Tuesday, 20 April 1999

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

QUESTIONS WITHOUT NOTICE

Police: government advertising

Mr BRACKS (Leader of the Opposition) — I refer the Premier to his misleading advertising campaign launched in response to the Labor Party's policy to put 800 more police on the front line and to the fact that radio stations had to withdraw the advertisements because they broke the law. Given that the government has been caught out wasting hundreds of thousands of dollars of taxpayers' money on illegal advertisements, will the Premier ensure that the Liberal Party foots the bill, not the Victorian taxpayer?

Mr KENNETT (Premier) — I thank the Leader of the Opposition for his highly predictable question.

Mr Haermeyer interjected.

Mr KENNETT — I note the stunt of the honourable member for Yan Yean. The advertisements were not misleading and they are not illegal. The Federation of Australian Radio Broadcasters made two statements, one in favour of the advertisements and one opposing their going ahead.

It is the government's responsibility to ensure that the policies of the government of the day are communicated to all Victorians. That was the practice of the former Labor government and is also the practice of this government.

Last Thursday I advised the house that my greatest worry is that misleading campaigns may be run to lower the community's confidence in the police force and its ability to do its work. That view was reinforced yesterday when the assistant secretary of the Victoria Police Association, Mr Paul Mullett, was asked whether there was a crisis in the police force. He is reported at page 20 of the *Herald Sun* as replying, 'There isn't, really'. That is the reality; there is no crisis in the police force. Changes often occur in government and public administration to address what we call stress points. The government has done that in education and health and is now completing changes in the police force.

At this time of the financial year when responding to comments, requests or demands for increased resources for education, health and other services it is important to ensure that one takes them all on board, considers their worthiness and evaluates how they will be met, given the budgetary position of the day.

The advertisements are a series of legitimate government advertisements. They will be continued in the same way that the former Labor government spent a great deal of taxpayers' money on green-covered documents and so on communicating both its activities and policies.

Immigration

Mr ROWE (Cranbourne) — Will the Premier inform the house of the substance of the government's submission to the federal government concerning the 1999–2000 immigration intake?

Mr KENNETT (Premier) — As honourable members will be aware, governments around Australia have the opportunity of making submissions to the federal government in respect of its migrant intake for the upcoming financial year.

In 1998–99 Australia's total migration and humanitarian program included some 80 000 people — 12 000 came on humanitarian grounds and 35 000 were classified as skilled migrants. Population projections of the Australian Bureau of Statistics show that if Australia continues with an immigration program of only 80 000 people a year the population will increase from the current 18.8 million to some 23 million in 2051, an increase of 4.2 million over 52 years.

Between 1945 and 1999 Australia's population grew from 7 million to the current level of 18.8 million, an increase of approximately 165 per cent. With changing community patterns the government is concerned that immigration continues to play an important role in the growth of the Australian community as the country moves forward.

In its submission to the federal government the Victorian government said Australia should work towards a population of approximately 28 million by the year 2060, an increase of some 50 per cent above the present figure. That figure takes into account Australia's declining fertility rates. In 1995 the fertility rate was 1.82 children per woman, in 1996 it fell to 1.79, and the figure for 1997 was 1.77. The only way to significantly increase Australia's population is to expand the immigration program, as Victoria suggested to the commonwealth.

The government advocated an increased intake of some 50 000 in the skilled migrant sector because it is vital to attract young men and women from around the world

who will accept Australia's laws, regulations and opportunities. Those two recommendations would lead to a total net humanitarian intake of some 132 000 in 1999–2000. If that figure were sustained it would achieve the goal of increasing Australia's population by 50 per cent by the year 2060.

I suggest that all honourable members take the opportunity of reading the submission. I have argued before and will continue to argue that a national population policy that obviously affects Victoria should be approached on a bipartisan level. If the opposition tries to take cheap political shots, it is likely that Australia's immigration levels will remain low. With its ageing population, in 20 to 30 years Australia's ability to sustain its senior citizens and retain opportunities for young people will become substantially more challenging than it is today. I commend the submission to all honourable members.

Police: strength

Mr BRACKS (Leader of the Opposition) — Given that the police shortage is forcing traders to hire their own security guards, as happened at Mount Evelyn, or to catch their own crooks, as was reported about Mr Darryl Brooks in today's *Herald Sun*, how long does the Premier expect Victorians to do their own policing?

Mr KENNETT (Premier) — With due respect, what a silly question! I belong to that part of the community that has great confidence in and respect for the police force. I believe the needs of the communities in both rural and metropolitan areas are being met. There will always be occasions when the police force is maligned as its members go about their duties. The government thinks that is unacceptable.

In respect of the Dunolly situation that the Leader of the Opposition raised last week, he did not say that Dunolly was a one-man operation and that the officer concerned has been on sick leave for almost two years. In those circumstances and because it is an isolated station with a house attached to it, the sick police officer cannot be removed from that station and his position backfilled.

Mr Bracks — You can temporarily backfill it.

Mr KENNETT — This is where we get the bright new boy who knows absolutely nothing! The Leader of the Opposition continues to display his lack of knowledge. Currently there are two police stations in Victoria where the incumbent officers assigned to those stations — —

Mr Haermeyer interjected.

Mr KENNETT — Here comes the font of all knowledge. Thank you very much, André.

Those agreements are all in place; they were signed off as part of enterprise bargaining agreements in times gone by. If through stress or because of being on Workcover an officer at an isolated one-man police station cannot perform his or her duty — —

Mr Bracks interjected.

Mr KENNETT — Do you know the circumstances of the officers out there? You would not raise the issue if you did.

It is difficult to get officers to move into such a position on a permanent basis and the community is well served by officers in nearby townships. As the government completes the current process, which I have explained to the house on several earlier occasions, decisions will be made based on need and affordability. That is the correct procedure rather than trying to rush in and artificially respond to demands that may be made on any day or in any month.

Dairy industry: deregulation

Ms DAVIES (Gippsland West) — I ask the Minister for Agriculture and Resources what specific action the government will take to support dairy farmers through the negative consequences of deregulation next year if, as seems likely, the federal government will not agree to the $1.25 billion support program wanted by the United Dairyfarmers of Victoria. The negative consequences I refer to are the estimated loss in annual income of somewhere between $7000 and $17 000 per year, which will mean that between 2000 and 2500 farmers will be forced to leave the industry.

The SPEAKER — Order! The honourable member for Gippsland West has asked her question. She cannot make a speech to go with it.

Mr McNAMARA (Minister for Agriculture and Resources) — The honourable member for Gippsland West has asked a question that is important to the dairy industry. The industry in Victoria has a lot of confidence in the future. The United Dairyfarmers of Victoria has an official policy supporting deregulation, a policy that is endorsed by the major cooperatives such as Bonlac and Murray Goulburn, which control more than 90 per cent of the milk harvested from farms.

The government has supported the proposal put forward by Pat Rowley from Queensland for a national approach to dairy deregulation. The deregulation issue is currently before the commonwealth government. The

predictions are positive for Victoria's dairy industry regardless of whether a compensation package is made available. One of the factors that stands out and puts Victoria in good stead is that about 93 per cent of milk produced in Victoria goes to the processing market and only some 7 per cent goes to the fresh-milk market. The fresh-milk market price is approximately twice the price of the processing side — —

Ms Davies — On a point of order, Mr Speaker, on the question of relevance, I specifically asked what the government will do if the support package falls over.

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

Mr McNAMARA — Those factors place the Victorian dairy industry in a good position. There is an opportunity to grow the state's market share, not only domestically but also overseas. The department has done some preliminary estimates on the future efficiency of the processing market in particular across Australia. There is every prospect that more processors will move to Victoria as the preferred location for their expanded operations. The average cost of producing milk in Victoria varies between 16 and 22 cents a litre. In Queensland and New South Wales the cost is between 30 and 35 cents a litre. Victoria is a far more efficient source of production and milk processors would be mad to go anywhere else.

One thing that has concerned Victoria's dairy industry is the use by other states of the current regulatory system to underwrite the cost of their manufacturing sites and subsidise them through inflated interstate whole-milk prices. That has put Victorian producers at a disadvantage. Many people, including the executive of the UDV, are of the view that irrespective of what happens Victoria must move down the deregulatory track to stop that cross-subsidy.

The operation of free trade under the Australian constitution should allow milk to be traded between states. Although that is currently not occurring by agreement, deregulation offers some great opportunities for the dairy industry in this state to continue to grow. Currently $1.5 billion of milk exports make up 40 per cent of all Victorian rural exports. The dairy industry has predicted that will increase to $2.5 billion by 2010, with an expected growth to beyond $4 billion in the subsequent five years. The growth in the Victorian dairy industry of 50 per cent in the past five years — Victoria produces 63 per cent of Australia's milk production — is the equivalent of the total production in every other state.

I should have hoped that the honourable member for Gippsland West, representing as she does a dairying electorate, would be getting behind the government and recognising the initiatives it is driving at a farm-gate level — programs such as Target 10, which have dramatically improved productivity on farms — and a range of other programs such as Farmsmart, which are providing business skills, to ensure that the dairy industry is profitable in the future.

Police: strength

Mr BRACKS (Leader of the Opposition) — I refer the Premier to his previous answer on unstaffed police stations, commonly known as the Premier's pub-with-no-beer policing policy, and to his police advertisements — —

Government members interjecting.

The SPEAKER — Order! The Leader of the Opposition, without interruption.

Mr BRACKS — I refer the Premier to his previous answer on unstaffed police stations, commonly known as the Premier's pub-with-no-beer policing policy — —

Government members interjecting.

The SPEAKER — Order! I do not need that jocularity from the government benches. The members on Redneck Hill will come to order.

Government members interjecting.

The SPEAKER — Order! The honourable members for Mordialloc and South Barwon should remain silent.

Government members interjecting.

The SPEAKER — Order! The honourable members for Tullamarine and Doncaster will also remain silent.

Mr BRACKS — I refer to his police advertisements costing hundreds of thousands of dollars — —

Government members interjecting.

The SPEAKER — Order! The Leader of the House! The Deputy Premier! Let us have some leadership in parliamentary behaviour from the government frontbench.

Mr BRACKS — Will the Premier admit that the money he wasted on his misleading propaganda

advertisements on police numbers could have ensured that the new police stations at both Dunolly and Cavendish were fully staffed and fully operational?

Mr KENNETT (Premier) — As I indicated earlier, at each of those police stations there is a difficulty with the police officer in charge — both are on long-term sick leave. Dunolly is being serviced by neighbouring police stations, including Maryborough, and Cavendish is being serviced daily by the Hamilton police. The Leader of the Opposition, who, as we know, has a light touch of humour, believes we should backfill them. Such matters are not for politicians, they are matters for police command. It is for police command to assess the resources it has.

The question again clearly shows that if Labor were ever to be returned to office in Victoria there would be unacceptable interference by a Labor government of a kind that relates directly to the separation of powers.

Women: action plan

Ms McCALL (Frankston) — I refer the Minister for Women's Affairs to the second volume of the two-year action plan for women called *Women on the Move*, which was launched this morning. Will the minister advise the house of the degree of consultation that took place on the document and the ways in which the government is delivering on its commitment to women in the areas of safety and wellbeing?

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Niddrie!

Mrs WADE (Minister for Women's Affairs) — The two-year action plan for women, the second part of which was launched this morning by the Premier, is the outcome of a unique process, one that has not taken place previously either in Victoria or elsewhere in Australia. We started on the two-year action plan — —

Mr Baker interjected.

The SPEAKER — Order! The honourable member for Sunshine will cease interjecting.

Mrs WADE — We started on the two-year action plan with four key priority areas.

The SPEAKER — Order! Those who wish to do some reading may go out of the chamber to do it.

Mrs WADE — When we started the draft action plan for women we based it on the four key priority areas that had been identified through previous consultations. From that information a range of government departments were involved in preparing a draft plan structured around the areas of economic security, leadership, safety and health.

The draft plan looked at all existing programs and policies, possible improvements, the expansion of policies and programs, gaps in services, and new policies and programs that might be needed. The result was a draft covering all those areas.

I was not satisfied, however, that we should put the plan out without consulting women around the state, so we instituted a unique process whereby the Premier and I appointed seven backbench members, headed by the honourable member for Frankston, who conducted 35 consultations around Victoria. The Office of Women's Affairs circulated 5000 copies of the draft plan and received a very large number of submissions.

The result was interesting. From all those consultations we managed to identify 47 areas in which women had concerns and would like to see changes or improvements in programs delivered. The submissions went back to an interdepartmental reference group, which produced the final action plan called *Women on the Move*. The first volume of the action plan dealing with economic security and leadership was launched by the Premier in November last year at a gathering at the Windsor Hotel that was attended by a large group of enthusiastic women.

Volume 2 was launched this morning at the Queen Victoria Women's Centre, and the government has received good feedback about that launch. I anticipate that volume 2, which deals with safety issues, will be just as successful as the first volume. The government will be able to put in place programs that will meet the needs of Victorian women right across the state and build on women's safety initiatives that are currently in place which include tougher sentencing for violence against women, better services for victims and new stalking laws. Initiatives will be implemented across all government departments. I will provide a few examples. In Planning, the government will provide support and funding to promote women's perspectives in public planning debates; in Transport, surveillance cameras will be put in place in taxis; in Justice, a coordinated approach will be taken to prevent violence against women; and in Housing, a rooming house will be established in inner Melbourne for women affected by violence.

Mr Hulls interjected.

The SPEAKER — Order! I had occasion last week to give the honourable member for Niddrie a last warning. Again he is being disruptive in question time. I ask him to consider the fact that he has a penetrating voice, and if he wishes to make a comment he should either keep it to himself or confine it to his frontbench.

Mrs WADE — I would like to second your comments, Mr Speaker. We all know the honourable member for Niddrie has difficulty dealing with issues relating to women.

The final matter I wish to mention is the need for feedback from Koori women on devising programs of importance to women. The government will follow that up to establish better consultation procedures with Koori women right across the state.

Police: strength

Mr HAERMEYER (Yan Yean) — I refer the Minister for Police and Emergency Services to the letter from the Chief Commissioner of Police to honourable members confirming that he has vigorously pursued more police resources. Did the minister raise the problem about police resources 12 months ago, when it was already blatantly obvious, or did he do nothing? In other words, is the minister completely incompetent or is he completely ineffectual?

Honourable members interjecting.

The SPEAKER — Order! We will not proceed with question time while there is uproar around the house.

Mr W. D. McGRATH (Minister for Police and Emergency Services) — The honourable member for Yan Yean cannot have listened during the past three question times, because the Premier has time and again spelt out the process all ministers go through in the budgetary process when consulting with the various agencies. I remind the honourable member for Yan Yean that the process will be concluded at the appropriate time. The Premier will have the privilege of announcing its conclusion in the first week of May, when the budget is delivered.

I remind the honourable member for Yan Yean that some $170 million in funds was made available for the New IT program, a program that was requested by the police. The government has delivered that funding so that the most effective and efficient police force will be in action in mobile positions out on the streets.

Schools: information technology

Mr ELDER (Ripon) — I ask the Minister for Education to inform the house of current initiatives to improve students' access to information technology resources in government schools.

