ensure a poll is not successful. The bill creates the unbelievable situation where individuals or organisations not only have to collect the signatures of 10 per cent of the electorate on a petition before they can actually have a referendum, but, after the signatures having been collected, at least 30 per cent of the electorate has to vote in the referendum in order for it to be effective.

The opposition's amendments, if passed by the committee, would ensure a greater level of choice. If the government is serious about providing choice it should not have a problem with this amendment. If the minister thinks it is okay for a community to make a choice, which is what this bill is based on, he should not have a problem with the amendment, which simply says that if a community wants to put in place the Premier's suggestion of trading on the first Sunday of each month and the three Sundays before Christmas it can have that choice.

There is another aspect to this on which I sound a warning: the minister has given no thought to the economic consequences of this proposal. Communities may well pass the referendums, and that is of concern to many people, including the large retailers. It is not inconceivable that a community in Darebin, the western or southern suburbs of Melbourne, Bendigo or Ballarat may pass these referendums and, if they do, shopping complexes like Northland may be shut down every Sunday for three years, when the shops up the road in Greensborough are able to open every Sunday for the entire three years. I do not know what the economic consequences are of one lot being able to open and another not.

Hon. Louise Asher — That is what happens now.

Hon. T. C. THEOPHANOUS — It does not happen now. It happens in a limited sense in the CBD.

Hon. Louise Asher — And in tourist areas.

Hon. T. C. THEOPHANOUS — But there aren't tourist areas in the greater part of Melbourne.

Hon. Louise Asher — Yes there are. There is one in St Kilda and also Chapel Street.

Hon. T. C. THEOPHANOUS — I know there is one in St Kilda — I actually established it. Those tourist precincts are of a limited nature and number. They certainly do not affect the large shopping complexes. The situation must be considered on the basis of equity. It is not only the people who live in Preston and Northcote who shop at Northland but also people from a wider area, such as Heidelberg, Ivanhoe and so on. If the government really wants some notion of democracy one must ask why only the people in the small area where Northland happens to be situated should make the decision

rather than the broader community. I predict that if a community like the one I referred to makes such a decision, the government will rush back into this place to change the legislation.

The opposition strongly opposes the proposed arrangement. We put to the minister that on the basis of his own axioms of choice the proposed amendment simply expands the choice. I ask the minister to indicate to the committee what argument the government is running on choice as it applies to our proposal in this amendment. Does he accept that the amendment would actually increase the level of choice available to the community?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — The government does not accept the amendment that has been moved. The reality is that under the current law the community has no choice to conduct a referendum at all; there is no referendum power. We are enshrining for the first time the right for local communities to vote on the matter. Indeed, councils have long been arguing publicly for this type of referendum right.

Originally we floated a proposal to have the referendum based on state electoral voting rolls, but within municipal boundaries. It was put to us by local councils that that would not be cost effective. They said that they would prefer to use local government rolls. They are different in that they do not include people not on the state electoral roll — for example, people who run a shop in the area but do not live in the area, or people in homes or who for some reason are on the state electoral roll elsewhere but live in the municipality.

Hon. T. C. Theophanous — And owners, as well as renters.

Hon. M. A. BIRRELL — Yes, people who own a shop but do not live in the area. We agreed to the proposal put to us by the MAV and the bill was therefore amended. We are enshrining a referendum right that currently does not exist. We are not afraid of people on local rolls using that new right. We are very pleased to have taken that initiative.

What we have to seek also in terms of giving community rights here is to try to achieve some degree of certainty about shop trading laws. One of the principal complaints about the existing legislation is that no-one has a clue which Sundays are the 10 shopping Sundays each year. By the end

of the Christmas period they realise that on the last Sunday before Christmas Day the shops are open, but I defy anyone to say there is public understanding of which Sundays the others are. They usually sneak up on you. Even I am a bit hard pressed to remember which Sundays they are.

One of the clear reasons why we offer the options that we do is to get a high degree of certainty within the context of municipal diversity. What we do know, for example, is that, from memory, about seven rural municipalities have no Sunday trading of any type at all — no exemptions are used — and about six city municipalities fit into that category. They may well want to take advantage of a referendum, and that would be their choice. Unlike Mr Theophanous, I do not doubt their capacity to exercise judgment on those issues.

We are not giving a choice only of whether shops will or will not be open. Another choice is to open on Sundays but only within certain hours.

Mr Theophanous has not mentioned that right that we are enshrining — there would be that choice for people to vote on. For example, they could vote on a referendum that said: shops in our municipality can open only between 10.00 a.m. and 4.00 p.m. on Sundays. In fact, most shops, if they do open on Sundays, will probably open during those hours, regardless of a referendum. But it would be open to them to choose the hours.

We think this will be a power that may be utilised by some municipalities. There is certainly public discussion about whether municipalities will do so. I believe the bulk of councils will not find themselves facing a request from 10 per cent of voters to conduct a poll. As I understand it, the 10 per cent of voters requirement is drawn from the existing Local Government Act, which is the precedent. I think it has been used on other occasions. The 10 per cent seems to be a reasonable number. I don't think it is excessive. From memory, I understand also that the requirement that 30 per cent of voters must vote for the poll to be valid is also drawn from the Local Government Act. I do not think that is excessive either. We could have required at least a majority of voters voting, so it could have been set at 50 per cent, but it was not. Because of the precedents in other acts it was set at 30 per cent.

There is a fair range of choices. It gives the community an opportunity to have a say of what it wants, whether it is in West Wimmera, which

currently has no exemptions at all for Sunday — there is no shopping in West Wimmera, other than for exempt shops — or in Frankston, which has no exemptions at all for shopping. It may be those councils or others which choose, through a democratic process, to have a referendum.

Recognition is dawning that people in Frankston are happy not to allow shopping on Sundays because Frankston people who want to shop on Sundays go to Mornington, Rye or Rosebud, where there is seven-day-a-week shopping. They simply drive a few kilometres. That is why, whenever I have been in Mornington on a Sunday, the place is abuzz. They are not locals; presumably they are people from Frankston and elsewhere.

Hon. M. M. Gould — You're a tourist when you go to Mornington.

Hon. M. A. BIRRELL — The Mornington Peninsula is a tourist precinct for those of us who are tourists. But I do not think people in Frankston go to Mornington as tourists; they go as shoppers.

People will have a choice about to whether they want shops that have more than 20 employees to open and they will have a choice of the hours they want them to open.

Hon. T. C. Theophanous — Are you saying it's all right for Frankston to shut down?

Hon. M. A. BIRRELL — Currently Frankston shuts down.

Hon. T. C. Theophanous — Except for the 10 Sundays.

Hon. M. A. BIRRELL — I'm not sure whether the shops open on those days.

Hon. T. C. Theophanous — I'll bet you they do.

Hon. M. A. BIRRELL — The reality is that, historically, Frankston municipal councils — it was never decided by the people of Frankston — have not sought to have Sunday trading. Under this proposal they can make a choice on Sunday trading. It will be a binding poll. It is not determined by commissioners, the local council, the town clerk, or the state government — it is determined by ordinary voters. I trust them. I do not have any doubt that they will make an informed decision on whether

they want Sunday trading. We are leaving it up to them. They can also make an informed decision, should the mechanisms be put in place, as to what hours they want to trade on Sunday.

It is for that reason that we support the proposal before the committee and do not support the amendment that has been moved.

Hon. M. M. GOULD (Doutta Galla) — In relation to clause 6 and proposed amendment no. 2: when the clause was being developed, did the minister consult with any or all councils for their views on the referendum that they would have to conduct — that is, if they got the 10 per cent?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — We were trying to formulate a referendum proposal based on the precedent in the Local Government Act. Almost consistently over many decades, local government would have liked to have referendums based on local policy making.