Mr GUDE (Minister for Education) — I thank the honourable member for Ripon for his question and his longstanding interest in this issue.

I am happy to announce more good news for Victorian government schools. A further $10.4 million in government subsidies is being made available to schools to purchase an additional 23 400 new multimedia-capable computers and information technology resources for teachers. Around 100 000 modern computers will be in government schools. By any standards, worldwide or otherwise, that is an outstanding achievement by the government.

The subsidy program has been an outstanding success. The government provides $1 for every $3 provided by schools, and most of the funds contributed by schools come from government funds received through their school global budgets. The program enables schools to determine the most appropriate use of funds. The government's One for Three Subsidy is one of the initiatives that have made Victoria a world leader in the introduction of new learning technologies in the classroom.

As honourable members would know, yesterday I returned from a Microsoft government leaders conference in Seattle, which was attended by more than 400 delegates from 67 countries. I am pleased to say that I had the privilege of speaking at the conference, and I spent an hour on a one-to-one basis with Mr Gates. I am happy to confirm that Victoria is recognised on the international stage as being a leader at the cutting edge of information technology in the school system.

The achievements of Victorian schools are featured in Microsoft international publications that outline to educationalists around the world what is possible through learning technologies. Victoria should take enormous pride in its delivery of that outcome.

Although Victoria leads the world, we are certainly not resting on our laurels. Commencing this term all Victoria's 527 000 government school students will have access to their own email accounts and home pages. Students will be able to store and retrieve school documents and education sites will be cached to ensure security for students. This is in addition to the rollout of notebook computers to all teachers, which will

continue. Already more than a third of our 37 500 teachers have received computer notebooks. Every teacher has his or her own email account. That has not been matched anywhere else in the world, although quick catch-up is being played.

Due recognition is being paid to the quality and intellectual outcomes being achieved in Victorian schools. I pay tribute to the Premier for his leadership role in information technology. He established the first multimedia ministry, an initiative that is being followed in other states, such as South Australia, and in other parts of the world. It is an indication that you can achieve a great deal if you put your mind and effort into it.

Minister for Police and Emergency Services: retirement

Mr BRACKS (Leader of the Opposition) — I refer the Premier to his lame-duck Minister for Police and Emergency Services who desperately wants to retire. Given the minister has admitted to having done nothing to avert the crisis in police numbers in this state, will the Premier sack the police minister to restore confidence in his own position and that of the minister?

Mr KENNETT (Premier) — The honourable member uses some wonderful adjectives in his questions that relate in no way to the truth. I can understand his enthusiasm — he is new at the job.

Mr McNamara — He wants to impress.

Mr KENNETT — He wants to impress his front bench. He wants the shadow Minister for Education to ask a second question shortly but probably not this week. It is all right being a journalist, but when you are a politician you cannot get up to ask a question!

I can say of my colleagues on the front bench that there is not a finer group anywhere in Australia.

Mr Bracks — On a point of order, Mr Speaker, the Premier is clearly debating the question. He has not addressed himself to the question, and I ask you to bring him back to it.

Mr KENNETT — On the point of order, Mr Speaker, I was making an introduction to focus attention onto this wonderful individual who is the Minister for Police and Emergency Services. He is a member of the government's front bench. It was only the opening gambit; I have a long way to go yet.

The SPEAKER — Order! I do not uphold the point of order, but I ask the Premier to answer the question about the Minister for Police and Emergency Services.

Mr KENNETT — I have just made a broad reference to government frontbenchers. Without wanting to overdo it, I can equally apply those adjectives to those who sit on the middle and the back benches.

Government Members — Hear, hear!

Mr KENNETT — Where would one find a finer group of people in any Parliament in Australia? Let me come back, before the Leader of the Opposition pulls me up on a point of order, to my good friend and colleague the Minister for Police and Emergency Services.

Mr Bracks — Is he retiring?

Mr KENNETT — He is never retiring. He is one of the most up-front ministers you will ever find.

Mr McNamara — He is not shy either.

Mr KENNETT — He is not shy either, no. One could not find a harder working minister. He lives near the South Australian border. He spends much of his time in his car travelling not only to meet his obligations in the city but also widely throughout the state. The minister is about to celebrate 20 years in this place working on behalf of the Victorian community. We all owe him a great deal of thanks.

Government Members — Hear, hear!

Mr Hulls — He is still alive!

Mr KENNETT — Which cannot be said of you!

The SPEAKER — Order! I will not warn the honourable member for Niddrie again.

Mr KENNETT — Throw him out, Mr Speaker!

I expect the Minister for Police and Emergency Services, the honourable member for Wimmera, will continue to serve for many years to come. In fact, I expect the government to serve for many years to come. I would be happy to oblige the Leader of the Opposition if he wants to ask me any other questions about my other colleagues. As I said before — and I do not say it lightly — this is without a doubt the best government in Australia. There will always be change, but most change occurs on the opposition team — infighting, negativity, bitching, picking!

Mr Seitz — On a point of order, Mr Speaker, the Premier is debating the question and is asking for comments from the other side. I ask you to bring him back to the question.

The SPEAKER — Order! Whether he is asking them or not, he is certainly getting them from the other side. I uphold the point of order.

Honourable members interjecting.

The SPEAKER — Order! What else would you expect from such a fine temporary chairman! The Premier, continuing his answer.

Mr KENNETT — I congratulate the honourable member for Keilor on his maiden speech. Fourteen years and this is the first time we have heard from him. Thank you, George.

I conclude by saying that I continue to be fortunate to be served by people of the calibre of the Minister for Police and Emergency Services. There are a couple of opposition members who have served in former governments in ministerial positions, although as I look around I realise that perhaps it is only the honourable member for Sunshine. One cannot always be all things to all people, but there is a wonderful sense of service when one is able to be part of a reforming government that delivers results over a long period. Regardless of what people may think on a personal or political level, there is no doubt the past six years in Victoria has been a period of great challenge and change. Part of that — —

Honourable members interjecting.

Mr KENNETT — There is no point shaking your head. The Leader of the Opposition asked the question and opened the door. I thank the Minister for Police and Emergency Services for what he has done and what he will do in the future. I thank all my colleagues, and I thank the Leader of the Opposition for asking me such a difficult question in this important session when he needs to establish his credibility. Well done!

Trams: City Circle

Mrs SHARDEY (Caulfield) — Will the Minister for Transport inform the house of the performance of the City Circle tram service?

Mr COOPER (Minister for Transport) — I thank the honourable member for her question and for her long-running interest in the fortunes of the City Circle tram service. I am delighted to inform the house that the City Circle tram service will celebrate its fifth birthday on 28 April. I am sure all honourable members and all Victorians will join me in saying that that will be an occasion well worth celebrating. This award-winning service — I notice that the honourable member for Sunshine believes it is a wonderful innovation by the government — commenced in 1994 and has gone from strength to strength.

I am sure honourable members who were here in 1994 will recall with considerable interest the launch of the City Circle tram service, which took place outside the Windsor Hotel. I can see from the mirth of the honourable member for Sunshine that he certainly was an attendee. It was an occasion to be remembered. I am still trying to puzzle out how some of us survived breaking through the barrier; nevertheless it was a memorable occasion.

The City Circle tram service now carries more than 3.1 million passengers a year. It has extended hours of operation during daylight saving, and between October last year and March this year the gold and burgundy W-class trams carried 108 000 passengers. Interestingly, that is 33.7 per cent more than last year's figure for the same period. The service is certainly growing in stature. The City Circle route takes passengers to many sites around Melbourne. The on-board commentary and the personal and entertaining service provided by the customer service employees who act as tram tourist operators have made the service very successful.

The City Circle tram promotion committee, headed by Annette Allison, is dedicated to the fortunes of the service. Together with those who operate the service the committee works hard to publicise the trams for tourism and special local events.

Mr Gude interjected.

Mr COOPER — The Minister for Education suggested that the colour scheme could change to red and blue as a symbol of both the Melbourne Football Club and the trams, but I think there might be some objection to that.

This year the City Circle trams played an integral part in delivering people to the flower and garden show at the Royal Exhibition Building — another outstanding success of this government developed under the leadership of the Premier. I understand the trams were filled almost to capacity, which is an example of their popularity.

The achievements of the trams deserve celebration. There is no doubt that they form an integral part of visitor identification with Melbourne and are truly a

unique and special part of the city's heritage. On behalf of all honourable members I wish the City Circle trams a very happy fifth birthday on 28 April.

PETITIONS

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

Gippsland Lakes

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

The petition of the undersigned citizens of Victoria regarding the Gippsland Lakes blue-green algae —

1. We draw to the attention of the honourable members our great concern at the current state of the water systems comprising the Gippsland Lakes where the present out-of-control growth of the blue-green algae throughout all of the lakes is, in our opinion, a major ecological disaster. The stench from rotting algae is now so powerful and all pervasive in many areas that it is akin to living in an abattoirs. Its effect on surrounding areas is of great concern.

2. Because the Gippsland Lakes are part of our national and international heritage and have a well-recognised recreational potential its marine environment must be of great concern to all citizens in the state of Victoria.

3. Tourism to this area will be adversely affected if this modern-day escalation of blue-green algae is allowed to thrive unchecked because of the possible effect of a number of factors such as weather, water flow through the lakes, damming of rivers, rivers carrying farm chemicals into the lakes, local effluent inflow, together with any other unnamed agents. What we now see and experience is a totally unpleasant environment in this vast lakes area comprising a significant part of the south-east of this state. This coastal lakes system needs our immediate and expert attention to implement short and very long-term management plans to combat this and similar problems that can afflict this type of fragile marine environment.

4. We do not believe that this present problem is the responsibility of any individual but that a combination of events over many years involving residents, farmers, local authorities and government may have created a set of circumstances that now needs urgent remedial attention. The important fact is that the blue-green algae is there in monstrous proportions and needs to be dealt with on a crisis basis before that marine environment is irrevocably damaged.

Your petitioners therefore request that the state government's Legislative Assembly take immediate steps to:

1. control and manage the effects of the current Gippsland Lakes blue-green algae disaster in order to lessen the present impact on residents and tourists;

2. immediate implementation of scientific investigations into all possible causes of the explosive growth of the blue-green algae including weather patterns, water flow or lack of it through the lakes, the effects of the damming of rivers that flow into the lakes system, the carrying of farm chemicals by the river systems or other means into the lakes, local effluent inflow, together with any other unnamed agents;

3. based on the findings enact appropriate legislation, regulations together with finance and manpower to ensure that a manageable solution will be able to be implemented in the short and long term to provide ongoing protection for the Gippsland Lakes environment.

We petitioners prayerfully request your consideration and appropriate action.

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

By Mr TRAYNOR (Ballarat East) (8 signatures)

Home loan schemes

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

The humble petition of the following residents to the state of Victoria sheweth state government-sponsored home loan schemes under the flawed new lending instrument called capital indexed loans sold since 1984–85 under the subheadings: Capil, deferred interest scheme (DIS), indexed repayment loan (IRL), home opportunity loan scheme (HOLS), shared home opportunity scheme (SHOS)are not fit for the purpose for which they were intended.

We the undersigned believe these loans are unconscionable and illegal and have severely disadvantaged the low-income bracket Victorians the loans were meant to assist.

Your petitioners therefore pray that:

1. the existing loans be recalculated from day one in a way as to give borrowers the loans they were promised, 'affordable home loans specially structured to suit your purse';

2. the home ownership be achieved within 25 to 30 years from date of approval;

3. the payments to be set at an affordable level (i.e. 20–25 per cent of income) for the duration of the term for all the loan types;

4. past borrowers who have left the schemes be compensated for losses that have been incurred by them being in these faulty structured loans;

5. any further government home ownership schemes be offered in a way as to be easily understood by prospective loan recipients;

6. the interest rate will be at an affordable rate (i.e. flat rate of 3 per cent per annum or less for the length of the term of the loan) geared to income;

7. capital indexed loans be made illegal in this state to protect prospective loan recipients.

We ever pray that we may lead a quiet and peaceable life in all godliness and honesty (1 Tim 2:2).

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

By Mrs WILSON (Dandenong North) (34 signatures)

Cemeteries and crematoria

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

The humble petition of the undersigned citizens of the state of Victoria sheweth:

That all existing and future Victorian cemeteries and crematoria will be publicly owned.

That management of Victorian cemeteries and crematoria remain under the control of the Victorian government.

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

By Ms CAMPBELL (Pascoe Vale) (1764 signatures)

Laid on table.

Ordered that petition presented by honourable member for Pascoe Vale be considered next day on motion of Ms CAMPBELL (Pascoe Vale).

COMMONWEALTH TREATY DOCUMENTS

Mr KENNETT (Premier), by leave, presented to the house, in accordance with the government's response to the Federal–State Relations Committee's first report — *International Treaty Making and the Role of the States* — the following treaty documents —

(a) bilateral agreements tabled in the commonwealth Parliament on 11 November 1998, together with national interest analyses, dealing with:

status of forces between Australia and Malaysia

trade and economic cooperation between Australia and Ukraine

exchange of letters amending the agreement on health services between Australia and the United Kingdom of Great Britain and Northern Ireland

development cooperation between Australia and Indonesia

exchange of letters constituting an agreement relating to the movement of nationals between Australia and France;

(b) bilateral agreements tabled in the Commonwealth Parliament on 16 February 1999, together with national interest analyses, dealing with:

status of their forces between Australia and New Zealand

defence communications services between Australia and the United States of America

acquisition and cross-servicing between Australia and the United States of America

treaty on extradition between Australia and South Africa

mutual assistance in criminal matters between Australia and Sweden.

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 3

Mr RYAN (Gippsland South) presented *Alert Digest* No. 3 of 1999 on Ambulance Services (Further Amendment) Bill, together with appendix.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

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

Bayside Planning Scheme — No. L17

Berwick Planning Scheme — No. L138

Maroondah Planning Scheme — Nos. L29, L30

Stonnington Planning Scheme — No. L79

Surf Coast Planning Scheme — No. L56

Yarra Planning Scheme — No. L88

Statutory Rules under the following Acts:

Forests Act 1958 — S.R. Nos. 39, 40

The following proclamation fixing an operative date was laid upon the Table by the Clerk pursuant to an Order of the House dated 17 February 1998:

National Parks (Amendment) Act 1998 — Remaining provisions on 15 April 1999 *(Gazette No. G15, 15 April 1999)*.

JOINT SITTING OF PARLIAMENT

Victorian Health Promotion Foundation

The SPEAKER — Order! I have received the following communication from the Minister for Health:

MEMBERSHIP — VICTORIAN HEALTH PROMOTION FOUNDATION

Under section 21(1)(f) of the Tobacco Act 1987, three members of the Victorian Health Promotion Foundation are members of the Legislative Council or the Legislative Assembly, elected by the Legislative Council and the Legislative Assembly, jointly.

The current three-year terms of appointment of the Honourable Gerald Barry Ashman, MLC, member for Koonung Province, and Mrs Janet Tindale Calder Wilson, MP, member for Dandenong North, are due to expire on 22 May 1999.

I would be grateful if you could place this matter on the agenda for a joint sitting of both houses, in the autumn sitting of Parliament 1999.

I have forwarded a similar request to the President of the Legislative Council.

Thank you for your assistance in this matter.

Mr GUDE (Minister for Education) — By leave, I move:

That this house meets the Legislative Council for the purpose of sitting and voting together to elect two members of the Parliament to the Victorian Health Promotion Foundation, and proposes that the time and place of such meeting be the Legislative Assembly Chamber on Wednesday, 21 April 1999, at 6.00 p.m.

Motion agreed to.

Ordered that message be sent to Council acquainting them with resolution.

BUSINESS OF THE HOUSE

Program

Mr GUDE (Minister for Education) — I move:

That, pursuant to sessional order no. 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 22 April 1999:

Water Acts (Amendment) Bill

Superannuation Acts (Further Amendment) Bill

Government Superannuation Bill

Education Acts (Amendment) Bill

Fair Trading Bill

Surveillance Devices Bill

Sentencing (Amendment) Bill.

Motion agreed to.

GOVERNMENT SUPERANNUATION BILL

Second reading

Debate resumed from 25 March; motion of Mr STOCKDALE (Treasurer).

Mr MILDENHALL (Footscray) — I state at the outset that I am a member of the State Superannuation Fund and have preserved benefits in the scheme that are the subject of the scheme and are obviously affected by the bill.

The opposition strongly opposes the bill. It is an ambush by the Kennett government, and particularly the Treasurer, of the 290 000 members and former members of the state public sector. There is no coherent rationale and, ultimately, it represents a grab for control of $4 billion of other people's money — not the government's money.

It is another destructive and expensive privatisation. The $4.1 billion State Superannuation Fund is not government money; it includes contributions made over many years by 290 000 public sector employees. The Treasurer and the Minister for Finance have no right to take that money. It is a cynical grab to control a huge pot of money and to direct it towards government-favoured investments and pet projects.

The opposition raises four major issues regarding the legislation. The first and most telling is the complete absence of rationale for the government's action. The Victorian Superannuation Fund and the State Superannuation Fund are viable and successful schemes with a high return on investment.

Mr A. F. Plowman — That's a joke.

Mr MILDENHALL — I would like to see any evidence to the contrary. None is available in the public sphere. Although the administrative change to the Victorian Superannuation Fund is consistent with previous government decisions and is one the opposition can accept as part of the general government strategy, the arguments justifying the seizure and control of the $4.1 billion State Superannuation Fund are extremely thin. The agency is low cost and obtains a high return.

In June last year the *Business Review Weekly* rated the State Superannuation Fund fifth-best performer of 27 government superannuation funds. The State Superannuation Fund has had an average return of more than 11 per cent for each of the past 10 years. Despite claims by the government when its representatives briefed the opposition that the performance had fallen away, in the last calendar year the fund returned 8.6 per cent on investment against an average of 8.8 per cent in the annual survey conducted by Towers Perrin Forster and Crosby. We are not talking about a dud fund, but one of the leading financial institutions in the state, if not the country. Because of the actions of the Cain Labor government and to a certain extent this government when it first came to office, the unfunded liabilities in the defined benefits scheme that the government mentioned so often during its early years are now regarded by all financial commentators and stakeholders as being under control and not of prime concern or warranting any specific government action.

The government no longer tries to use the unfunded liabilities as a rationale for taking control of the management of the State Superannuation Fund. I challenge government members who contribute to this debate to provide evidence of adverse comment on the management of the fund or any references in the annual reports of the Auditor-General or anybody else about the poor performance of the fund. I also ask honourable members to justify the government's rationale of introducing reform to overcome supposed difficulties in managing two different schemes. That argument appeared out of the blue and does not relate to any comment or observation made by those responsible for overseeing the activities of the Victorian Superannuation Board. So impressed was the Minister for Finance by the Victorian Superannuation Board's performance that he congratulated the board on its outstanding effort in a letter of 11 September 1997:

> I certainly agree with you that the investment return of 20.2 per cent before tax and investment expenses is a particularly pleasing result.
>
> Your achievement is highlighted by the Towers Perrin survey which placed your performances as equal first in Australia.
>
> Would you please convey my congratulations to the board and the staff for this excellent result.

Is that the type of letter the Minister for Finance would send to the board when he is about to pull apart the administration, dismember the scheme and tender out its functions? Within months of telling the board it was the best in Australia, he is preparing a secret strategy to seize effective administration and direction of the fund.

The government argues as part of the rationale for its action that the amendments in the bill will improve the board's administration and reduce costs. How will the measure reduce costs when the government is creating two separate administrations — duplicating the administration of the board and the equipment, officers and resources needed to manage the board and fragmenting its expertise?

The government's rationale is that the skills and expertise required to administer two different schemes require two different administrations. That is patently absurd and illustrates that the government will grasp any flimsy excuse to justify seizing control of $4.1 billion. It is absurd to put that argument, given the success of the board. It is like arguing that a bank cannot lend or invest money, advise on the deployment of funds or run branches at the same time. Each function requires a different skill. Surely an administration can run two major schemes at the same time. The bill is a transparent and feeble rationale to justify a grab for funds.

The stakeholders in the scheme were ambushed; but even in the difficult days of 1993–94 concerted attempts were made to achieve consultation on and bipartisan support for superannuation reform. For example, even though the government was trying to pinch indexation from the pensioners in the superannuation schemes, the opposition, the public sector unions and others willingly participated in efforts to achieve bipartisan agreement. The minister has abandoned that tradition; he has thrown it out the window.

The bill deals with the financial security of thousands of superannuants who depend on their superannuation income to keep home and hearth together. However, the superannuation board's views on the bill were not sought. One would think the government would consult the best-performing State Superannuation Fund in Australia for its advice and tap into its expertise before developing any proposals to introduce so-called improvements in administration.

Union members covered by the schemes found out about the intended changes only through leaks from the administration and the board. On discovering the inside story the unions made it public. Only then did the minister spring into action and endeavour to throw sand on the fire that was burning underneath him, and only then did he agree to discussions with both the unions and the representatives of fund members.

In a departure from the tradition of bipartisan support for the principal organisations representing the

members of the schemes, the Minister for Finance has made no attempt to find any common ground or reach any form of compromise on the proposed changes to the legislation. The nub of the opposition's objection is not only that there is no rationale for proceeding down the path outlined in the bill but that those most vitally affected by the changes have not been consulted.

The opposition and several thousand Victorian public sector and ex-public sector workers believe the key issue is the imposition of direct government control over the use of members' funds. The structural changes comprise a five-part strategy that is unequivocally designed to assert the Treasurer's personal control over the investment strategies involved in administering the $4.1 billion contained in the state's superannuation funds.

Government appointees will form a majority on the board. The government claims that various provisions preclude it from directly influencing its appointees to take certain actions and that the chair will be independent. However the die will be cast because of the government's strategy. For the first six months all the directors of the new entity — the Government Superannuation Office — will be government appointees. Ironically, the members' representatives, who are appointed as a protective measure, will be used to cement the government's changes. The board's final make-up will comprise three member representatives, three government representatives and an independent chairperson. Any major changes that affect the benefits or entitlements of the members will need to be passed by a two-thirds majority, so a government proposal will have to be supported by a representative of the members or a member's proposal will have to be supported by a government representative.

The sting in the tail of that protection is that during the first six months the die will be cast — the government strategy will be put into place when it has direct control over all seven directors of the superannuation fund. I do not like the chances of the members' representatives, when they finally take up the positions on the board, being able to amend any of the decisions taken by the government-stacked board in those early months. The use of the government appointees as directors in the first six months and the requirement for a two-thirds majority to effect change once all the directors finally take up their positions will cement the government's strategy into place. The other parts of the direct control strategy include the government's appointing the chief executive officer. The government will exert direct control by taking control of the board, appointing the CEO and selecting the funds manager.

The government's action will also force the administration of the fund to be tendered out and will pave the way for the disposal of the existing staff. The government has dealt itself a winning hand by stacking the board, controlling the administration, directing where the funds will go and paving the way for the tendering out of the administration and the disposal of the existing staff.

The opposition sought an explanation of why funds management is to be taken out of the hands of the present trustees and future directors and why the Victorian Funds Management Corporation (VFMC) has been selected for that role. The only explanation given to the opposition in briefings on the issue was that it is the Treasurer's preference — that is, it is his desire and part of his strategy. The government's decision in that regard is of critical concern to the unions and superannuants and has caused disquiet among members of the superannuation funds, superannuants and the opposition.

It is relevant to ask why the government would choose that course of action. The VFMC has made a number of approaches to the Victorian Superannuation Board to become one of its available funds placement agencies, yet on the basis of interviews and an analysis of its relative qualities as against other available placement agencies the VFMC has previously not been selected on the basis of merit.

My attention has been drawn to previous public questioning of the role and success of the VFMC. Serious questions have been asked about its performance, and it experienced a rocky ride in its early years. I refer to an article by business commentator Stephen Mayne in the *Herald Sun* of 18 November 1995. Mr Mayne is a journalist who is well known to the government. In 1995 the then recently established VFMC was the subject of speculation. The article states:

> The future of the VFMC is presently in the balance and after a problem-ridden 16 months Mr Stockdale has finally resorted to heavying the likes of Workcover and the Victorian Superannuation Board into supporting the VFMC. However, all are believed to be vigorously opposing it. They argue the VFMC has not got its house in order after its chief executive and three of its four general managers left earlier this year in a shake-up.

The VFMC obviously has a chequered past. One could be forgiven for accepting the explanation that the Treasurer has not ceased in his efforts to heavy each of the entities within his purview that have any substantial pools of funds into signing up with the VFMC. His decision appears to be part of a consistent strategy to rake up funds for the VFMC that unfortunately the

VFMC has not been able to attract in its own right in the marketplace, even from the public sector.

The appropriateness of the Victorian Funds Management Corporation as the funds placement agency is one obvious concern, and another is the removal from the directors of the power to choose the placement agency or to influence the choice of members' representatives — even when, as in this case, the members' representatives form a minority of directors.

Trustees of funds will, as one would expect given the proposed arrangements for the Government Superannuation Office, be mandated with the responsibility of acting in the best interests of members of the schemes. The opposition believes, however, that it is a breach of that responsibility to not enable the directors to interview and select the best possible investment agency. That is a serious issue, because section 52 of the commonwealth Superannuation Industry (Supervision) Act requires that trustees of funds act in the best interests of the beneficiaries.

The government will not entrust the directors — that is, the trustees of this fund — with the ability to choose a placement agency as part of their responsibility to act in the best interests of the beneficiaries. According to the commonwealth-state heads of governments agreement the state is exempt from the direct supervision of the Superannuation Industry (Supervision) Act on condition that it adheres to the spirit of the legislation. I believe the decision to place the superannuation funds with the VFMC constitutes a prima facie breach of the spirit of that legislation by the Victorian government.

I ask that members of the government who will be speaking on the bill explain how taking those decisions away from the Government Superannuation Office and the members' representatives is consistent with the commonwealth act. I challenge them to explain or justify that decision.

I offer a final example of how the government is simply using its brute force, numbers, influence and bullying tactics on the board. As a member of the fund I received a letter from the chairman, Mr Roux, for and on behalf of the directors. The government did not ask me, as a member of the board, what I thought about the performance of the State Superannuation Fund or its management structure. The government forced the chair of the board to write on its behalf an announcement of the changes and then, ironically, forced the administration to try to answer questions on the hotline about what the government was up to and why it was such a good idea. Talk about having to work with a guillotine suspended above your neck!

The final point on which members of the opposition take issue with the legislation concerns the tendering out of the administration. We do not believe the dismemberment of the administration, executive and board of the Victorian Superannuation Fund has any coherent rationale, and we certainly do not agree there is any reasonable rationale for unloading staff who are not selected by the new agency and then tendering out the administration within two years, as provided by the bill. That would be a typically wasteful and destructive move. Also typically, it will duplicate administrations and allow the new body to treat its employees as disposable material.

The message to the troops from the leader of the government will be: 'Well done! You have created the best performing fund in Australia. Now go out and find yourself another job'. That is an appalling message full of appalling values.

Members of the opposition have had a lot of calls and letters from former public sector workers who are members of these schemes. They have expressed their disquiet and concern about the moves being made by the government. I am aware of at least three public meetings and rallies.

One meeting in front of Parliament House was attended by some 500 people. Public concern is of a sufficient level to warrant a more sensitive and consultative response than the government has been able or willing to provide. Its message has been that it will push the legislation through without any correspondence being entered into.

A number of questions have been asked by superannuants and the various associations of ex-railway workers and workers from different departments. A letter I received from the Combined Council of State Retirees raised significant concerns. The council employed a consultant to ask some questions on its behalf. The council reported to me that it was most unhappy with the responses it received from a government representative at one of its public meetings.

The questions asked were obvious ones: Why is it necessary to proceed with such haste? Why does the passage of the bill need to be so speedy that interim boards of directors need to be appointed? Can the changes be delayed until a final board is selected? It is a remote possibility that anyone would agree that the overall reforms are desirable, so why is it necessary to

proceed without consultation? Why does a sense of urgency surround the proposed legislation? Can the passage of the bill be left until after the winter break to provide the opportunity for the hundreds of thousands of people who are affected by the legislation to at least understand what is going on? However, there is only a remote possibility that those people will be given the opportunity to comment on the bill.

Why is the existing superannuation board that administers the investment of some $5 billion of contributors' funds and has a remaining term of two years and three months being removed? Why is the passage of the bill treated as a matter of urgency, given that the economies of scale that have been achieved and the record net returns are the envy of private superannuation funds? The questions go on and on, but they have not been answered. Superannuants belonging to various associations have asked for the legislation to be deferred because they are most concerned about its content and its intent. The associations do not want it to proceed and would like the opportunity to talk to their members and gain a greater understanding of the situation, in — what I imagine would be — an ill-advised attempt to encourage the government to find a more equitable and reasonable course of action.

The opposition gives the government notice that it will campaign on this issue in the lead-up to the coming election. It will contact the 290 000 members of Victoria's superannuation funds, whom the government treats in such an offhand and contemptuous manner, to let them know that the government is playing around with their financial security. Opposition members suspect that the government is attempting to effect changes to entitlements and benefits. Once the government seizes control of the superannuation entities there will be no impediment to the seven government-appointed directors, who will have total control over the funds during the first six months, implementing the strategies and whims of the outgoing Treasurer.

Superannuants and public sector workers well remember how they have been treated by the government. They remember the government's attempt to remove indexation from pensioners, and they know the government cannot be trusted to act in the best interests of Victoria's superannuation scheme members.

The opposition will campaign on the issue, and it gives an undertaking to the community and public sector workers that it will restore the integrity of the management of the fund upon taking government, and it definitely and vehemently opposes the bill.

Mr CLARK (Box Hill) — The opposition is following its usual course. It raises innuendo, makes unsubstantiated claims, attempts to smear the government and says its arguments show that the bill is an attack on members' rights. It then complains that the government has not consulted widely about the bill, which it says will affect members' rights and entitlements. It is typical of the twisting and turning of the opposition on such matters.