I am not a slave to referendums being an alternative to making policy decisions because I believe government — be it local, state or federal — should make policy decisions and not leave them to referendums. However, this is one of those classic cases where a popular poll seems to be a reasonable idea. What the Municipal Association of Victoria said is public — that is, it did not like this proposal and it believed it would be costly. The government responded by putting a less costly proposal by using existing rolls. It goes without saying that local government has already updated its existing rolls because it has either just had local government elections or will have next March.

Hon. D. A. NARDELLA (Melbourne North) — The minister said previously that it should not be a crime to shop on a Sunday. If a local community decides to close the shops in a municipality on Sundays between specific hours but a particular shop remains open will that shop incur the full force of the law?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — A shop that is not an exempt shop will be able to open only on allowed trading days. If a shop that is not an exempt shop opens on a Sunday in a municipality where a referendum has been carried to shut the shops on Sunday the shop will be prosecuted under the heavy

prosecution powers of the bill, which have been strengthened when compared with the current act.

If the municipality has passed a referendum that says shops may open between 10.00 a.m. and 4.00 p.m. and if a shop opens at 5.00 p.m. or stays open all night it will be prosecuted under the provisions of the bill. It does not have to be prosecuted under local laws passed by the council but under powers triggered by the local law being passed. The full weight of the law will be applied against a shopkeeper who breaks that law, just as the full weight of the law will be applied against any one who opens before 1.00 p.m. on Anzac Day unless the shop is an exempt shop.

Hon. D. A. NARDELLA (Melbourne North) — It is my understanding that under existing legislation the government has had problems prosecuting shops that have traded illegally. That problem has built up over a long period and the government has used that as part of its reasoning not to restrict shop trading hours. For whatever reason, the government has not been prepared to take action against those traders in the past.

Will the minister give a guarantee that if shop owners trade outside the hours specified in a referendum the full force of the law will be used against them?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — Obviously the answer is yes. The full force of the law will be used against anyone who breaks the provisions of the new act. The act will be clear cut and there will be absolutely no excuse for a person to say that he or she does not understand it. The law will be patently obvious as it provides that a shop cannot trade on Christmas Day, Good Friday or before 1.00 p.m. on Anzac Day. It will also be patently obvious in a municipality where a poll has been conducted and a local law has been carried that shopkeepers cannot trade within certain hours. The penalties involve up to 200 penalty units.

Hon. T. C. Theophanous — Who collects the money, the government or to the municipality?

Hon. M. A. BIRRELL — I will come to that shortly. A very heavy penalty is in place and there are clear-cut prosecution powers.

The reality is that over the past 20 years — forget which government was in power — there was a willingness to prosecute, which meant governments ended up with cases such as that of Frank Penhalluriack. There is no doubt that the full force of the law could be brought against individual shopkeepers, but that would turn them into martyrs. The bottom line is: do governments of any particular persuasion want to put people like Frank Penhalluriack in gaol? The law as it stands with its weak penalties is based on the fact that the penalty was not so significant to cause a public uproar.

Hon. T. C. Theophanous — You would go back to Penhalluriack then!

Hon. M. A. BIRRELL — Penhalluriack was clearly a celebrated exception, but you can also get a position where the penalties are so low that shops include them as the cost of doing business on Sundays. The government wants to ensure — I do not want to stress Anzac Day but I use it as an example — that Anzac Day is treated quite differently. For the first time last year my predecessor in charge of this act, the former Minister for Small Business, Vin Heffernan, ran substantial advertisements about Anzac Day trading. The full force of the law must apply.

Hon. T. C. THEOPHANOUS (Jika Jika) — Earlier I asked the minister a question by way of interjection that I will now ask formally. Does the money from the payment of fines accrue to the state or to the municipality? It is an important question. If the cost of the referendum, the enforcement and all the other additional costs are borne by the municipality surely the money collected from fines should go to the local municipality.

It is also important to point out that one of the major reasons the minister presented for introducing this legislation was the notion that individuals ought not to be stopped from shopping if both the shopper and the shopkeeper wanted it — that is, the shopper wants to shop and the shopkeeper is prepared to keep his or her shop open in order for that person to shop, and that the government should not be involved in that. That was the major reason.

It is quite extraordinary that on the one hand the minister puts that argument but on the other hand he says, 'We will allow municipalities to have some other arrangements in place which will perpetuate the same set of arrangements'. Quite frankly, it does

not matter whether it is in one municipality or in the state as a whole, you will still have what he has called the illogical situation where there will be people who want to go shopping but who are not allowed or who are unable to do so because shops are shut.

It is a total contradiction of the government's position. The minister cannot simply evade that argument in the way he has tried to do by saying that this is somehow a democratic choice.

The people of Victoria made a democratic choice at the election, and part of that democratic choice was made on the basis that they believed this government would not allow open-slasher shop trading. But that did not stop the government from then changing the ground rules. It is important to make those points, because the argument is fundamentally illogical.

I also specifically ask the minister to give an undertaking to the house that he and the government will not intervene in the event that referenda are passed which result in major shopping centres closing down, irrespective of the outcry that might come from the major shopping centre owners.

I want the minister to give a specific undertaking that the government will not intervene in such a process: that, for example, if a Northland, a Greensborough, or a Highpoint shopping centre shuts down as a result of the legislation, he will not seek to intervene in the process because he is under pressure from the major retailers — because the people would have made a democratic choice.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — On the first point, in terms of penalties, I will explain and make it clear for the record that under the legislation the state can set 100 penalty units for breaches. A significant fine is available.

Hon. T. C. Theophanous — Not the municipality.

Hon. M. A. BIRRELL — The municipality is able to set fines. And in answer to the question you raised of where the municipality fine money goes to, I am advised that it goes back to the municipality. They would be doing it because they set the local law.

Hon. T. C. Theophanous — So if it is against the local law, they get the money — if it is against the two and a half, is that right?

Hon. M. A. BIRRELL — That is right; that is my advice. On the issue of a referendum being passed, the government's view is that a referendum is for the local people to make a decision. We will, as a government, be saying to people: you make the decision and you accept the result, and we will accept the result of a referendum.

Hon. T. C. Theophanous interjected.

Hon. M. A. BIRRELL — It is quite clear what we want to do. Our intention is to hand that decision over to them, and that is what we are planning to do. We are saying that if West Wimmera, or Frankston, make a decision, that decision is theirs and theirs for the outcome.

We are making it perfectly obvious that people will have to have in their minds the consequences of the way they vote, and whether they vote for Sunday trading or against it, they would want to have that in their minds.

Hon. M. M. Gould — Or certain hours on Sundays.

Hon. M. A. BIRRELL — Or certain hours on Sundays. Our preference, which I think will be what people will focus on, is for people to have the freedom to go out on a weekend and shop if they wish to. But if local communities want to alter that, they have the power to do it.

The CHAIRMAN — Order! The committee will now decide on amendment no. 2 moved by Mr Theophanous, which will also test amendments 3, 4, 5, 7, and 8.

Committee divided on amendment:

Ayes, 10

Eren, Mr (<i>Teller</i>)	Nguyen, Mr
Gould, Miss	Power, Mr
Hogg, Mrs (<i>Teller</i>)	Pullen, Mr
McLean, Mrs	Theophanous, Mr
Nardella, Mr	Walpole, Mr

Noes, 32

Asher, Ms	Furletti, Mr
Ashman, Mr	Hallam, Mr

Atkinson, Mr	Hartigan, Mr
Baxter, Mr	Katsambanis, Mr
Best, Mr	Knowles, Mr
Birrell, Mr	Lucas, Mr (<i>Teller</i>)
Bishop, Mr	Luckins, Mrs
Boardman, Mr	Powell, Mrs
Bowden, Mr	Ross, Dr
Brideson, Mr	Smith, Mr
Cover, Mr	Smith, Ms
Craige, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Varty, Mrs
de Fegely, Mr	Wells, Dr (<i>Teller</i>)
Forwood, Mr	Wilding, Mrs

Amendment negatived.