As with most honourable members, my office has been contacted by people inquiring about the bill. Once my office has explained to inquirers what the bill does, provided them with copies of the Treasurer's second-reading speech, assured them that there will be no change whatsoever to their benefits and entitlements, and explained that the main reason for the restructuring is to allow the accumulation schemes to come under commonwealth regulation, fair-minded people approach the issue openly and accept that what the government is doing is fair and reasonable.

Opposition members are now abandoning the insinuations made by the honourable member for Footscray in his speech, because when I said benefits would not be affected by the bill they interjected, 'Not yet'. So opposition members have already conceded the point that the bill does not affect benefits and, instead, are trying to manufacture some fear of possible future changes to benefits.

This is reinforced by a flyer or leaflet that the Community and Public Sector Union (CPSU) was handing out in front of government offices a week or so ago convening a rally for 13 April outside Parliament House. What does the CPSU say about changes to members' benefits? It very carefully avoids the issue. The leaflet signed by Karen Batt, Victorian branch secretary, states:

> The state government has introduced legislation to change the administration of the state superannuation and the Vicsuper accumulation funds.
>
> The legislation is due in the Legislative Assembly this week and a mass rally of all contributors — past and present — is planned for today — Tuesday, 13 April 1999, at Parliament House from 12.30 p.m.
>
> I extend an invitation to you to attend and join with hundreds of your former work colleagues as well as thousands of present day public sector employees.

The CPSU called a rally, but nowhere in the leaflet does it commit to print any claim about threats to benefits because when the union leadership sat down and examined the legislation it could not find any evidence whatsoever to support the proposition that the bill affects benefits. It has been left to the honourable

member for Footscray to make insinuations to the contrary.

Mr Mildenhall interjected.

Mr CLARK — Yet again the honourable member, by way of interjection, returns to saying, 'Not yet'. In his earlier contribution — and he had plenty of opportunity — the honourable member did not point to one clause in the bill that adversely affects members' benefits. His inability to do so is even further evidence that the bill does not affect members' benefits.

In stark contrast to its predecessors, the government has a pretty good record on superannuation matters. When the government has had to restructure superannuation schemes and superannuation benefits it has been completely open about it. It has done it in negotiation with the Victorian Trades Hall Council. Honourable members opposite might have forgotten the fact that the major platform of superannuation reform introduced by the government from 1993 onwards was under the auspices of an agreement negotiated with and signed by the Trades Hall Council.

The honourable member referred to the record of the previous government in managing superannuation and implied that it had brought unfunded superannuation liabilities in Victoria under control. I hate to disillusion him, but the 1992 actuarial projections indicated that unfunded liabilities were projected to grow rapidly for many years and would peak in the year 2014 at $34.7 billion in real terms. By contrast, following the reforms of the present government, as at 1997 the actuarial assessment of unfunded liabilities in the year 2014 was only $10.3 billion in real terms. Furthermore, based on the 1992 actuarial projections — the measure of the former government's performance — even after unfunded superannuation liabilities peaked at $34.7 billion in 2014, they would only gradually decline and as at 2040 would still be $15 billion in real terms. By contrast, under the 1997 actuarial projections unfunded superannuation liabilities as at the year 2040 are projected to be down at very low levels — around the $1 billion level or less.

The government has an established record on superannuation reform. When the government announced measures it was completely up-front in terms of what it intended to do. The advantages and disadvantages of various options were put in front of people allowing them to make their own decisions. The government openly said that adjustments had to be made because the state could not afford to go down the path it was heading, and honourable members will recall that they took their share of the reductions in benefits along with others.

The government's record on superannuation cannot be impugned. When the government says to the house and publicly that the bill does not affect members' benefits, that is exactly what it means.

Honourable members interjecting.

Mr CLARK — Opposition members are returning to the argument about benefits being changed in the future. Benefits can be changed by legislation, as has been done in the past. However, the changes that are made in the bill have absolutely no impact on that position.

The lynchpin of the debate on the bill is the comment of the honourable member for Footscray that he and the opposition have no objection in principle to the accumulation schemes being brought under commonwealth government scrutiny and its regulatory scheme. Once the honourable member concedes that point, the logic of the bill is obvious. The government wants accumulation schemes to come under commonwealth government regulation. There is no benefit to anybody in having dual-track regulation — half state and half commonwealth. The honourable member for Footscray conceded that point. If the two funds are to be separated, it is obvious that two separate administrative bodies should govern the funds.

The honourable member referred to the capacity of the Victorian Superannuation Board. The bill proposes that the board will continue to run the scheme that comes under commonwealth government supervision. Given that there will be this split, it logically follows that a separate entity is needed to administer the form of public sector superannuation that will remain state government schemes, and that is exactly what the Government Superannuation Office will do. The office will have three government employer representatives, three representatives elected by and from members and an independent chair or president. The president will not have a vote on matters relating to member benefits.

The honourable member for Footscray did not quarrel with that three-to-three structure or, as I understood him, with the notion of the independent chair. He questioned the initial appointees to the board and implied that the government would appoint its own people to run the scheme for the first six months. The provision that the honourable member had in mind is found in clause 10(2), which states:

> Despite sub-section (1), the first Directors appointed under paragraph (c) of sub-section (1) —

that is, the people elected by and from persons who are voters —

(a) are to be nominated by the Commissioner for Public Employment; and

(b) are to be Directors until 31 December 1999, unless section 13 applies.

Section 13 relates to vacancies on the board. The reason for that provision is simple. The new office is to be established from 1 July, elections have to be held and there needs to be some way of breaching the gap between when the elections are held and when the body is set up. The Commissioner for Public Employment will nominate the first three directors to fill that gap. The nominees will genuinely represent the interests of the voters — that is, the members of the fund.

I understand the Commissioner for Public Employment intends to appoint fund members. They will not necessarily hold office for six months. If the elections are held earlier they can hold office simply until the elections are held and they can step down as the new people take office. However, a transitional method must be established to allow the appointment and establishment of the board.

The honourable member for Footscray did not seem to like the idea of the government having any involvement in the management of the funds.

Ms Campbell interjected.

Mr CLARK — The honourable member for Pascoe Vale interjects that it is not the government's money. I will take the honourable member through it. The defined benefits schemes have approximately $4 billion in funds. They also have about $15 billion in unfunded liability. In other words, if one subtracts from the actuarial valuation of the members' likely entitlements the amount of funds held, the difference is $15 billion. Under the very logic of defined benefit schemes the employer, in this case the government, is committed to cover that liability.

Mr Honeywood interjected.

Mr CLARK — As the minister said, opposition members forget that point. For the benefit of members opposite perhaps it is worth repeating the fundamental difference between a defined benefits scheme and an accumulation scheme. Under a defined benefits scheme the entitlements of the employee members of the scheme are defined in the instrument establishing the scheme, the trust deed or the act of Parliament that constitutes the scheme. The member is entitled to receive the benefit specified by that instrument in the circumstances that apply to that member, and that member is entitled to receive those benefits whether or not there is money in the kitty to cover that defined benefit. If there is no money in the kitty, it is up to the employer, in this case the government, to contribute whatever sum is necessary to ensure the fund member receives his or her entitlement.

Mr Mildenhall interjected.

Mr CLARK — The government is exposed to the $15 billion unfunded liability. In response to the interjection of the honourable member for Footscray the unfunded liability is a darned sight less than it would have been had the schemes continued as they were under the previous government. The government is not only exposed in respect of the unfunded liability but also potentially exposed to changes in the level of funds already in the scheme. For example, if the trustees of the fund were to lose all or part of the $4 billion, the government would be obliged to cover the shortfall. The government is fully exposed for all the defined benefits of the members of defined benefits schemes. For that reason, the government has every justification to ask for and expect to have a say in the way those funds are managed and invested.

By contrast, under an accumulation scheme, which comprises the schemes to go to Vicsuper that will come under commonwealth regulation, the amount a fund member takes out at the end of the day is equal to the sum of what the member puts in, what the employer puts in and what the funds have earned. Therefore in such a scheme the employee member has every interest in ensuring that the funds are invested to achieve the optimal risk–return trade-off — in other words, that the funds are well and prudently invested to earn a good return for the member.

The honourable member for Footscray referred to the investment record of the Victorian Superannuation Board. Given his enthusiasm for that, he will be pleased to know that that core of expertise will predominantly continue to manage those funds when they are moved to commonwealth government regulation. Removing those schemes from state government regulation will remove unnecessary duplication between state and commonwealth governments, reduce red tape and give more freedom to the trustee of the funds to provide services and manage the funds in the best interests of the members. The bill simply continues a course of moving accumulation schemes over to commonwealth government regulation — something the state government embarked on some time ago. As I understand the honourable member for Footscray, it is not a course to which the opposition objects.

The final subject raised by the honourable member for Footscray was the role of the Victorian Funds Management Corporation (VFMC). The honourable member suggested that somehow members were at risk because the $4 billion in funds in the schemes would be squirreled off in some way to the Victorian Funds Management Corporation. Let me make the position clear: the corporation is in effect a manager or a supervisor of funds management organisations. Its purpose is to take sums of money that may be held in various depositories across the state public sector — some large, some small — aggregate them and then pass on their management to a variety of private sector funds managers.

The corporation will have the concentrated expertise to manage the other funds managers. That avoids the need to establish a multiplicity of one-on-one relationships between a wide range of public funds holders and private sector funds managers. That is the essence of the VFMC aims. The corporation's deployment of those funds and the way it allocates them to private sector funds managers will take place in accordance with the investment strategies specified by the VFMC's own clients — in this case the investment strategy specified by the Government Superannuation Office.

Mr Mildenhall interjected.

Mr CLARK — The honourable member for Footscray questioned whether that arrangement was consistent with commonwealth government legislation. I can inform him that the Commonwealth regulator has been consulted about the bill and has advised the officers of the Department of Treasury and Finance that the provisions of the bill conform with commonwealth government requirements. The honourable member has no cause for concern in that regard.

In conclusion, when one looks at the substance of the bill rather than the eternal fudge and confusion the opposition is trying to create around it, one sees that it is straightforward. In relation to accumulation schemes, the regulation of which the commonwealth government has now generally taken over and for which it has a comprehensive regulatory regime, employee members have virtually the sole interest in the way those funds are managed and invested. There is no rationale for continued state government involvement in regulation. It gives greater freedom and greater opportunity to provide further enhanced services if those funds are regulated solely under commonwealth supervision in line with the vast majority of superannuation funds throughout Australia.

In relation to the defined benefits schemes the government — and, therefore, the taxpayers of Victoria, whose interests opposition members should consider — has a key interest in the way those funds are managed. At the end of the day they are defined benefits; and whatever the employee member is entitled to must be covered by the government if there is not sufficient money in the fund in the first place to pay those benefits.

The government and the taxpayer have an ongoing interest in the management of those funds and, therefore, they are entitled to have a say in the way the funds are managed — and that is exactly what the bill does. It does not affect members' benefits in any way. The opposition's attempts to create the impression to the contrary are the cause of absolutely needless queries in the minds of beneficiaries. Opposition members in this regard are rather like the boy who cried wolf — eventually their cries fall on deaf ears and they justly deserve the censure of everybody who is interested in a balanced and intelligent debate on public issues in this state. This is a good bill, which deserves the support of the house.

Mr BRACKS (Leader of the Opposition) — If this were such a good bill, if it had endorsement and support in a bipartisan way as has been the case since 1993, why did the government not get the support of the Victorian Superannuation Board?

I should say, from the outset, that I have a preserved benefit under the Vicsuper board, and I make that clear before I enter into the debate. It is not current but it is there, and it is proper that it be made public in the *Hansard* record.

If the Vicsuper board were full-blooded and supporting this measure, and if this is such a bipartisan supported position, why did the chairman of the board, Mr Michael Roux, have to write to each member of the scheme in these terms:

> It is not the board's role to express a view as to the implications of the changes on benefit entitlements. The government has told the Victorian Parliament that the changes will have no effect on the existing rights and entitlements of the State Superannuation Fund members.

Mr Roux was not in a position to advise members as to the changes. That is the extent of the consultation that has occurred. If Mr Roux were supporting this and if he and the Vicsuper board were informed, he would have written to fund members to give them assurance and comfort that there was no change, that the benefits would be preserved and the arrangements would be

beneficial to members. That is the usual way of doing it.

Superannuation is such an emotive issue, and usually in these arrangements you give comfort through a letter saying, 'Don't be worried or concerned; your benefits will be unchanged and the arrangements which are taking over are suitable and endorsed by the board itself'.

There is no community endorsement of the bill. The honourable member for Box Hill was absolutely wrong when he said this matter has had wide consultation and bipartisan support. He is correct to this extent: there has been an arrangement wherein, since 1993 and the superannuation changes, these matters have been discussed with the Victorian Trades Hall Council and their agreement and concurrence sought. With those arrangements there were also proper briefings and discussions with the opposition. We were then able to reach a position where we could agree and support those arrangements.

In this case no such consultation occurred. I ask the honourable member for Box Hill why there was no prior discussion with the Vicsuper board. Why was there no prior discussion with the Trades Hall Council about those arrangements? Why was bipartisan support not sought? The answer is that the government had something to hide. If it had nothing to hide there would have been a proper discussion with all parties involved, and proper endorsement from the existing Victorian Superannuation Board, and there is no such endorsement of this arrangement. The reality is that the Minister for Finance only had discussions with the unions after there was a leak from the administration of the superannuation scheme. It was not prior to then, as has been the case in the past.

The Treasurer has supported, as have I, the bipartisan approach to superannuation in this state. Every superannuation bill that has come before this house since I became shadow Treasurer in 1996 has been supported by the opposition. That has occurred because of proper negotiation, discussion, agreement and assurances about ongoing benefits.

This is the first time since 1993 that we have had to oppose the government on a superannuation bill. It is a pity that that bipartisanship has been broken not by the opposition but by the government, which did not choose to negotiate or consult properly with the trade union movement. It did not even negotiate with or inform the Victorian Superannuation Board and seek its support for these arrangements.

The government chose to unilaterally go ahead with the bill. The patrician view is, 'We know what is best and we will deliver that through the Parliament with our members in both the lower and upper houses'. This is a departure from what the government has done since 1993, and it knows it. The opposition has always been consulted on these matters in the past.

There are three key features of the bill. Firstly, there is no rationale for the bill. Secondly, there was no effective consultation. And thirdly, the funds will no longer be controlled in the same manner as they were by members of the scheme — those who own the scheme and have a proprietary interest in it.

I remind the house that there was no consultation with the Victorian Superannuation Board. What an amazing situation that the board responsible for the scheme is the last one to find out. It had to find out through a leak. It is an unbelievable way to do business.

Honourable members interjecting.

Mr BRACKS — How can you be surprised that the opposition is opposing this bill when you have not undertaken any consultation? Do you expect the opposition to blindly support this measure when you have not done what you have done in the past — that is, consult with the Victorian Superannuation Board, the trade union movement and others?

The Minister for Finance had discussions with the union only after there was a leak from the administration. A longstanding convention of bipartisanship on superannuation bills has been abandoned. The fundamental reason why consultation has been a feature of superannuation is that the members' money is at stake. This is not the government's money, it is members' money, and therefore consultation is very important. The government should not be seeking unilaterally to impose a solution which is not negotiated.