Hon. T. C. THEOPHANOUS (Jika Jika) — I move:

6. Clause 6, page 7, lines 18 to 22, omit sub-clause (4).

Subclause 4 states:

Section 122 of the Local Government Act 1989 ... applies to a local law referred to in sub-section (2) as if the reference in sub-section (1) of that section to 10 years were a reference to 3 years.

The amendment provides that, where a municipality actually votes to have no trading or to change the hours of trading, that would stay in force for up to 10 years. Compare that to a circumstance where the referendum would lose its effect after three years, which would mean that there would have to be another referendum.

As I understand it the government has said that the referendum proposal is sunsetted so that after three years another referendum would be needed. Presumably it would involve another 10 per cent petition and another referendum, and on it goes. That would be a costly exercise. I initially seek from the minister clarification of how he envisages this process will operate, especially after the first referendum. Is it the case that under the government's proposal shortly before the local law is sunsetted there would need to be another 10 per cent petition and then another referendum?

The second matter I wish to have clarified is what would happen if there were a difference of opinion in the community and one group of people wanted a referendum on the basis of a petition for no trading on Sundays and another group of people wanted a referendum to change the hours to provide for

Sunday mornings only and both groups managed to get 10 per cent of the community to support their individual proposals? Who decides which of those referendum proposals would be put before the community, especially if both proposals were received by the council at the same time? Which of the two proposals would then be put before the people for them to decide?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — The government does not support the amendment, which shows a misunderstanding of the proposed clause, although the honourable member's speech has been a lot broader than that. The proposal in the bill is that the local law relating to this issue should last 3 years in the same way as the poll period lasts 3 years, otherwise in the absence of this change the local law would last the normal 10 years that local laws last under the Local Government Act. It would be illogical for it to last 10 years even though it could be activated by a poll that would have a 3-year effect, so we have tied them together.

I now turn to the question raised by Mr Theophanous about what happens every three years. The answer is that, if a restriction is put in place, after three years a new referendum must take place for that restriction to continue. For there to be a referendum there has to be a 10 per cent petition — so the process starts again after three years.

The final point raised by Mr Theophanous referred to which referendum proposal would be voted on. The whole structure is drawn from the existing broad precedents in the Local Government Act, which says a council has to sign off that it has received a referendum proposal by 10 per cent of people on its local roll. By definition, the first proposal put to the council signed by 10 per cent of people on the roll and signed off formally would be the proposal voted on. I think it extremely unlikely that you would have two competing proposals not sorted out by the proponents. The community must decide whether or not it signs off a poll.

I have been assured that a council cannot sit on the poll. It has to hold a vote within a certain period and cannot put it off indefinitely. With a duly signed 10 per cent petition which fits the principles in the act, a poll must be held within 60 to 90 days, which will result in a fast-moving process. The council cannot say, 'I do not like the poll, so I will put it off'.

SHOP TRADING REFORM BILL

Wednesday, 30 October 1996

COUNCIL

459

A poll proposal must be put to the people once a 10 per cent petition has been lodged.

Hon. M. M. GOULD (Doutta Galla) — On the assumption there is a 10 per cent petition from the community to close shops on Sundays, is it the responsibility of the council to get the 10 per cent petition to kick off the proposal within three years or the 60 to 90-day period? I am querying the operative date. If the community goes through that process and it has 60 to 90 days in which to decide on the poll, will it mean there will be an overlap after three years of some months in which shops may open for that limited period?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — Depending on when the 10 per cent petition occurs some overlap may take place after the three-year period. The 10 per cent petition would be lodged; local government would have a referendum, and at the most 60 or 90 days may overlap.

Hon. M. M. Gould — Shops may open on 12 consecutive Sundays.

Hon. M. A. BIRRELL — I am happy to find out when a referendum will start ticking over, but I assume it will start when the three years is about to expire.

I am advised a poll can be held within a matter of days after the previous three years has expired.

Hon. M. M. Gould — Would the council have the electoral roll ready?

Hon. M. A. BIRRELL — Yes, because it would have had an election.

Hon. T. C. THEOPHANOUS (Jika Jika) — Is there a time limit on collecting signatures for a referendum? Could it be in 12 months? Is the referendum date a matter for the council and is it a requirement that councils have to have a referendum on a Sunday?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — No, if councils have a voting day it must be on a Saturday, because that is the voting day set out in the Local Government Act. However, under the regulations councils may choose to have a postal ballot. It is an important

alternative that councils may find reasonable or popular.

Hon. T. C. Theophanous — It is up to councils to decide?

Hon. M. A. BIRRELL — Yes, it is up to them to decide whether to have a postal ballot. I would encourage councils to do that, but it is not up to me.

Mr Theophanous asked how long councils can take to collect a poll. The answer is as long as it likes, so long as people have signed off by the time the poll went in and are still residents. You would not want to leave it forever, otherwise you would find that the 10 per cent of people who signed the petition had dwindled.

Hon. M. M. GOULD (Doutta Galla) — As to a subsequent referendum, the minister said the referendum could be held within days of a 10 per cent petition being signed off by the municipality. I raised by interjection a concern that the electoral roll may not be ready in a couple of days and the minister replied that councils would have had an election. It is possible a poll is required two years after an election has been held. It is not as if municipalities will receive a petition, get a poll and hold a referendum.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — There will be a roll in place at any time. A roll would need to be available for a referendum. As to whether it is up to date, it is the duty of a council to keep it up to date, and I urge councils to do so as a matter of prudent behaviour. The state is in a period of regular elections and there is always the possibility of a by-election, so councils should keep the rolls up to date.

Amendment negated; clause agreed to; clauses 7 to 11 agreed to.

Clause 12

Hon. T. C. THEOPHANOUS (Jika Jika) — This clause deals with the repeal of certain acts, and subclause (2) states:

Despite the repeal of the Shop Trading Act 1987, section 24(2) of that act continues to have effect with respect to convictions for offences against that act.

Obviously there must be a number of convictions in the pipeline and a number of prosecutions in hand. The clause allows the minister to continue to prosecute for breaches of the act.

Will the minister explain whether the prosecutions in the pipeline are now null and void or will they be continued? This is put on two levels: on the one hand, does it give the minister the power to continue with the prosecutions and, on the other hand, will he continue with those prosecutions? Presumably at the end of day if the provision does give the government the power to continue with the prosecutions it will have to decide whether it continues to pursue people who have already breached the current legislation, so perhaps the minister could also indicate the government's intention in that regard. In addition, will the minister indicate how many such prosecutions are in hand and say whether he is prepared to provide a list of the current prosecutions so that honourable members and the community can see how many involve Ikea?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I was thrown for a second because the Leader of the Opposition was not really dealing with clause 12(2). Clause 12(2) will ensure that section 24(2) of the Shop Trading Act continues to have effect so that convictions under that act will remain effective until spent after five years. The government is continuing the existing law in relation to existing convictions so that after five years has expired they will be treated as having been spent.

The Leader of the Opposition raised a broader issue about future prosecutions. The Ikea case is on foot, and Ikea is mounting arguments against the government. A number of other cases were put on hold well over a year ago because the Ikea case was before the courts, and regrettably in coming months and years alleged offences will be prosecuted. Should the bill be passed, cabinet will give consideration to what prosecutions should or should not proceed in light of the decision made by Parliament.

Hon. T. C. Theophanous — You retain the power to continue with them?

Hon. M. A. BIRRELL — The government continues to hold the power to legally request the police to begin prosecutions. Any decision to prosecute will be made by the police and such

matters will be decided in the courts. The power to initiate prosecutions is not affected and will continue.

Hon. T. C. Theophanous — Even though it is not illegal now?

Hon. M. A. BIRRELL — Under the law governing new offences it would not be illegal, but any offences would already have been committed when a charge was laid under the current act.

Clause agreed to; clauses 13 and 14 agreed to.

New clause

Hon. T. C. THEOPHANOUS (Jika Jika) — I move:

9. Insert the following new clause to follow clause 7 —

"A. Employees cannot be required to work on weekend after 5:00 pm Saturday

Despite any provision to the contrary made by or under any Act or by any contract of employment or other agreement or arrangement relating to employment or by any employment agreement within the meaning of the Employee Relations Act 1992, an employer within the meaning of that Act cannot require an employee within the meaning of that Act to work at any time between the hours of 5:00 pm and midnight on a Saturday or at any time on a Sunday."

The new clause involves an important point of principle for the opposition. The proposed clause seeks to ensure that employees are not forced to work on weekends or after 5.00 p.m. on Saturdays. The reasons for proposing the clause essentially concern the freedom of choice the minister keeps talking about but was not prepared to grant in relation to referendums.

The minister is prepared to put into the legislation protection for retailers at shopping centres to ensure they are not forced by the operators or owners of the centres to open on Sundays. If the government is prepared to provide protection for small retailers that have leases with major owners, on the basis of natural justice it should also be prepared to provide protection for employees. If small retailers are not forced to open on Sundays, employees should not be forced to work on Sundays.

The minister keeps making the point that he does not believe people will be forced to work on Sundays, but there is no evidence that that will be

SHOP TRADING REFORM BILL

Wednesday, 30 October 1996

COUNCIL

461

the case. Indeed, even in discussions I had with them, representatives of Coles Myer were prepared to concede that some employers — perhaps smaller employers or employers in the suburbs — may well put pressure on employees to work on Sundays. There is no suggestion Coles Myer would attempt to force employees to work on Sundays.

The opposition is asking that employees be given the same protection that has been offered to shop owners. The provision of such protection does not seem to be opposed by retailers with whom I have spoken, and I do not understand the government's rationale for not accepting the opposition's reasonable and balanced proposal.

I ask the minister to indicate in his response whether he thinks it would be appropriate for organisations to try to force employees to work on Sundays. For example, what would the minister's response be in his capacity as the minister responsible for industrial relations if an organisation tried to write into an employment agreement that employees had to work on Sundays?

Given that it is not precluded by the act, does the minister see other ways for employees to be able to get out of such agreements or would he support such agreements, especially as he does not believe people should be forced to work on those Sundays?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I understand the honourable member's proposition but the government does not accept it. There is a distinct difference between the clause we put in to ensure that individual shops do not have to open on Sundays if their landlords tell them to and the issue the honourable member is putting of employees needing a similar legal statement in the act. One of the key differences is that under existing leases many shopkeepers in large shopping centres have leases that say the shops shall open at any time the shopping centre is open. There was no need to have a clause saying 'but not on Sundays' because it was against the law to open on Sundays, so the shopping centre itself could not open.

In the absence of our putting in the clause requiring that the rights of individual shopkeepers not to open on a Sunday be protected, they would be legally and commercially bound to open on a Sunday because of a pre-existing binding agreement in their leases. So

we need to have a similar legal undoing of that obligation.

Hon. T. C. Theophanous — Which we support!

Hon. M. A. BIRRELL — Yes. But that is quite different from the position of employees. There is no similar or equivalent legally binding requirement for employees to work on a Sunday which needs to be undone by legislation.

The experience is that this issue has been resolved to the satisfaction of employees — even if we rely only on the evidence of the Shop Distributive and Allied Employees Association, which has embraced the idea of Sunday trading on behalf of its members. Since 1992 the union on behalf of its members has entered into a number of agreements amicably reached between employees and employers that specifically provide for Sunday trading —

Hon. T. C. Theophanous — On a voluntary basis!

Hon. M. A. BIRRELL — Yes, or seven-day-a-week trading. For example, the agreement between the SDAEA and Bunnings, known as the Bunnings Warehouse Enterprise Agreement 1995, states in clause 5:

The ordinary hours of work shall be Monday to Friday 6 am to 10 pm and Sunday 8 am to 6 pm.

The agreement between the SDAEA and Freedom Furniture states in part 6, clause 1.1:

Ordinary hours of work for all employees shall be ... Sunday 8 am to 6 pm.

The agreement between the SDAEA and Rockman Stores in clause 4(x) states:

The roster shall be on any five days of the week, Monday to Sunday.

And the agreement between the SDAEA, Jewel Food Stores and Woolworths goes even further. That agreement, known as the Big W Discount Department Stores Agreement 1994, states in clause 8:

The ordinary hours of work of employees shall not exceed 152 hours over four weeks, with a maximum of 54 hours in any one week, Saturday to Sunday.

It is very clear that we have enshrined in the voluntary amicable agreements of the union that you can trade Monday to Sunday, you can trade any five days out of any seven, or you can trade just on Sunday, and it is all fine with the union.

Earlier I read out another clause that is even more sweeping. Not only do we believe there is a distinction; we do not believe this clause is necessary.

Anecdotal evidence given to us, which we do not doubt, is that employees put their hands up to work on Sundays. They like the opportunity, particularly permanent part-time workers. It suits their lifestyle to work on Sundays and they like the extra pay. I do not doubt that Sundays will be very popular for permanent part-time workers.

You can imagine a number of categories, not the least of which would be university students, who will queue up for the opportunity to work on Sundays. It is probably the only day of the week they want to work. When I was attending university I keenly sought out the opportunities to work on a Sunday and I was lucky enough to be able to get permanent part-time work on Sundays — and many others would seek to do that.

The bottom line, whether it is an individual contract, a general agreement or an award, is that we believe there will be a voluntary availability of people for Sundays. We do not believe there is an experience of people being put in leg irons and told they have to work on Sundays. If there were we believe the chamber would have been regaled with personal cases and long and well documented descriptions of what went wrong and statutory declarations to prove there had been a real breach in this area. The experience is otherwise. We do not believe the clause is necessary, and we do not believe there is an underlying problem that necessitates such a clause.

As I said at the beginning of the committee debate: this provision has been in place in this form in the city of Melbourne over the past four years and it has worked very well. In fact in this circumstance I congratulate the union for so promptly and successfully entering into amicable agreements with the employers to secure seven-day-a-week trading or, more specifically, Sunday trading. I believe that will occur again on a broader scale.

Hon. T. C. THEOPHANOUS (Jika Jika) — I want to get this point absolutely clear with the minister

because I want an answer to this specific question. I understand there are voluntary agreements with the union. I want to know the position if a company says it will employ workers under individual contracts only if they will work on Sundays. In other words, the company says that is a condition of employment: 'You must work on Sundays or be available to work on Sundays, otherwise you do not get the job or individual employment contract'.

Firstly, does the minister believe those circumstances can arise; and secondly, is he prepared to act to prevent them?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — We are not going to intervene in the marketplace with a law that says you have to work in a certain manner according to the government, other than the protections that are already in place in a raft of different pieces of legislation.

Hon. T. C. Theophanous — People will be forced, then!

Hon. M. A. BIRRELL — We do not believe people will be forced to work.

Hon. T. C. Theophanous — But they can be.