The government is not willing to comment on whether members' funds will be managed better. This is a moot point. There should be community support for this measure, and we do not have it. The Department of Treasury and Finance has not explained the true impact of these amendments. Superannuation is such an important and sensitive issue for those involved that it needs to be patiently explained and negotiated. These matters should be available to every fund member in a prospectus, not rammed through Parliament without consultation, which is what is happening.

In terms of the rationale, the bill effectively represents a grab for some control of the $4 billion of members'

superannuation funds. I know the Treasurer has had a problem with this area. I recall when the Victorian Funds Management Corporation was established about four years ago the Treasurer was embarrassed because he wanted the Victorian Superannuation Board, the Transport Accident Commission and the Workcover Authority to handle their investments through the corporation and they all said to him, 'No, no, no'.

He had to instruct them to put some of their investment portfolios into VFMC, and this measure is a continuation of that embarrassment. The Treasurer set up the corporation to operate centrally, but he could not persuade the organisations to invest their funds in that body. This measure is another way of forcing his will through legislation rather than doing what is best for the scheme under the instruction and authority of its members and through them to the Victorian Superannuation Board.

The board has managed the funds in its scheme extremely well. I did not hear all the matters raised by the honourable member for Box Hill, but I will be surprised if he expressed doubts about the investment policies of Vicsuper. In a letter of 11 September 1997 to Mr Robert Welsh, the chief executive of the Victorian Superannuation Board, the Minister for Finance states:

> I refer to your letter of 30 July last in relation to VSB funds outcome for the 1996–97 year.
>
> I certainly agree with you that the investment return of 20.2 per cent before tax and investment expenses is a particularly pleasing result.
>
> Your achievement is highlighted by the Towers Perrin survey which placed your performance as equal first in Australia.
>
> Would you please convey my congratulations to the board and staff for this excellent result.
>
> Keep up the good work.

As recently as 11 September 1997, the Minister for Finance said to the board, 'Your achievement is highlighted by the Towers Perrin survey which placed your performance as equal first in Australia'. That is a strong endorsement to keep the scheme as it is and to maintain the benefits of critical mass of two schemes.

An independent survey conducted by the *Business Review Weekly* as recently as June last year rated the performance of the State Superannuation Fund as the fifth best out of 27 Australian government funds. The adage 'If it ain't broke, don't fix it' applies to these schemes. The funds do not need to be broken up and desegregated. The *Business Review Weekly* survey rated the performance of the schemes extremely highly. For the past 10 years their performance has not fallen away. There is no rationale for breaking up the schemes as proposed in the bill.

The bill enables the government to seize control of $4 billion of members' money. For a period the government's appointees will form a majority of the board. That means that the Minister for Finance or the government following the chain of command will effectively control the fund's $4 billion portfolio and not the board or its members.

The bill proposes that for the first six months all directors of the Government Superannuation Office will be appointed by the government. That is meant to be a transitional arrangement. It is similar to local government reform. It took the government two years to put legislation in place so local government could hold elections. During those two years of government-appointed commissioner administration local government was reformed and 50 per cent of the activities of local government was required to be tendered out. It took the government two years to return democracy to local government, but even then the government put in place legislation that restricted elected councillors from doing their jobs. What will happen during the six months of administration by government-appointed directors of superannuation funds? What is the complicated electoral system that the government is talking about?

I would have thought it would be easy to appoint a new board that had an equal number of government and member representatives. Why would it need to take six months? The answer is clear: just as the government introduced radical legislation that affected and forever changed the shape of local government, so it will introduce legislation to change the shape of the State Superannuation Fund while it has control of the fund for that six-month period. It does not take six months to appoint a new board and it is ridiculous to think otherwise.

The government will appoint the chief executive officer of the board instead of a board comprising government and member representatives. Members should have the say over who runs their fund, not the government. The government has selected the funds manager. There is no discretion for the board to select the best funds manager. That is unusual. Why is the Treasurer proposing a central government scheme with the Victorian Funds Management Corporation as the only fund manager? Because the Treasurer wants to rebuild the VFMC, which has not worked and will never work properly.

The legislation establishing the Government Superannuation Office puts responsibility for the management of funds with the Treasurer. The Treasurer and the Minister for Finance have control. They appoint the chief executive officer, they control the majority of the board and they dictate who will be the funds manager, a person who will be responsible to the Treasurer under the legislation. The government controls $4 billion of members' funds — that is the reality. No proper arrangements have been put in place for the Victorian Superannuation Board, as has occurred in the past.

The government will force the boards to tender out the administration of the funds and the existing staff will be disposed of. These are the officers rated second to none by the Minister for Finance! These are the officers who achieved an investment return of 20.2 per cent in the 1996–97 financial year, but they will be sacked. That is a good reward for effort! It is typical of the arrogance of a government that plays God with members' money, hard-earned savings and rights.

The Victorian Funds Management Corporation has approached the Victorian Superannuation Board on a number of occasions to become one of its placement agencies. The board has rejected those approaches every time, as is its right. The board has the responsibility to get the best return on members' funds, which it has done, as shown in the survey published in *Business Review Weekly* and in the letter written by the Minister for Finance. It is up to the board to decide by tender who is best equipped to be appointed as a placement agency, and if an organisation misses out it is due to its lack of ability to undertake the task. The Treasurer will change that by legislation. There is no contestability. When the government wants a competitive market it will run with it, but when it involves a public sector organisation that is working well in a competitive environment and is able to pick the brokers it wants from the 14 that apply, the government says, 'No, we want to control it'. The government wants competition only when it suits its purposes.

Given the extraordinary circumstances that have occurred, one wonders what principles or plans the Treasurer and the Minister for Finance have for the fund in the next six months? What fundamental changes will they make to force their will on the management of the fund that they could not achieve through a proper competitive regime in a competitive market? How does the government justify the lack of choice for members and their representatives? It doesn't.

Trustees of funds are mandated with the responsibility of acting in the best interests of members. It is a breach of that trust to not enable the directors to interview and select the best possible investment agency. The bill proposes that the administration of the fund will be contracted out within two years.

No reasonable rationale exists for unloading staff selected by the new agency. They will perform well and then in two years the administration will be put out to tender. The bill is not about efficiency and effectiveness. It is a step on the road to privatisation, and that will be evident during the next six months.

The bill is not about improved performance. It sells out the interests of some 290 000 current and past members of the superannuation schemes with no proper explanation, rationale or consultation. Members who have run the scheme well in the past will have no control. The Labor Party will examine the changes and when in government will ensure that future control reverts to members.

Interjections from gallery.

The ACTING SPEAKER (Mr Jasper) — Visitors in the gallery will remain silent!

Mr BRACKS — The opposition will ensure the full independence and democratic election of the board and greater member representation at board level. The chief executive officer will be chosen by the members themselves. The Labor Party will keep superannuation funds out of the hands of the private sector and, by implication, out of the hands of the current government. It will place them where they should be — with the board and its members. On winning government the Labor Party will ensure that those changes are made.

Mr SPRY (Bellarine) — As was the case with the honourable member for Box Hill, several people questioned me on aspects of the bill. I was able to reassure them that their benefits will not change nor will their expectation of maintaining their lifestyle through superannuation be affected. The climate of discontent fomented by opposition members and the contribution of the Leader of the Opposition emphasise the efforts to destabilise confidence in the scheme. It is bound to scare the horses and does not serve Victorians in any way.

Mr Bracks interjected.

The ACTING SPEAKER (Mr Jasper) — Order! The Leader of the Opposition was heard in silence. The honourable member for Bellarine should also be given that privilege.

Mr SPRY — The opposition's record on financial management is appalling. Regardless of how one considers unfunded liabilities or core debt, in 1992 the Labor Party left Victoria in a disgraceful position. How honourable members opposite can sit in their places and interject is beyond imagination.

They would do well to dwell on unfunded debt liability. In 1992 when the coalition came to power the unfunded liability of the state's superannuation fund totalled some $20 billion. I hear no interjections now! According to Treasury figures if that liability were projected to the year 2014 under the former Labor government that figure would have totalled some $34.75 billion. Under the coalition that figure is expected to be less than $10.3 billion. The figure is currently $15.4 billion. When one compares that figure with $20 billion in 1992 one realises it is not a bad effort.

Looking at those figures and listening to the debate Victorians must feel that opposition members have no concern for the average Victorian taxpayer, or perhaps they have a particular barrow to push.

Mrs Maddigan interjected.

Mr SPRY — The honourable member for Essendon interjects like a cocky on her perch.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Bellarine would do better to address the Chair.

Mr SPRY — Thank you for your guidance, Mr Speaker. I am happy to do so. I support the continuing program of public sector reform embarked upon by the government which will continue to deliver competitive benefits to fund members and reduce administrative costs by avoiding duplication.

The purpose of the bill is twofold. Firstly, it establishes a new entity — the Government Superannuation Office — which upsets the opposition. That office will act as trustee and administrator for the unfunded, closed defined benefits superannuation schemes. Secondly, it enables the Victorian Superannuation Board to make a valid election for the Victorian Superannuation Fund (VSF) to become regulated under commonwealth supervision.

The Victorian Superannuation Board currently administers the now closed, defined benefits schemes as well as the VSF, which is an accumulation scheme. Since its establishment in 1994 it has grown to attract some 100 000 members. The funds have separate administrators as they are complex and different in their administration requirements.

I turn to the Victorian Superannuation Fund in its operation as an accumulation fund. The government's policy on superannuation reform has included the transfer of many public sector superannuation funds to commonwealth supervision. The VSF is fully funded under the accumulation scheme and the direct involvement of the state government is limited to paying appropriate contributions, as does any other employer. The transfer of such schemes to commonwealth supervision will reduce the duplication of supervisory and legislative activity I mentioned earlier. It is particularly sensible in this area, and where the commonwealth has primary policy responsibility it is logical that the fund should be transferred to the commonwealth's administration and legislative cover. The bill allows the government to concentrate its energy and supervisory activities on the defined benefits scheme for which it bears an ongoing financial obligation and an associated financial exposure.

The Victorian Superannuation Fund (VSF) is a stand-alone, fully funded accumulation scheme that operates under its own legislation and represents no financial risk to Victoria. Transferring the fund to the commonwealth will have two important effects: firstly, it will remove state-imposed competition and service delivery restraints that currently limit the product and services that are available to its members; and secondly, it will provide important marketing opportunities in the proposed choice-of-funds environment. Under the new arrangement those significant opportunities will be created to increase the range of products and services available to its members. The change is designed to benefit the fund's members.

The honourable member for Footscray mentioned staff arrangements. A cursory glance at the bill reveals that under the proposal the current board and staff of the Victorian Superannuation Board will transfer to Vicsuper Pty Ltd, a trustee company that will be established to act as administrator of the VSF under commonwealth supervision. The current board of directors will become the inaugural board of Vicsuper. All staff members will be offered positions with either Vicsuper or the new Government Superannuation Office on terms and conditions no less favourable than they are currently enjoying. The honourable member for Footscray hinted that the staff and the board were not going to be looked after. I emphasise that there is the opportunity for members of both of those groups to be employed on an ongoing basis.

The administrative changes will not alter the existing rights and entitlements of VSF members. They can be assured that the transfer to commonwealth supervision will provide the same prudential supervisory

environment as applies to the majority of Australian superannuation funds. I stress that important point to honourable members and members of the public in the gallery.

I turn now to deal with the State Superannuation Fund, which administers the defined benefits schemes. In contrast to the accumulation fund, the defined benefits schemes involve the state in significant financial exposure — around $16 billion — and will need to be administered by a new entity. Clauses 5 and 6 of the bill establish the Government Superannuation Office as a separate service agency in the Department of Treasury and Finance. As is the case with the transfer of the VSF to commonwealth legislation, the legislative changes providing for the establishment of the GSO involve no changes to existing rights and entitlements of State Superannuation Fund members.

Clause 9 deals with the directors of the GSO. There will be a seven-member board comprising three employer representatives, three member-elected employee representatives, and an independent president who will be nominated by the minister and appointed by the Governor in Council. The minister will also appoint the chief executive officer. A two-thirds majority of the board will prevail in decisions on individual benefits and the independent president will not be permitted to vote on those matters. A simple majority will be required to pass board resolutions on all other matters.

Clause 22 provides that all staff of the GSO will be subject to the Public Sector Management and Employment Act. Clauses 29 and 30 provide for the transfer of staff of the VSB to either the GSO or the new trustee of the VSF. Provision is also made to ensure that the administrative operations and activities of the new office are subject to contestability review and are tendered to the most efficient providers. In that regard the bill is consistent with the general policy of the government to open up these sorts of activities to competition and thereby deliver the most efficient services to both the members of the funds and the state. Fund administration policy and contract management will remain the responsibility of the Government Superannuation Office.

Clause 8 establishes the Victorian Funds Management Corporation as the fund manager for the assets of the State Superannuation Fund in accordance with the investment strategy determined by the board of directors, as was referred to by the Leader of the Opposition in his contribution a few minutes ago. That is, I repeat, in accordance with an investment strategy determined by the board of directors.

As the large unfunded liabilities of the State Superannuation Fund are the state's responsibility it makes sense for a state body such as the VFMC to administer those assets. The opposition has run the line that it is not appropriate for the VFMC to handle the funds. On the contrary, obvious benefits can be gained by having the corporation perform that function given the lower costs resulting from economies of scale, the level of expertise the corporation is able to deliver and the strong prudential framework that is already established. The reputation of the corporation is recognised by most people who have any dealings with it.

Significant cost savings are expected through the proportional decrease in fund management charges realised by adding State Superannuation Fund assets to the VFMC's portfolio. I remind honourable members that that portfolio includes Transport Accident Commission and Workcover assets totalling approximately $8 billion.

Clause 25 provides that the Government Superannuation Office is to be subject to the same state borrowing and investment guidelines as apply currently to the VSB and other Victorian public sector superannuation administrators under the Borrowing and Investment Powers Act. Safeguards are provided in that way.

Clauses 34 and 35 are inserted to allow any other public sector superannuation scheme declared by the minister to become an administered scheme under the administration of the office if required.

In conclusion, the philosophies, strategies and systems underpinning accumulation-style schemes are quite removed from those upon which defined benefit schemes are founded. It makes good sense, therefore, to administer separately the two funds under discussion here.

To date the government's policy for superannuation has included the transfer of many public sector superannuation accumulation schemes to commonwealth supervision. The VSF will now join with those schemes in providing the benefits to which I have previously referred. Conversely, the SSF, which represents a significant exposure of about $16 billion to the state, as I have said, will be administered by the new Government Superannuation Office. The office will be structured to provide the most prudential and efficient administration of those assets in the interests of the state and, even more importantly, in the interests of the members of the fund.

I commend the bill to the house as a logical, responsible reform to public sector superannuation policy in Victoria.

Ms DAVIES (Gippsland West) — I oppose the bill. Many constituents have approached me on the matter. I acknowledge that I have a pecuniary interest in the legislation in that I am a member of Vicsuper and have funds in both a defined benefit and an accumulation scheme.