Hon. M. A. BIRRELL — We do not believe people have been. We do not believe there is a need for a legislative provision. The whole point is that no employers, in their own interests, would want to do so. We have no experience of the need for a legislative provision to the contrary; none at all. We have four years of experience and it is not just in the central business district. We have the experience in tourist precincts over the past four years where there has been Sunday trading every Sunday. We also have the experience of the 10 Sundays across the state introduced by the previous government, and those 10 Sundays, as experienced over the past four years, have not seen this complaint arise. Therefore we do not believe there is a need for a legislative provision.

Hon. T. C. THEOPHANOUS (Jika Jika) — I draw the minister's attention to an employment contract, a copy of which is in my possession, put out by Sportmart, under its name of Sheldon Park Pty Ltd, which the company requires all its employees to sign. You do not get the job unless you sign the

employment contract. This individual employment contract states:

As a full-time employee, you will be ready, willing and available to work a 38-hour week minimum between Monday to Sunday. Any additional hours will be at the normal rate of pay.

It also states:

The weekly and daily working hours shall be spread on no more than six days in a Monday-to-Sunday week and shall be notified by the employer to you at least seven days in advance.

It goes on to say:

... in the case of emergency or unforeseen circumstances the roster may be changed by the employer with notice of not less than 12 hours.

The minister says no examples have come to his attention of people being forced to work on a Sunday, but here is a contract that at least one company uses to do just that. The minister earlier challenged the opposition to give some specific examples. Here is a specific example of a company that essentially forces its employees to sign employment agreements under the Employee Relations Act which in effect force shop assistants to work on Sundays.

Either the minister has absolutely no knowledge of what is happening in his portfolio or he has not told the truth. Here is at least one example where individuals can be forced to work on Sundays. Incidentally, if the opposition amendment were passed, although it would not necessarily make that particular agreement illegal, it would provide that Sunday work would be completely voluntary; that if the person had the job he or she could not be sacked because he or she was not prepared to work on a Sunday; and that a person's refusal to work on Sundays could not be a reason for not hiring him or her.

The minister asked for it, and I have now provided him with an example of where people can be forced to work on a Sunday. It gives the lie to the sorts of claims he has been making about the reasons why it is not necessary to put the amendment in the legislation. As the opposition has said, both large and small retailers we have spoken to have no problem with the amendment. The workers want it

and there is a need for it because there are unscrupulous employers such as this one who are prepared to force people to sign employment contracts and who will not employ them unless they do. The government once again shows how one-sided it is.

I ask the minister to respond to the specific issue I have raised and indicate how his claim that working on a Sunday has been and will continue to be voluntary stands against the contents of the employment contract from which I have quoted and which must be signed by employees who want to work for that particular company.

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I think we all live in the real world. Let us take for example the nursing profession with night shifts. When you apply for a job in the nursing profession you do not have the right to say, 'No, I don't want to work at night'. Indeed, the contracts are often specific on that point.

Hon. T. C. Theophanous — So shop assistants are going to be like nurses now, are they?

Hon. M. A. BIRRELL — I would not put them in a different class, but you can if you want to. Let us consider exempt shops, which are allowed to operate 24 hours a day, seven days a week. Most of them do not, but some do. Pharmacies are a good example and McDonalds restaurants are another. You do not apply for a job to do the late shift at McDonalds and say, 'No, this is morally repugnant. I insist that I work only between 10.00 a.m. and 12 midday.' This is the real world and people can choose whether they want to enter into that at all. Mr Theophanous is not making a point about people who are already in employment.

I look forward to him being able to argue that people are being shackled and forced to work when they do not want to work.

Hon. T. C. Theophanous — Do you accept that they signed it on the basis of 10 Sundays? It is no different to the leases.

Hon. M. A. BIRRELL — I would not accept what Mr Theophanous put to me, and I do not want the record to be in any doubt on that point. I believe people will volunteer for Sundays and that for many employees Sundays will be regarded just as they are for other employees. I believe they will reflect the

spirit and words of what the SDA signed up — that is, Sunday is just an ordinary day, just another day. If you are in the service sector, not surprisingly, you want to provide services and employ people on Sundays and I believe they will queue up to do it. We do not want to put in a distinction that we do not believe is necessary.

Hon. T. C. THEOPHANOUS (Jika Jika) — I point out the total hypocrisy of the government's position on this issue. Earlier the minister put up a specific argument that the reason the clause relating to the leases was included was that the ground rules had been changed — that is, the lessees had signed a specific contract on the basis of 10 Sundays a year and that without that clause in the bill the contract that was meant to be for 10 Sundays would be extended to all Sundays.

Workers signed contracts to work on Sundays at a time when the law only allowed those shops to open on only 10 Sundays in the year. They signed those contracts in good faith thinking the maximum they would be asked to work would be 10 Sundays in one year, because that is what the legislation had in place. The minister is now seeking to change the legislation so that it is not 10 Sundays but 52.

The agreement which has been signed not by a new employee but by an existing employee says that they can be asked to work on any Sunday. They would have signed that agreement knowing that it was a maximum of only 10 Sundays, not 52. What happens now when they still want to work for only 10 Sundays in the year? Can an employer say, 'Hang on a minute, you signed a contract which now means you have to work 52 Sundays'? Where is the equity in that and what is the difference between this point and the exact same point the minister made about leases?

The government has not thought through a whole range of issues, some of which have to do with when people have to work and others which have to do with safety. One of the reasons the opposition has suggested that any work after 5.00 p.m. on a Saturday should be accepted on a voluntary basis has to do with safety. I will now read a letter, one of the many I have received, from Suzie Forster, who says:

I have a 16-year-old sister, Katie, who is currently looking for a casual job in a retail establishment, and chances are, she is likely to get one, due to her age and

with the Christmas season fast approaching. But what gets to me is that this government does not care about her personal safety. Who are they to decide, against what the public wants, that my parents should have to pick Katie up from work when she is made to work the late shift, or that she is to catch public transport home? And, she will be made to work on a late shift as a new employee.

I guess my parents will just have to make Jeff Kennett and Mark Birrell liable if anything happens to her.

Why shouldn't parents be concerned about the safety of their children if they have to work after 5 o'clock on a Saturday afternoon when there is no public transport because this government does not provide it and when obvious safety issues are involved? Parents are concerned that their children will be forced to work these late hours without any protection being offered by the government. The minister does not want to know about that or of questions of equity or the industrial relations implications.

The minister gave an appalling response in question time today when he would not answer a perfectly legitimate question about affirmative action. Seventy-five per cent of people who work in retail are women, and when the minister was asked a question about whether he was prepared to take any action in relation to companies which had not abided by affirmative action guidelines he said it was not in his portfolio and had nothing to do with him.

The minister takes no responsibility whatsoever for the fact that he is the minister responsible for industry, employment and shop trading in this state or for the fact that a number of retail companies have failed to abide by affirmative action guidelines — guidelines which include provisions for family leave. What does the minister do when asked questions about very important industrial relations questions? He gets up in the smart alec way he always uses to answer questions and flick passes the whole issue. He thinks, 'I am going to be a smart alec and say it has something to do Jan Wade. It has nothing to do with me because I am a real smarty and I am not interested in industrial relations questions; I am not interested in affirmative action questions'.

That is the kind of response I have come to expect from this minister. When you put a logical and

concise argument based on what the minister himself has said — that is, based on what he has said in relation to changing the ground rules for leases — he chooses not to respond. The minister has changed the ground rules for employees, but the arguments for doing so are the same as for changing the ground rules for leases. Logic or fairness have no place in the operations of this government or this minister. I do not expect that any logical argument will ever be accepted by this government, even when put by a host of people, including the unions, retailers and concerned people in the community, many of whom have written to the opposition.

Committee divided on new clause:

	<i>Ayes, 10</i>
Eren, Mr	Nguyen, Mr
Gould, Miss	Power, Mr
Hogg, Mrs	Pullen, Mr
McLean, Mrs (<i>Teller</i>)	Theophanous, Mr
Nardella, Mr (<i>Teller</i>)	Walpole, Mr

	<i>Noes, 32</i>
Asher, Ms	Furletti, Mr
Ashman, Mr	Hallam, Mr
Atkinson, Mr	Hartigan, Mr
Baxter, Mr	Katsambanis, Mr
Best, Mr	Knowles, Mr
Birrell, Mr	Lucas, Mr
Bishop, Mr	Luckins, Mrs
Boardman, Mr	Powell, Mrs
Bowden, Mr	Ross, Dr (<i>Teller</i>)
Brideson, Mr	Smith, Mr
Cover, Mr	Smith, Ms (<i>Teller</i>)
Craige, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Varty, Mrs
de Fegely, Mr	Wells, Dr
Forwood, Mr	Wilding, Mrs

New clause negatived.

Schedule 1 agreed to.

Schedule 2

The CHAIRMAN — Order! Mr Theophanous might help the committee by indicating whether the amendments to the schedule are consequential on some of the other amendments that have been moved previously.

Hon. T. C. THEOPHANOUS (Jika Jika) — I understand that all the amendments to the schedule are consequential. Some are consequential on clause 6; and others are consequential on clause 2 and subsequent clauses. I do not intend to test those consequential amendments again.

I am not sure but I think the minister may have clarified some of the questions I was going to pose on the schedule. I notice that in relation to the poll it says that a fee of \$100 is to be paid 'or any other amount that is prescribed'. Perhaps the minister could explain what is meant by 'any other amount'. Is that a decision for the council or is it a decision for the government to make?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I am advised that is a direct lift from the Local Government Act and certainly our intention is that the fee be \$100. We have no plan that it be any more than \$100.

Hon. T. C. Theophanous — Can local government prescribe it?

Hon. M. A. BIRRELL — No, we prescribe it.

Hon. T. C. THEOPHANOUS (Jika Jika) — Finally, in relation to the rolls, when you say it is the municipal district roll, this is the normal roll of a council which presumably would include both the businesses that are renting in the strip shopping centres and others as well as the owners of the strip shopping centres, so that the roll includes both groups of people as well as local residents and all the other people who are included in the municipal roll. I think municipal rolls also include people who may not be Australian citizens. Is that the circumstance under which the poll is to be conducted?

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — Our intention is that the people who can be involved in the poll are the people who can vote in a local government election, so it is a broader group than would be able to vote in a state election.

Schedule agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Hon. M. A. BIRRELL (Minister for Industry, Science and Technology) — I move:

That this bill be now read a third time.

In so doing I would like to thank honourable members for their contributions during this debate. It is an historic moment, and one that we will be able to reflect upon with a great degree of pride.

I particularly thank the people who have been centrally responsible for much of the work involved in this reform package, including the chairman of the government committee, the honourable member for Swan Hill, Barry Steggall, who has done a lot of work with his committee, whose composition includes a number of members of this place.

I pay tribute to the hard work of Mark Brennan and James Kelly from the Department of State Development. Through their endeavours they have provided extensive professional advice. I also place on record my appreciation of the advice and wisdom on this issue of my chief of staff, Anton Hermann.

In conclusion, I draw on two themes that were clearly established in editorials of major newspapers about the shop trading proposals when we announced them in early September. The *Age* editorial correctly underlined the philosophical change that had occurred and made this reform package inevitable. The *Age* editorial of 11 September states:

Not only do the new laws harmonise with the change from a monolithic society to a pluralist one, they are in perfect accord with the philosophy that government should not interfere with people's freedom to go about their business so long as they are doing no harm.

It was much of that type of thought that motivated these reforms. In the end, the government wanted to ensure that the retailing industry, of which Victoria is the national leader and of which Melbourne is the national capital, was able to thrive and grow in a diverse and active way in the future.

The *Herald Sun* editorial of 11 September states:

... the unrestricted hours will create more jobs in an industry that already employs nearly 400 000 and in June alone had a turnover of \$2.2 billion.

I ask the house to allow me to make my final remarks by doing what is for me something unusual in this chamber — that is, quoting my local newspaper, the *Progress Press*. On 17 September it quoted the president of the Camberwell Shopping Centre Association, Brian McMaster, who spoke on behalf of the small traders in the area and said:

... the changes were inevitable and would have long-term benefits for local strip shopping.

'Sunday will give families the opportunity to shop together, they can go for a walk down the shops and the shops will be open'.

He was speaking on behalf of a strip shopping centre which is full of small shops; those shop owners want the opportunity to trade on Sundays. Brian McMaster speaks on behalf of many people.

I have great pleasure in having this bill passed.

The PRESIDENT — Order! I am of the opinion that the third reading requires to be passed by an absolute majority of a whole number of the members of the house. In order that I may ascertain that support for the third reading, I ask those members supporting the motion to stand in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Membership

Hon. R. I. KNOWLES (Minister for Health) — By leave, I move:

That the Honourable R. A. Best be a member of the Public Accounts and Estimates Committee.

Motion agreed to.

ADJOURNMENT

Hon. R. I. KNOWLES (Minister for Health) — I move:

That the Council, at its rising, adjourn until Tuesday, 12 November.

Motion agreed to.

Hon. R. I. KNOWLES (Minister for Health) — I move:

That the house do now adjourn.

Driving Instructor Consultative Committee

Hon. PAT POWER (Jika Jika) — I seek the assistance of the Minister for Roads and Ports about the terms of reference of the Driving Instructor Consultative Committee. It has been brought to my attention that as a result of an initiative taken by the minister that committee has been established to investigate whether changes should be made to driver instructor matters.

The membership of the Driving Instructor Consultative Committee is made up of individuals representing different groups such as young people, parents and so on. I seek clarification from the minister about its members including a representative from a large independent metropolitan school, a representative from a small independent metropolitan school and a representative from a small independent country school. Is it possible for the minister to clarify whether those representatives are from schools of education or are they from driving instruction schools?

Health: metropolitan services plan

Hon. B. T. PULLEN (Melbourne) — I direct to the attention of the Minister for Health a report provided to all members of Parliament on a plan for metropolitan health care services, which in my case relates to the Inner and Eastern and the North Eastern health care network packages. I have had the opportunity to look through the documents and, although they contain quite a bit of information, I am concerned about the methodology used to justify some of the proposed changes. I do not know whether the socioeconomic factors that bear strongly

on whether the health needs of the people are being met in these areas have been taken into account.

The minister would know as a result of his previous portfolio responsibility in housing that a concentration of people who have very low incomes and acute disabilities live in high-rise accommodation. That can be a significant factor. The most recent report published in the middle of the year on the health of Australians suggests that there are great differences in the life expectancy of various people. Aborigines and Torres Strait Islanders have a life expectancy of something like 17 years less than the rest of the population. Concentrations of Koori people and others live in the inner city. Some 50 to 60 per cent of people on low incomes between the ages of 15 and 25 years are likely to present in poor health compared with people on higher incomes. For the 25 to 64 age group it can be as much as two and a half times. Single mothers have presented in these studies with an incidence of something like 64 to 70 per cent more health problems than others.