I have no particular problem with accumulation schemes being administered under commonwealth supervision, although I can see an argument against changing the current scheme because it is obviously working well. I wonder at the government's continuing obsession with change that is based purely on ideology. I hope ultimately there will be an end to that particular obsession.

I asked for and was given a briefing on the bill from the office of the Minister for Finance. The minister's advisers sought to reassure me that the bill will not in itself change members' benefits. I can see that that is so. The advisers sought also to reassure me that it is very much in the government's interests to continue maximising investment returns from those funds because that minimises the government's liability. I can see that, too.

I agree that whichever board is in place will attempt to look after the members' funds as well as possible. The interests of the government and of the members of the funds are very much the same in that regard. I therefore looked for, and found, points at which the interests of members and the interests of the government might diverge.

The government claims that the new office, to be established on 1 July, will need a fully government-appointed board for up to six months as a transitional arrangement. That is not logically necessary. That transition time is not needed. Transition from one system to another could just as easily involve the current board being kept on until new elections could be held. No-one has said that the current board is not functioning properly or accused it of not looking after members' funds properly. We could keep the current board, which is half elected and half government appointed and has a theoretically independent chairman.

If the transitional arrangement of a fully government-appointed board is not logically necessary, you have to ask yourself why the government would do such a thing. You cannot blame members of the public or members of the superannuation funds for being suspicious.

The current board requires a two-thirds vote to change members' benefits. For up to six months, however, the government will have a majority of more than two-thirds on the board. It is theoretically possible that members' benefits will change within that time.

If the government's motives are pure and unsullied, I do not understand why it did not consult. You did not receive the full support of the current members of the board, and you did not seek to obtain opposition support. — —

The ACTING SPEAKER (Mr Jasper) — Order! I assume the honourable member is talking to the government and not to me as the Acting Speaker?

Ms DAVIES — I apologise Mr Acting Speaker. It is a bad habit I must stop.

I suggest to government members and the minister that it would have been easy not to give suspicious minds reason to be suspicious.

I received some letters from Vicsuper, of which I am a member, that caused the hair on the back of my neck to stand up. The letters referred to the Government Superannuation Office, which will be an agent of the Department of Treasury and Finance. I suggest government members should imagine a future when they might not be in government. If that were to happen and a government of which they were not part introduced legislation to place $4 billion of funds with the Department of Treasury and Finance under the control of a Treasurer who was not a member of the coalition, would they be comfortable with that arrangement?

I believe many government members have difficulty visualising themselves on the opposition benches. It would be a sound lesson for them occasionally to attempt to visualise that possibility. They might then have some understanding of why people in the community are uneasy about some of the changes they are attempting to introduce.

I will refer to the letters that caused the hair on the back of my neck to stand up. The letter I received from the chairman states:

> It is not the board's role to express a view as to the implications of the changes on benefit entitlements. The government has told the Victorian Parliament that the changes will have no effect on the existing rights and entitlements of State Superannuation Fund members.

> The government has told the Victorian Parliament that its reasons for making these changes —

the board then uses inverted commas —

> 'allows for a concentration of the state's supervisory activities...'

It is not a letter written by a board convinced of the accuracy of government comments. The statement 'the government has told the Victorian Parliament' is not one that engenders a great deal of confidence. That is certainly the aspect of the bill that has caused the major concern among my constituents.

The current board is responsible for managing the funds of superannuation fund members. It has done well. No-one, including government members, opposition members or people from outside sources have in any way criticised the management of the funds. I see no reason to be confident that changes introduced to dismiss a properly functioning board are necessarily in the interests of the members of those funds. If the government had been open and honest, had consulted on the issue, had attempted to get bipartisan support or had reassured members of the funds before introducing the changes, and if the changes were truly in the interests of members of the funds and the rest of the community, proper bipartisan support for the bill would have been possible.

The government has not attempted to have appropriate consultation, or to get bipartisan support on an issue that should have had that support. That is why I will not support the bill.

Mr LUPTON (Knox) — I support the bill, and I believe I have a bit more knowledge about superannuation than some of the earlier speakers. For some eight years I administered the former State Electricity Commission Superannuation Fund, and for four to five years prior to that I worked in the superannuation area.

It is apparent from the contributions of opposition members that they have not bothered to understand how superannuation funds operate. I advise the house that there are two types of funds: defined benefit and accumulated funds. In a defined benefit fund the benefits are defined in legislation. If a person knows what his or her salary and superannuation contributions will be over the next 20 years, he or she can basically work out the benefit within a dollar at a predetermined date. An accumulated fund is not anywhere near as simple. It depends on how successful the fund's board or trustees have been in investing the money and how much is deducted for administration expenses and so on.

In response to some concerns raised by previous speakers I will provide the history of how in the middle 1950s the SEC fund tried to introduce a superannuation scheme for blue-collar workers. It was met with a wall of abuse and comments from the Victorian Trades Hall Council that it was trying to rip off blue-collar workers. The unions actively supported that stance. In 1975 it became compulsory for blue-collar workers to be in a fund, the employees retirement benefit fund, and the Electrical Trades Union still issued a letter to all ETU members outlining various reasons for not joining a compulsory scheme. It is now mandatory for every employee in Australia to be in a superannuation fund, a fund into which they contribute and/or the employer contributes. It is a very good policy because it endeavours to ensure — —

Opposition members interjecting.

Mr LUPTON — I agree, it was a Labor policy, but it was only when the former Labor Prime Minister, Mr Keating, became involved in superannuation that it became the unholy mess that it is throughout Australia. It was the greatest stuff-up ever. In the past one could look at the superannuation industry and know that proper arrangements were in place. Over the past eight years the industry has been regulated by so many measures and changes that only a lawyer could keep up with the changes. The former federal Labor government introduced compulsory superannuation and required employers to contribute to funds. However, the trade union movement in the 1950s, 1960s and 1970s rejected the concept that blue-collar workers should be entitled to join a superannuation fund. Where was the change in the ideological thinking?

Mr Robinson — In the 1970s and 1980s, logically.

Mr LUPTON — Eventually it caught up with modern science and modern thinking. The Labor Party is only 20 or 30 years behind.

It is interesting to note that from about 1983 or 1984 there was an organisation called the Insurance and Superannuation Commission. That has now been taken over by a group called the Australian Prudential Regulatory Authority, which is a lot of words for something that means the same thing. APRA is responsible for ensuring that member benefits of all Australian superannuation funds comply with commonwealth legislation and that they cannot be reduced. APRA is a product of the former federal Labor government. It ensures that member benefits are not

eroded by changes to particular funds. It has been clearly enunciated, particularly by the honourable member for Box Hill, that benefits of superannuation fund members will not be reduced.

Mr Robinson — Existing members.

Mr LUPTON — That is right, they will not be reduced. The other day I watched and listened to the Leader of the Opposition as he stood on the back of a truck with some union people and expressed various views which I found difficult to believe. It is typical of opposition speakers that they have chosen to handle the truth very carelessly. APRA exists to ensure members are not ripped off.

There will be no effect at all on the tax status of the fund because only the administration is changing. The administration is changing because the government believes it will stop duplication where the commonwealth and state government administrations are basically doing the same thing. As a result I hope we become much more efficient. The house would agree that when you become bigger you should become more efficient.

The benefits of members will not change; they will remain unaffected. The government is not trying to rip off superannuation fund members. Members will continue to have the protection of the APRA and continue to benefit — —

Mr Mildenhall interjected.

Mr LUPTON — What are you talking about? You know just as much about this matter as you did about education when you were opposition education spokesman. You knew absolutely nothing about education and you know nothing about this.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Knox will address the Chair. The honourable member for Footscray has already made his contribution and the Chair would appreciate it if he would listen in silence.

Mr LUPTON — Thank you, Mr Acting Speaker. The bad news being peddled by the opposition bears no relevance to this matter. The existing benefits of members cannot be and will not be changed. The bill will improve the efficiency and the administration of the accumulated fund. It is a good, sensible bill and will go a long way towards looking after fund members.

Mrs MADDIGAN (Essendon) — I support my colleagues in strongly opposing the Government Superannuation Bill. The honourable member for Bellarine, showing his usual passion for state public sector employees, took occasion to read several pages of notes, no doubt prepared by some hapless public sector employee. He made a number of contentions, of which he had no proof, which really adds insult to injury when poor public sector employees have to prepare notes for the honourable member to read.

The honourable member for Bellarine mentioned the status of the superannuation fund in 1992 when the government was elected to office. He neglected to mention that in 1992 there were 55 000 more public sector employees than now. In 1992 the public sector was properly staffed and its members were able to provide the service Victorian residents had had for many years. Since its election in 1992 the government has done nothing but attack public sector employees. The honourable members for Box Hill and Bellarine both showed surprise that members and recipients of superannuation from the public sector were somewhat suspicious when the bill was introduced. Well may they be suspicious! They would hardly think a bill introduced by the coalition would help public servants. It would go right against the grain of any legislation introduced by the government since its election!

From my reading of the extensive notes prepared by various people, it is evident that the government has not been able to answer many of the questions raised by the trade union movement or individual retirees. Unfortunately the bill follows the same line as that found in many bills the government has introduced. It contains provisions which people are unhappy about and which lead to confusion in the community. Government members said the Labor Party and the trade unions were misleading fund members and unfairly worrying them about their current and future entitlements. That is not the case. People are concerned because once again the government has treated the bill as though it were some kind of secret that cannot be spoken about. It has to be kept quiet in case people question it and find out exactly what it contains.

What are the hidden concerns on which the government has failed to give a proper response? I refer to the amazing letter sent by the poor old chairman of Vicsuper. It clearly shows that the Victorian Superannuation Board had absolutely no idea the bill was to be introduced, nor, indeed, any idea about what it means. The honourable member for Gippsland West referred to some words in the letter in inverted commas. As I understand it, the poor old chairman could not understand what those words meant because the language was so bizarre and obtuse. Many sentences in the letter sent to retirees commence with the words, 'The government has told Victorian Parliament'. That

is hardly the sort of letter that inspires retirees to feel confident about their ongoing superannuation benefits. The Victorian Superannuation Board does not know what is going on. How can it actively and fully inform its members?

Today's debate has clearly shown not only that the Victorian Superannuation Board was unaware of the provisions of the bill but also that the government has broken an ongoing understanding to discuss such matters with the trade unions. If the government is proud of the bill because it will benefit government employees, one would have assumed it would have been keen to discuss it with the community. It would have been keen to allow the Victorian Superannuation Board to understand what is involved. It would have been more than happy to try to get some agreement from the trade union movement before presenting the bill to the house. The government's reason for not doing so is that there is no substantiation for the claims made in the second-reading speech and during tonight's debate.

As with other legislation — this is a recurring theme in government bills — the government does not appear to have any effective reason for the changes. Apart from a general clause about commonwealth regulations it has given no reasons for particular changes. Many changes in the bill go much further than the covering clause. Once again, the bill seems to be change for change's sake. The Leader of the Opposition read out the glowing comments of the Minister for Finance in the other place as reported in the *Business Review Weekly*. They seemed to indicate clearly how well the superannuation scheme is operating. Why has the government sought to make such extensive changes — far greater changes than were required under the commonwealth legislation?

The Leader of the Opposition also raised concerns about the changes to the boards of the new superannuation bodies. He said there is no need for the bill to take effect from 1 July or to appoint an interim committee to hold office until December. If the government really believes it would take six months to have an election, it would not be scheduling its state election until some time in spring. If the government believes it needs six months to hold an election, why not defer the starting date of the legislation until next year? That would mean there would be no need to make any changes, and the representative board could have remained.

Mr Mildenhall — It is commonsense.

Mrs MADDIGAN — As the honourable member for Footscray suggests, it is commonsense. If the government is so anxious to have the legislation start in July, it could, as the Leader of the Opposition said, just bring across the current board.

There is no need for the government to appoint all the board members. I thought the comparison made by the Leader of the Opposition of this bill and what happened with local government was valid. He said it was all very well for the government to have said that in time the municipalities would get their elected representatives back, but by the time the commissioners had finished, local government had totally changed.

One point which was not mentioned by the Leader of the Opposition but which is relevant to the bill is that the government promised commissioners would be appointed for only one year. The government said the commissioners would introduce the government's reforms and then, very graciously, elected representatives would be returned. How long were the commissioners there? Victorians had to suffer commissioners for two years. By the time the elected representatives were returned, the face of local government was so changed that it would take more than two years for the elected councillors to get back to any sort of normality.

Mr Spry — On a point of order, Mr Acting Speaker, the honourable member has strayed a little from the bill. To talk about local government is to draw an extremely long bow. The point of order I raise is that of relevance.

Mr Robinson — On the point of order, Mr Acting Speaker, the debate has been wide ranging. I recall that only a few minutes ago the honourable member for Knox somehow linked the bill to the activities of the SEC in the 1950s and 1960s. That was peripheral to the debate. I put it to you that the Chair should rule that the honourable member for Essendon is entitled to exercise similar discretion.

The ACTING SPEAKER (Mr Jasper) — Order! Although I do not uphold the point of order, I assume the honourable member for Essendon is making passing reference to local government and will return to the bill before the house.

Mrs MADDIGAN — Thank you, Mr Acting Speaker. If I were on the other side of the house I, too, would get nervous every time local government was mentioned. As you said, I was making a passing reference. I was comparing concerns about elected representatives and government-appointed

commissioners. Under the bill government-appointed directors could be in control well past the time set out in the bill, which was exactly what happened with local government.

The bill shows a total lack of concern for staff by providing for the contracting out of jobs. That is a theme Victorian public servants have come to know well. Honourable members opposite say there is no threat to the jobs of public servants but three sentences later they say the jobs will be opened up to the whole community. Opposition members want to know whether the government will guarantee that all employees cut from state bodies will be retained — that is, whether 'opening up' means extra positions will be available and that no-one who has a job will lose it. If the government were to give that guarantee, it would certainly be the first such guarantee public servants have ever had from it.

Because the main points have been covered I will not canvass the clauses. I share the considerable concern that has already been expressed. There is no rationale for the bill. Honourable members opposite have been unable to give any reasonable explanation for many of the changes. As I said, the removal of elected representatives for up to six months is totally unjustified. No reasons have been given as to why that should proceed.

Government control over members' funds in the short and longer terms must also be of concern to current and future employees. Those who will be affected, either current employees or retired people, are very concerned. It is not good enough for the government to claim that the opposition is trying only to stir up trouble. The government has not given clear reasons to the union representing government employees or to retirees that in any way help to allay their concerns. It is a great shame that once again Victorian public servants are being left unsure of their future and how certain provisions of the bill will affect not only their lives but also their retirement.

The bill is another indication that the government has no idea how to manage staff. It shows a lack of concern for public servants who are currently being asked to undertake far more work than ever before. They are suffering high levels of stress and are constantly being blamed by the public for inefficiencies resulting from government funding shortfalls and staff cutbacks. They are the front-of-shop people who have to take all the abuse from the public. However, the government is still unprepared to give them any sort of support either inside or outside the house.