My reading does not show that those factors are apparent in the geographical analysis that is used. I take the minister's reply today to mean that the work has been done in good faith, and I assume he is reporting to the house the extent of the knowledge and the briefing that he has obviously been provided with. In the same spirit could the minister provide me with access to the research papers and, if appropriate, the officers who have been involved in providing the background information so that I can examine the matter? Useful as these statistics are, they are really too much concerned with public relations and presentation; they certainly do not tell you why certain decisions are being made. I ask the minister whether he would be prepared to make those reports available to me and provide access to the officers who would be able to brief me on them.

Leader of the Opposition: Rowan Garden chart

Hon. BILL FORWOOD (Templestowe) — Mr President, I wish to raise a matter with you for your consideration and clarification. During the debate this morning on the Leader of the Opposition's amended motion concerning veterinary diagnostic and analytical services the Leader of the Opposition received leave to have incorporated in *Hansard* a diagram headed 'Rowan Garden P/L shareholders as at October 1996'. At the

time he warranted the correctness of the information contained in the diagram.

This diagram purports to show in diagrammatic form the ownership links between Rowan Garden, the company which, trading as Victoria Veterinary Pathology Services, won the contract for veterinary diagnostic and analytical services. It contains 22 boxes with various names and other information linked by lines. As I said, the intention is that if you follow the lines from Rowan Garden at the top through the various boxes you will understand the cross-ownership, the linkings of the holdings that lead ultimately to the beneficial ownership of the company that won the contract.

As the title 'Rowan Garden P/L shareholders as at October 1996' indicates, it is meant to show the shareholding ultimately that owns Rowan Garden. During the debate it was pointed out that no link is shown between lines 5 and 6 on the left-hand side of the document — in other words, between a company headed The Eighteen Enterprises and below it on the left-hand side BLM Holdings and Sarbo Securities.

In these circumstances there are two choices: either the connecting line is meant to be there or it isn't. If it is not meant to be there, the six boxes shown underneath it, BLM Holdings, Sarbo Securities, Brudejo Holdings, The Eighteen Enterprises, John Booth and Hilda Booth are irrelevant and not part of the ownership structure and therefore should not be here at all and the document is incorrect. On the other hand, and more likely I submit, the line is meant to be there. After all, the document is headed 'Rowan Garden P/L shareholders as at October 1996' and one would think that all the boxes on the page would therefore be relevant.

I was intrigued by this, and in particular by the absence of a link between The Eighteen Enterprises, which according to this diagram is owned by BLM Holdings and Sarbo Securities. I wondered what the situation really was, so this afternoon at 3.45 p.m. I went into the library and, by paying \$11.50, did a company search on The Eighteen Enterprises. The whole thing took me 10 minutes.

The result is that this document shows that the beneficial ownership is not the companies shown underneath, where one would suspect the link to be, but two other companies — Brudejo Holdings and Jam Hotel Management. In other words, if the line

does exist, the information it leads to is patently incorrect, and the fact that it is so could be verified —

Hon. T. C. Theophanous — If the line does or does not exist?

Hon. Bill Forwood — If the line exists it leads to information that is incorrect. If the line does not exist, there is information — in fact, six boxes on the page — that is irrelevant to the shareholding, and misleading.

Hon. T. C. Theophanous — Why are they irrelevant? Because you say so?

Hon. BILL FORWOOD — In essence, if the line exists, the information that it leads to is patently incorrect, and a trip to the library this afternoon, which took 10 minutes and cost \$11.50, proved it to be incorrect. On the other hand, if it does not, then obviously the information and the six boxes on this are totally incorrect, totally misleading and should not be on the page.

In these circumstances I seek your guidance and assistance, Mr President, because a document warranted as correct by the Leader of the Opposition, but patently incorrect, has been incorporated into the permanent record of this place.

Ford Australia: Hume Highway exits

Hon. D. A. NARDELLA (Melbourne North) — I remind the Minister for Roads and Ports that a while ago I raised with the previous Minister for Roads and Ports, Mr Baxter, the problems workers at the Ford factory in Campbellfield have at the end of their working days in crossing and getting onto the Hume Highway between Barry Road and Somerton Road.

As I recall, Mr Baxter looked at the matter and determined that the changes that were necessary would not fit in with the national highway and would not be appropriate.

That was done properly; I am certainly not having a go at Mr Baxter. But it has come to my attention that there continue to be problems when those workers come out of the Ford factory at Campbellfield. It has also come to my attention that there have been a number of accidents — not serious, but potentially fatal — where workers have been injured when

trying to cross the Hume Highway after leaving the Campbellfield plant. The workers are extremely concerned not only about their personal safety but also about the safety of their colleagues.

I ask the minister to look at this stretch of Hume Highway again to see if there are any other options to reduce the risks to the workers when they leave their workplace, mainly in the afternoon.

A large number of people leave at that time. It is important that something be done to reduce the number of accidents and the risks those workers face on their way home.

Werribee: toxic waste dump

Hon. B. N. ATKINSON (Koonung) — I raise for the attention of the Minister for Finance, representing the Minister for Planning and Local Government in another place, a multi-signed document in the form of a petition concerning a proposed CSR quarry and toxic waste dump for the Werribee area delivered by the residents of Werribee to me in my capacity as the parliamentary secretary of planning and local government matters.

The residents of Werribee presented a petition of some 19 000 signatures to me at a meeting I had with them to discuss the proposal, but, unfortunately, the document is not admissible as a petition to be tabled in this place because it is not framed with the appropriate words. As so many people signed the document expressing a concern about the proposed facilities it was important the issue be brought to the attention of the house and, more importantly in the context it was given to me, to the attention of the Minister for Planning and Local Government in another place so he might note the concerns.

The residents are active in the environment effects process and have a number of opportunities to put their views. They hoped the matter could be brought before honourable members in this place, but that is not possible and I am raising the issue in recognition of their concerns.

The residents say the proposal would be detrimental to the environment; be too close to residential areas and an active quarry; be too close to the intensive farming land in South Werribee; create further transport hazards in Werribee; and create an unacceptable perception of Werribee as a waste management precinct.

Responses

Hon. R. I. KNOWLES (Minister for Health) — Mr Pullen raised an issue about health services and the plans of two networks. I shall get further information and detailed plans so that I can take on board the issues he raises. It is important to recognise that some of the concerns raised will not be picked up, particularly the health needs of Koories, because historically the generic health service provision has not responded well to their needs, which is why the former federal Labor government transferred responsibility for this issue to ATSIC.

Hon. B. T. Pullen — There has to be a better basis than the circulated document.

Hon. R. I. KNOWLES — Mr Pullen keeps assuming the documentation represents the totality of the plan. I indicated earlier today the historical fact that the Metropolitan Hospital Planning Board undertook a range of consultations and examination of issues, but the government charged the networks with the responsibility of strategic plans and approaches for health needs. That has never been tried before. It is something different the government has embarked upon that no previous government has been prepared to do.

The government has a set of strategic plans that identify where health needs are and how it should respond to them in the context of acute mental health and aged-care services. However, a range of other health needs are still not part of that program and the government will develop approaches for responding to the need for primary care, preventive health issues and health promotion.

The government has never claimed it set out to achieve a total health planning exercise with the strategic plans. There are limitations, and given those limitations the government is confident that the strategic plans are soundly based on health grounds and will deliver the required outcomes. There will always be a need for a high level of access to the health system in inner city areas.

Hon. B. T. Pullen — It must have been taken into account in some way.

Hon. R. I. KNOWLES — It has been, and that is reflected in the strategic plans. At the end of the process 40 per cent of health services will still be

ADJOURNMENT

470

COUNCIL

Wednesday, 30 October 1996

delivered within an 8-kilometre radius of the CBD, which is an incredibly high intensity of health services vis-a-vis the population base. The government believes it is achieving some equity. Mr Pullen is indicating that his preference is for an even greater concentration in the inner city.

Hon. B. T. Pullen — I am just asking for the basis of the plan.

Hon. R. I. KNOWLES — The basis of the plan is that we ought to get services closer to where people live. We are trying to redress the current significant inequity in the distribution of services and resources. I am confident we will end up with a much better distribution of resources and services than we currently have. It means that at the end of the process we will still have an overconcentration of resources and services in inner urban areas, but we will at least have more equity than is currently the case.

Hon. R. M. HALLAM (Minister for Finance) — Mr Atkinson asked me to refer an issue to the Minister for Planning and Local Government in another place. The subject matter of the issue is outlined in a petition which was presented to Mr Atkinson by residents of Werribee and which contains 19 000 signatures. The petition deals with the issue of a quarry proposal. I assure the honourable member that I shall treat the matter as being serious. Although the petition is not in the form necessary for it to be recognised as a formal petition in this house, I shall refer it to my colleague in another place. And I give Mr Atkinson my assurance that he will also treat it as a matter of importance.

Hon. G. R. CRAIGE (Minister for Roads and Ports) — Mr Power raised the issue of the Driving Instructor Consultative Committee. Mr Power is becoming interested in the outcomes the government is achieving with driving instructors. However, he did not want to know about the terms of reference or other issues; instead he asked about the definition of a school. Most people would conclude from a reading of the terms of reference that we are dealing with what the government is doing with driver education and driving schools. For his information, yes, they are driving schools and not schools in the education system.

Hon. Pat Power — What does 'independent' mean?

Hon. G. R. CRAIGE — You have to feel for him enormously. He is getting to the nuts and bolts of what the issue is about. 'Independent' clearly means those schools that remain separate organisations and are not affiliated with any other organisation.

Hon. Pat Power — How many of them are there?

Hon. G. R. CRAIGE — Mr Power is once again jumping on the bandwagon with very little information and is trying to get to the nub of the issue, which he does not do consistently in this place. The question he asked was the difference between large and small. Most people on this side of the house know there is a difference between large and small. I am unaware of the exact detail that determines large and small. It is also interesting that Mr Power does not know.

Honourable members interjecting.

Hon. G. R. CRAIGE — He asked the question about the difference between large and small. I will get back to him on that. I will show him in practical terms what it is so that he can understand the difference between large and small.

Mr Nardella referred to all the people at the Ford factory in Campbellfield — I assume he meant all the people who work there because he referred to workers. I shall take it he means all the employees at the Ford factory. Mr Nardella referred to workers crossing over the Hume Highway between Barry and Somerton roads. I will look at that matter and get back to him.

The PRESIDENT — Order! Mr Forwood raised with me the matter of a table provided to the house earlier by the Leader of the Opposition. The document is headed 'Rowan Garden P/L shareholders as at October 1996'. He pointed out something I had not noticed at the time. In the table there is not a linking mechanism between the bottom left-hand box of individuals or companies and the balance of the document. I understood him to say that if there is not a link those companies should not be there because it is misleading and if there is a link that information seems to be at odds with his searches through corporate affairs records today.

The obvious thing is for Mr Forwood to do what he intended to do before: to provide the information he has to the Leader of the Opposition. And in light of that information the Leader of the Opposition might

ADJOURNMENT

Wednesday, 30 October 1996

COUNCIL

471

like to document what he has provided to the house and, if it proves necessary to do so, on our next day of meeting correct the record if it is incorrect.

If a correction is warranted and the Leader of the Opposition chooses not to amend it, that matter would be in the hands of the house. Obviously this chart will appear in today's *Daily Hansard*, which is a proof edition. The final edition will appear within a fortnight. If changes need to be made there will be an opportunity to do that, so long as the house is advised of what the change is.

Hon. T. C. THEOPHANOUS (Jika Jika)
(*By leave*) — I have had a discussion with Mr Forwood. I understand the honourable member has searched one of the companies listed on this

chart and he has given me his view about the discrepancy as he sees it.

I undertake to have the information contained in the chart checked further, bearing in mind that the government provided information during the debate on this matter about companies in the chart that have been sold. In the context that I did not know of those sales, I undertake to examine this matter within the opposition and report back to the house on the next day of meeting.

Motion agreed to.

House adjourned 12.55 a.m. (Thursday) until Tuesday, 12 November.

ADJOURNMENT

472

COUNCIL

Wednesday, 30 October 1996

**Joint Sitting of the Legislative Council
and the Legislative Assembly**

Wednesday, 30 October 1996

Royal Melbourne Institute of Technology

La Trobe University

Victorian Health Promotion Foundation

**Honourable members of both houses assembled at
6.15 p.m.**

The CLERK — Before proceeding with the business of this joint sitting it will be necessary to appoint a President.

Mr GUDE (Minister for Education) — I move:

That the Honourable Bruce Anthony Chamberlain, MLC, President of the Legislative Council, be appointed President of this joint sitting.

Mr HAMILTON (Morwell) — I second the motion.

Motion agreed to.

The PRESIDENT — I thank honourable members for the responsibility endowed on me on this great occasion. I draw the attention of honourable members to the extracts from the Royal Melbourne Institute of Technology Act 1992, the La Trobe University Act 1964 and the Tobacco Act 1967 which have been circulated as appendix A. It will be noted that the various provisions require that the joint sitting be conducted in accordance with rules adopted for the purpose by members present at the sitting. The first procedure, therefore, will be the adoption of rules.

Mr GUDE (Minister for Education) — Mr President, I desire to submit rules of procedure, which are in the hands of honourable members in the document marked appendix B, and I accordingly move:

That these rules be the rules of procedure for this joint sitting.

Mr HAMILTON (Morwell) — I second the motion.

Motion agreed to.

The PRESIDENT — I am now prepared to receive proposals from honourable members with regard to a member to be recommended for appointment to the Council of the Royal Melbourne Institute of Technology.

Mr GUDE (Minister for Education) — Mr President, I propose:

That the Honourable Barry Thomas Pullen, MLC, be recommended for appointment as a member of the council of the Royal Melbourne Institute of Technology.

I understand that he is willing to accept the appointment if chosen.

Mr HAMILTON (Morwell) — I second the proposal.

The PRESIDENT — Are there any further proposals?

As there is only one member proposed, I declare that the Honourable Barry Thomas Pullen, MLC, has been chosen to be recommended for appointment as a member of the council of the Royal Melbourne Institute of Technology.

I am now prepared to receive proposals from honourable members with regard to a member to be recommended for appointment to the council of La Trobe University.

Mr GUDE (Minister for Education) — Mr President, I propose:

That the Honourable Anthony John Sheehan, MP, be recommended for appointment as a member of the council of La Trobe University.

He is willing to accept the appointment if chosen.

Mr HAMILTON (Morwell) — I second the proposal.

The PRESIDENT — Are there any further proposals?

As there is only one member proposed, I declare that the Honourable Anthony John Sheehan, MP, has been chosen to be recommended for appointment as a member of the council of La Trobe University.

I am now prepared to accept nominations from honourable members with regard to a member to be elected to the Victorian Health Promotion Foundation for a three-year term commencing on 20 October 1996.

Mr GUDE (Minister for Education) —
Mr President, I nominate the Honourable Ronald Alexander Best, MLC, for election as a member of the Victorian Health Promotion Foundation. He is willing to accept the appointment if chosen.

Mr HAMILTON (Morwell) — I second the nomination.

The PRESIDENT — Are there any further nominations?

As there is only one member nominated, I declare the Honourable Ronald Alexander Best, MLC, has been elected as a member of the Victorian Health Promotion Foundation for a three-year term commencing on 20 October 1996.

I now declare the joint sitting closed.

Proceedings terminated 6.22 p.m.