Mr ROBINSON (Mitcham) — A wise man — certainly not the honourable member for Knox! — once said that the value of any piece of legislation must be judged on two counts. The first count is that it addresses demonstrable deficiencies in administration. The second is that it proposes effective and meaningful change. The bill fails miserably on both counts.

It is a measure of the bill's failure that what the government is proposing is essentially an inefficiency, in that it proposes to replace one organisation — the Victorian Superannuation Board — with two organisations, the Government Superannuation Office and Vicsuper Pty Ltd, as well as enlarging the existing Victorian Funds Management Corporation.

That is a measure of the efficiency that was supposedly one of the cornerstones of the bill — it replaces one organisation with two new organisations and enlarges a third one. Of course, with those changes come the usual increase in executive salaries, the duplication of administration and all the consultants who will be attached to the new bodies. That has been a continuing pattern with the Kennett government. Whenever it attempts something that it claims will be efficient, inevitably executive salaries increase.

There is no demonstrable deficiency in the way the State Superannuation Fund is being run. Not once in this debate or prior to it has any member of the government, or anyone else for that matter, demonstrated that the way the State Superannuation Fund is being run is deficient. They cannot do so because the arguments simply would not stand up.

A couple of measures can be run against that. I have been a member of Parliament for a year, and in that time I have not received one complaint from any member of the State Superannuation Fund about the way that fund is being run. By contrast, I have received numerous calls and visits to the office in the past two weeks from fund members who are very concerned about what the changes will mean.

Fund members are far more concerned about the proposals in the bill than they are about the existing structure, and members of the government ought to bear that in mind. There are, after all, 190 000 members of the State Superannuation Fund, which is the fund most changed by the bill.

A number of reports have demonstrated conclusively that State Superannuation Fund members are well served by that fund's operation. Earlier in the debate we heard the honourable member for Footscray refer to the *Business Review Weekly* survey of government funds,

which found that the State Superannuation Fund ranked fifth out of 27. To use parlance that most of us would understand, that is a performance that would get you into the finals every year! It is at the top of the table; there is nothing wrong with it.

Let's look at some other survey figures. The Towers Perrin pooled funds survey, which assessed average volatility funds, measured the State Superannuation Fund against the average volatility of other funds going back 11 years. It found that the State Superannuation Fund performed much better than the others. The figures are there for anyone to see.

Similarly, the State Superannuation Fund and the Victorian Superannuation Fund conducted a survey, the details of which are in their financial plans for 1998–99. It found that the Transport Accident Commission funds, managed by the Victorian Funds Management Corporation — the very body to which the government wants to entrust the management of the State Super Fund — had a worse performance record than the State Superannuation Fund. In fact, going back a number of years TAC's investment return was considerably poorer. No-one will argue with those figures.

I am a member of the State Superannuation Fund, and I am quite happy with its performance. I see no pressing need for change. The cornerstone of the government's argument as put by the honourable member for Box Hill is that, because the government feels compelled to transfer administration of the newer Victorian Superannuation Fund to fully funded commonwealth control, everything else has to change. But there has been no demand by the federal government for that to happen. The federal government is not insisting that the Victorian government, or any other state government for that matter, hand over control of newer, fully funded operations.

There is no pressing need for the change, and given that the government argues that everything in the bill follows from the need to transfer the Victorian Superannuation Fund's operations to Canberra, the rest of the bill really falls apart.

There is no hint whatsoever of any financial scandal or mismanagement by the state super board, and there is no prediction of any impending disaster for the funds under its management. The inescapable conclusion is that there is absolutely no demonstrable deficiency in the way superannuation funds under the control of the Victorian Superannuation Board are being administered.

At most the government can claim only that the changes it wishes to make are neat. and convenient. The commonwealth is able to administer control of a fund in Victoria, and transferring that fund offers some degree of neatness. But the claim is not made that way. When all else fails, you can always resort to euphemisms, which is exactly what the government has done.

In his second-reading speech the Treasurer states:

> The philosophies, strategies and systems required to administer the high-growth Victorian Superannuation Fund compared with those required to administer a contracting and more complex State Superannuation Fund have necessitated the establishment of separate administrators for these two funds'.

Humphrey Appleby, eat your heart out! You would be proud of that statement, with its references to 'philosophies, strategies and systems'. It is a beauty. I thought the operators of one of the private prisons had taken the gold medal for euphemisms when some months ago they referred to a prison riot as 'a passive disturbance', but that takes the cake!

It has no definition. The government has not told us what 'philosophies, strategies and systems' means, and that is because it means nothing. It is simply an expression put together to try to pretend there is some compelling reason to institute the changes when there is no such reason at all.

At no point in this debate has the government offered any explanation of what the so-called duplication of administrative regimes is costing Victoria. This is a government that puts a dollar value on absolutely everything, and it is not unreasonable for members of this house or members of the Victorian community to expect from the government some explanation and some calculation of what the duplication of administrations will cost us. Not one figure has been offered. That is because the duplication is pretty much a fiction, just like the reference to 'philosophies, strategies and systems'.

The second count on which legislation ought always to be judged is whether it proposes effective and meaningful change. In this case the arbiters of that question ought be the State Superannuation Fund members, because it is theirs interest, both existing and future, that will be affected. It is not the government's interest, because it is not the government's money. It is the members who ought to make that judgment.

The establishment of the Government Superannuation Office will weaken fund members' control. No government member argues that the government's proposals strengthen the rights and role of fund

members. At best, in limited circumstances their role might be unchanged, but the opposition's concern is that the current role of members in their funds will be weakened.

That is demonstrated in a number of ways. Members' input into the running of the fund will be reduced by clause 9, which provides for the board of directors to be appointed by the Governor in Council. Previously members had an input through their elected representatives on the board, but that will no longer be the case.

Clause 21 provides for the minister to appoint the chief executive officer of the Government Superannuation Office. That is a useful provision with the government approaching an election. It will be looking for jobs for people like Jeremy Gaylard, who cannot get a job anywhere else, or the Treasurer or the Minister for Police and Emergency Services, who may soon retire from Parliament. It is good to have a few positions for government cronies. The bill gives the green light for the government to appoint a chief executive officer to a position of enormous responsibility regardless of his or her skills.

The government claims it will appoint an independent president to the board of the Government Superannuation Office. What does the government understand by 'independent'? I recall the government saying the Victorian Casino and Gaming Authority would be independent, but no members on this side of the house can ring the authority to obtain information. I had cause to ring the so-called independent authority to seek some advice and was told that all inquiries must go through the minister's office. Does the 'independent president' mean the same thing as the 'independent authority'? The government's stated aim of appointing an independent president counts for nothing. Members of the State Superannuation Fund will not be pleased if the government-appointed president of the board of the Government Superannuation Office is not up to the job or is not prepared to exercise his responsibilities properly.

Clause 8 proposes biennial reviews of the fund's management. What is wrong with annual reviews of the fund, especially when responsibility for its management is passing to the Victorian Funds Management Corporation? I would have thought that with changes of this dimension it would be imperative to have more frequent reviews of the strategies of the corporation than currently occurs. I do not believe biennial reviews are good enough. That provision does not serve the interests of members of the fund.

The opposition is entitled to ask whether the appointment of the chief executive officer will be linked to the growth of the fund he manages — or whether there will be incentives for the chief executive officer to pursue a high-risk growth strategy. Government members have said nothing about that. Will the Government Superannuation Office adopt high-risk policies? The honourable member for Box Hill suggested not so long ago that the government's role was to top up members' entitlements so they are guaranteed a certain level of entitlement. I suppose it makes sense — the higher the returns the fund manager achieves, regardless of the risk, the less the government has to contribute to the fund.

This government pinches pennies wherever it can, and I am concerned that the office may adopt the high-risk strategies to lower the contribution of the government. That is a real possibility. The Victorian Funds Management Corporation cannot win work in its own right. In the past it has attempted to be one of the organisations that provides management advice and service to the State Superannuation Fund, but it has been rejected. That is not surprising when one looks at the investment performance of the Transport Accident Commission funds.

The bill is the product of a government that is suffering from an acute case of the phobia that demands government control, but what the government wants to control is not its to control. The State Superannuation Fund provides rights and benefits to current members of the fund. The government does not understand that. Superannuation funds are probably as near as anything gets to being sacrosanct, and the government should keep its dirty hands off those funds. The bill is rotten, and I strongly oppose it.

Mr BAKER (Sunshine) — In considering this bill and similar state and federal legislation I am given to wondering what it is that the Liberal Party has against the elderly citizens of Australia. Why does the Liberal Party hate elderly citizens?

Apart from the complicated arguments about superannuation, what bothers me most about the bill is the uncertainty it creates in the minds of older people when they are in the most vulnerable period of their lives. The bill and other legislation, both state and federal, create uncertainty among older people that is entirely unnecessary. That is one of the most dreadful things a government can do. I do not know the exact number of retired superannuants who are affected by this measure, but approximately 60 000 out of 290 000 people who cannot get back into the work force have planned their retirement on the understanding that the

fund will be administered in the way in which it has been administered and by whom it has been administered.

It is particularly the 'by whom' that we should be concerned with. Members of the fund have appointed representatives similar to themselves through a ballot process to represent them on the boards of these funds. The bill removes that right. When I was the shadow Treasurer I recall telling a story and holding up a book to show the emotion, the attachment and the underlying element of fear that affects the community when a scheme of this kind is tampered with.

The story involves one old couple. The husband had been a public servant all his life. He commenced work as a boy carrying dusty tomes — his was very much a messenger-boy-type job — and made his way up through the public service. In those days it was understood that public servants worked for less money in return for security of tenure. But that was done away with and replaced by a managerial ethic under which managers are paid a bonus for the number of colleagues they sack. An element of uncertainty has been introduced.

Before then you had the ultimate certainty that at the end of your time you would have a secure superannuation benefit that was superior to those generally available in the community — save for the politicians, of course. I do not want to be a lagger but the fund in this place — and I will soon have a significant interest in it — is not being handed over so other people can oversee its investment function.

Let's call the person George. As was the way of relationships at the time he handled the money and his wife did not work. When he died and the family members were following his directions and going through the paraphernalia of his life, they found a superannuation book he had left which was marked with two lines with an arrow. The note on the front said, 'Grace' — that was her name — 'this is us'. That is a long-winded but poignant story that encapsulates what superannuation means to people and highlights an older person's great need for certainty.

When you start to rustle the boughs of the tree you make a noise and people start to whisper. You should do that only as a last resort. The real question that hangs in the air is 'Why?' — 'Pourquoi?', if you are French and 'Perchè?', if you are Italian. The blithely bland notes dished up in the minister's second-reading speech make no sense to an old dog like me who has been around for a long time.

I do not want to run through a series of conspiracy theories, but I wonder whether an element of jealousy is involved in all this. You could make a pretty good argument that says that after being rejected by the people with funds and the board of the Victorian Superannuation Fund, the fund managers appointed by the government finally put a flea in the minister's ear, saying, 'Let's get our hands on this $4 billion'. It may be a matter of internecine bureaucratic spite. It may be that as a parting gesture to his bureaucrats the minister has finally caved in; or it may be that he has had enough and said, 'All right'. That is one thesis that has a few legs.

If you expand the argument and examine the facts, you see that the fund is an embarrassment to the people in the central fund because it has outperformed them, even though it is overseen by a board that gives equal representation to those who were balloted into office by the fund members. How could working people elected by a democratic process manage a fund as well as Eddie and Edwina, the experts in the central fund? As earlier speakers on this side have eloquently described, those working people have done so well that they have received paeons of praise — in fact, panhandles of praise — including a letter from the exalted one, the Minister for Finance on high.

During 1996–97 this fund was equal top of the whozzard of national superannuation fund performers, and I think that that stuck in the craw. You could forgive the bunnies, the hot shots and the whiz-kids who were put into the central fund for being miffed that the $4 billion had not been given to them to control.

One could forgive those in the central fund for feeling denied by having to sit and suffer the embarrassment, the indignity and the shame of having being cleaned up by another entity that ranked national equal first in 1996–97 with a 20.2 per cent earnings return in interest before tax. I hope I belong to a fund that does as well as that. I am sure all honourable members would share that aspiration.

The fund deserves the big tick it received from everybody except those enemies within the palace who had just one thesis — they conspired, inveigled and whispered in the Treasurer's ear at every opportunity to get the money. A measure of the fund's performance can be found by looking at its performance over a 4, 5 or 11-year period. It had an average rate of return of 12.2 per cent per annum in the period ended 30 June 1998 — and that included periods in which the major banks and investment houses endured two or three years of a rough trot. It was an outstanding performance

and beat the average of all other government funds by some 20 per cent.

Mr Robinson — It's Bradmanesque!

Mr BAKER — It is Bradmanesque; one would have to cheer them off! Yet the reward is that the funds are to be dumped and amalgamated, and the $4 billion plus in funds will be pooled with other government funds. It is not a slush fund; it is a slosh fund because it sloshes around. A lot can be done with a slosh fund as distinct from a slush fund. One can fiddle around with it, direct its interests, suggest that it invest a little bit here and another bit there. As was suggested to other funds in the past, it could be suggested it invest in Crown Casino. The board did not get caught up with that. It had a little bit of Crown because the big stick was waved in its direction, but it was not caught in the same way as a range of other government statutory authorities that had a built-in investment function were caught holding large dollops of Crown shares that they had been forced to buy at an excessive price. The full story is yet to emerge on that front.

In a slosh fund one can direct who the fund managers will be. I am not suggesting that it is the case but there is an opportunity for corruption. The opposition does not want to place that temptation before the present or future governments given the government's track record of looking after its mates. In the past the way of ensuring that it was aboveboard and ridgy-didge with no malfeasance was to have it separate from the government's central funds management function and to have a board that through a democratic ballot allowed employees equal representation with the government representatives. There was nothing wrong with that because the fund outperformed almost every other superannuation fund in Australia. It certainly outperformed the people who will be given the money now.

Why do it? As the Leader of the Opposition said so eloquently earlier, it is curious that the government brays frequently about the value of competition and private enterprise yet fails to see the value of a system that has an element of competition, uses the free market and picks fund managers on the basis of their performance, not on the basis of how much they tipped into the coffers of the Liberal Party's election campaign funds or who they meet on the Liberal Party's social circuit. It picks those who perform best.

I heard through the parliamentary sound system the honourable member for Bellarine holding forth on this topic. I also heard the honourable member for Box Hill. Both talked about the proposed arrangements. One of the arguments they advanced was that the funds would be put under the supervision of the relevant federal authority. I can see that that is so. The record should show that the honourable member for Tullamarine has just nodded his agreement. The honourable member for Tullamarine is a learned gentleman, learned in the ways of superannuation funds.

When the Treasurer makes his concluding remarks I would like him to explain in some detail precisely how it works. For example, will the funds come under the Insurance and Superannuation Commission (ISC) regulations? I do not believe they will. Is it not true that policy responsibility for the area has now been moved into the hands of the federal Treasurer? And is it not also true that such an arrangement may well be outside the heads of government agreement signed some years ago by the states, the federal government and the ISC? What effect does the proposed legislation have on those arrangements? Is it legal? Is it proper? Is it aboveboard? Has it been done properly? I would like an answer to those questions.

I fail to see how funds as efficient and effective as ours have been, based on their performance, can become more efficient when they are given over to fund managers who have not performed at that level. The proposed new fund managers are people who have no understanding of the specific, exclusive and unique needs and requirements of the members of those funds.

It is odd, as the Leader of the Opposition and the honourable member for Footscray have already said, that the bill has no obvious rationale. The house needs an explanation. We want to know the real story. Has some underhand deal been done with the federal Treasurer? Has some deal been conjured up with the federal Treasurer that we do not know about? Will there be further significant changes in the way these funds are to be handled? Is there some deal? I am at my most suspicious. Will the private investment community have much freer access to funds of this kind? Is that to be part of the set up? Does Adam Smith have his invisible hand on the proposal?

Mr Robinson interjected.

Mr BAKER — I point out for the benefit of the honourable member for Mitcham that Adam Smith was not in favour of joint stock corporations. He would not have supported the legislation. He has been misinterpreted quite often in history.

Why was there no consultation? Why did the government not go out and ask people, especially with an election coming up? I find it odd that members

opposite representing marginal seats, with their quivers and shivers about their future prospects, were not surprised. None of them is present in the house. Pensioner organisations should take note of that fact. The exception is the honourable member for Tullamarine; he is here. He has a lot of elderly people in his electorate, and many of them would be public servants.

Mr Finn interjected.

Mr BAKER — Yes you have. You have a lot of older people out there.

Mr Finn interjected.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Sunshine, without assistance!

Mr BAKER — We know he is out of his mind, Mr Acting Speaker, but he is also out of his place.

Mr Finn interjected.

Mr BAKER — No, I am a former minister. That is something you will never be. Former ministers are permitted to speak from the table. You need to know the rules of the house, Son, if you want to play. You cannot play in the firsts unless you know the rules of the game.

The ACTING SPEAKER (Mr Seitz) — Order! I ask the honourable member for Sunshine to return to the bill.

Mr BAKER — Those members who like the honourable member for Tullamarine are quivering and shivering in marginal seats should be worried about the bill. At least 60 000 people — and another 230 000 — will be told about the shameful behaviour of the government and that there is no reason for the introduction of the bill other than making possible a snide and devious seizure of funds on an unreasonable and unprincipled basis. The public will be told again and again about the role each government member has played, because the rollcall shows who voted for whom, what, where and when. Informing the public will be the task of opposition members, and that task will be taken up with a strong sense of duty and relish.

The gravamen or the nub of what disturbs me most about the bill is that it shows that coalition members hate older people — they absolutely hate them! Coalition members do not merely ignore older people, they try to torment them in the closing years of their lives. The Italians have a saying — la terza fase della vita — the third phase of life. Old age is supposed to be la terza fase della vita, the best time of one's life.

People affected by the bill are in la terza fase della vita, but they are tormented by the government just as schoolboys pull the wings off flies, particularly the schoolboys who sit opposite. Government members may as well go out in squads and throw stones on the roofs of older people to upset them a little bit more, because that is the effect the bill will have. Older people will be hit with that worry at one of the most vulnerable points in their lives. The legislation is complicated, and the people affected by it cannot understand why it has been introduced. No-one has given them a reason for the bill, because none exists. The bill is arcane and sinister, and it should not be passed.

An honourable member interjected.

Mr LONEY (Geelong North) — I would be more than happy to talk about Saturday's AFL match, except that Geelong played on Sunday. One could not ask for more than Geelong remaining undefeated and Collingwood being without a win.

I was a member of the state superannuation scheme, and I have an entitlement to a preserved benefit under that scheme. I believe I am able to take part in the debate because I take at face value government members saying that the bill does not alter benefits.

I support the honourable member for Footscray in his opposition to the bill and his reasons for doing so. The first issue is that no reason has been given for the introduction of the bill. The lack of a reason is a large missing factor, as was pointed out by the honourable member for Sunshine in his erudite, educational and entertaining manner. Why has the bill been introduced in this form? What is the government's motivation for the changes? If changes are required, why has no consultation taken place with those who may be affected by the changes? As I stand here next to the shadow Attorney-General I wonder whether if the matter was before the courts the case would fail because of the lack of a motive. The reason for the introduction of the bill was not spelt out in the second-reading speech, and no reason can be ascertained from the bill or the contributions to the debate made by government members.

Generalisations have been offered by government members, but few of their contributions have dealt with the core and central issue of why the changes are necessary. No explanation has been given about why it was necessary to bring the bill before the house without

any consultation having taken place with the 290 000 current and past members of the schemes.

There has also been no explanation of why the bill has been pursued with such indecent haste. Not only has the government failed to answer those queries, it has not even attempted to address them! That is disappointing, particularly as a number of members opposite, including the honourable member for Bellarine, represent large numbers of superannuants and retirees, many of whom are receiving benefits from one or other scheme. Those people would have found it interesting, or at least informative, to hear their elected representatives explain why the bill is necessary and why they are supporting it. To date, their electors have been given no idea at all of why the administration of the schemes is to be changed.

When governments play around with superannuation, they are playing with people's futures. Successive Labor governments — federal and state — encouraged people to access superannuation and made provisions for them to do so. Honourable members on this side believe strongly in the importance of people securing their futures through superannuation. We believe that should be an important consideration for members on both sides of the house.

As I said, when governments play around with superannuation they affect people who either take up entitlements when they complete their working lives or are already receiving entitlements through the schemes. If changes are to be made to superannuation schemes, it is reasonable to expect that they are made only on two conditions — firstly, that they are demonstrably in the best interests of the affected parties; and secondly, that they are made with the full knowledge of the contributing members of the schemes. Those conditions are not unreasonable, yet consultation on the bill has been missing and the government has failed to spell out how the changes will be in the best interests of those affected. Clearly, neither criterion has been met, but each should have been uppermost in the minds of those proposing the changes.

Just as trustees are required to ensure that in changing the arrangements governing members' funds the interests of the members are uppermost in their minds, a government that introduces legislation that affects a scheme designed for its employees should have uppermost in its mind the best interests of the members of those schemes — its employees.

It is disappointing but not unexpected that the last people the government considers are its employees. Honourable members well remember the Premier saying during the 1992 election campaign that public servants do not contribute a cent to the wealth of the state. The Kennett government does not value its employees. Given that attitude, it is no wonder that when it comes to introducing a bill that changes its employees' superannuation entitlements, the government gives little consideration to talking to its employees about the changes. That lack of consideration lies at the heart of the bill. After reading the second-reading speech and listening to the contributions of government members, I can see no evidence to suggest that the government has considered the best interests of the fund members.

If, as is patently clear, the government's intention is not to improve the lot of its members, we are left to speculate on its motives. The most likely motive is to gain control of the balance of $4 billion or so in the State Superannuation Fund. If one were to speculate further, taking into account the performance of the Victorian Funds Management Corporation, one might be led to conclude that the bill is about the government raiding a successful superannuation scheme to get hold of its funds to prop up what by any standard is a massively underperforming corporation — that is, the funds management corporation. If that is the case, it is at best negligent, and it is certainly not behaviour that other employers would be allowed to entertain.

I described the Victorian Funds Management Corporation as a massively underperforming corporation, and I will provide evidence to back that up. In an article that appeared in the *Herald Sun* of 18 November 1995, Stephen Mayne — who was at one stage well known as an adviser to the government and who could hardly be described as a left-wing radical who was likely to attack the government over its financial performance — stated:

> The future of VFMC is presently in the balance and, after a problem-ridden 16 months, Mr Stockdale has finally resorted to 'heavying' the likes of Workcover and the Victorian Superannuation Board into supporting VFMC. However, all are believed to be vigorously opposing it.
>
> They argue that VFMC has still not got its house in order after its chief executive and three or four general managers left earlier this year in a shake-up.

That goes back about three and a half years, and perhaps marks the germination of the idea that we are now seeing brought to fruition by the bill. It is about the creation in the Victorian Funds Management Corporation of an approach to funds management to which the government has an ideological commitment. However, the government's funds management program needs to be propped up because it is not going as well as it should. The government has started

heavying those authorities which are supposed to be independent of government but which have substantial funds that may be able to be channelled into the Victorian Funds Management Corporation to enable it to appear to be a better performing creation of the Treasurer than it is. To go down the road of propping up the VFMC is simply not a good enough reason to tackle a fund that has been performing so well that the only adequate comparison I can think of is that it has performed as well as Gary Ablett used to perform against Richmond!

Honourable members interjecting.

Mr LONEY — The fund performs at very high levels indeed! The fund probably performs better than that because it has some competition, whereas when Gary played against Richmond there was none.

Over a long period the fund has consistently returned a good result for its members. Its returns have been acknowledged by the Minister for Finance, who wrote to the chief executive in 1997 congratulating him on the wonderful results the fund was achieving — in excess of 20 per cent earnings before tax and investment expenses. That was a terrific result by any measure and confirmed the fund's position as one of the best performing funds in Australia. The minister freely acknowledged that.

Mr Carli — Equal first.

Mr LONEY — It was equal first; not a bad performance, and better than the Victorian Funds Management Corporation has been able to achieve.

About 18 months or so ago the minister wrote to the chief executive and asked him to convey his congratulations to the board and staff on that excellent result. The reward for providing years of excellent results on behalf of the fund's members is that the fund will be wound up, thrown out — in line with a common tactic of the government it will be restructured out of existence. The people who have administered the fund well for its members will all be turned over and a new lot brought in who will probably be subject to the wishes and dictates of the government.

A new board will be formed and instead of there being equality between the government and member nominees there will now be three government nominees, three member nominees and a government-appointed independent chairperson. Various Victorian public sector bodies have government-appointed independent chairpersons, such as catchment management authorities and health networks. The list goes on and on.

Mr Hulls — The market.

Mr LONEY — The Victorian market and its government-appointed independent chairperson and the new MCG trust are other examples.
Government-appointed independent chairpersons have quite a track record. It would be understating the case to say there is not a lot of confidence in the ability of the government to appoint truly independent chairpersons. In this case there is effectively a change to a government-dominated board.

It is relevant to ask at the outset why it is necessary suddenly to make this change to a government majority on the board. Given the track record of the government the answer is so that the government can direct outcomes. As I have said, the government has done that consistently, and health networks and the commissioners who were brought in under local government amalgamations are examples. Whenever such appointments are made they are about ensuring that government policy directives can be implemented, regardless of the outcome.

In some situations it is reasonable for the government to have boards that carry out its directives and policies, but not with superannuation. Superannuation is about people's futures and they are entitled to have their funds invested in their interests, with the only criteria for investment being the best possible result for the members of the fund. Superannuation is not about propping up some other organisation that the government has created or doing a whole range of other things on ideological grounds.

Let us think about the paradox in that situation. The funds have to be pushed through the Victorian Funds Management Corporation, which at the moment is using 14 different brokers for investment purposes and which could work through, get the best deal and make sure there is some competition between the brokers. Government members tell us every day about the virtues of competition. It tells us nothing succeeds more than creating a competitive environment. However, in this case the government is turning its back on competition and restricting the ability of the board to use competition as a tool to get the best results for its members; it says the only way to go is through an underperformer and an underachiever. That is not in the best interests of the fund and the government has to do a bit better in explaining to members why it has gone down this track.

There is no reasonable basis for the opposition to support the proposed legislation. Firstly, there is an absence of any demonstrated reason or need for the

change. Secondly, the accumulated funds of the members are to be used for other purposes — to prop up other corporations that the government has created. Thirdly, the administration will be changed so that the government can have direct control over what the fund does. Fourthly, the change will remove the use of competition to maximise benefits for members. All those things add up to reasonable opposition to the bill.

In conclusion, the one thing that has been advanced by government members as a reason for change is that there are two different sorts of funds being administered by one board, an accumulating fund and a defined benefits fund. The two types of funds are completely different and the argument seems to be that the present administration cannot really handle the situation. However, its record is on the board — it has been able to handle it better than most fund managers and should be allowed to continue to do so. There is no membership dissatisfaction with the current administration of the fund.

The change is not the result of fund members alleging any maladministration of the fund or that it is not returning the sorts of benefits they should be getting or that other funds are outperforming it. None of that has occurred with the fund, yet the government is going down the track outlined in the bill. The government has totally failed to make a reasonable argument that it is in the interests of fund members to pursue the changes. In that case it is reasonable that the house should reject the bill.

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

Mr CARLI (Coburg) — I oppose the Government Superannuation Bill because it is another example of the government not being able to help itself. The two state superannuation funds, with a total membership of 300 000, have an opportunity to control funds that have performed extremely well.

In 1967 the state funds were rated as having the best return on investment of any superannuation funds. The bill is a classic example of grabbing the honey pot — the government would like to have some control over the $4 billion in the funds so that it can invest it in areas it considers important. It is an attempt to take away the responsibility of the administration from those 300 000 members of the two funds, centralise them and do with the money what it sees fit.

The government will make appointments to the board of directors of the proposed government superannuation office; those appointees will be far from independent, as they will follow and favour government directions.

The bill forces the government-appointed board to use the new Victorian Funds Management Corporation (VFMC), which approximately three and a half years ago the Treasurer attempted to establish but he was not successful because returns on investment would not be good. What was attempted by the Treasurer is now being enforced with a sledgehammer. The funds will be forced to follow government directions.

The appointment of board members will take responsibility away from the stakeholders — that is, from public servants who have done so much for the state and now can no longer have high salaries. They will lose in the proposed arrangement, as will many members of this place. I have a preserved benefit with the Victorian Superannuation Fund, which is close to home for many members of this place. Neither they, the unions nor many other funds have been consulted.

There is no rationale for the new schemes to be changed because they are successful and have a high return on investment. As I said, the government is seeking to grab the $4 billion of funds and redirect that money into areas it thinks fit. The returns on investment are important for those who depend on superannuation payments. Bills such as this should not be introduced at the whim of the government or the Treasurer. It is typical of the government to attempt to play God with the money of hard-working Victorians. It is taking away the right of individuals to elect members of the boards of the schemes and to be involved in the management of those schemes.

Ultimately the government will move towards privatisation of such schemes, driven by a motivation that is characteristic of its heavy-handed approach to the management of Victoria.

This is an arrogant government — one that fails to consult or to look at needs. The existing schemes are not broken or doing badly. If anything should be looked at it is the Victorian Funds Management Corporation, which has experienced many problems. Its investments have not attracted the required rate of return, yet the government wants to force the superannuation funds to utilise it. The VFMC has made some dubious investments, often dictated by the desires of the government, such as the investment in Southbank. The existing superannuation schemes, on the other hand, have not failed.

I refer to a letter dated September 1997 in which the Minister for Finance in the other place congratulated the chief executive of the Victorian Superannuation Fund for having the equal-first best performing superannuation fund in the country, with a rate of return

of 22 per cent before tax. He described it as a fantastic investment with a great rate of return for the 300 000 Victorians who have preserved benefits in the funds.

The opposition regards the issue as very serious. The schemes must be administered for the benefit of all Victorians, not simply the friends or apparatchiks of the government. It is ordinary Victorians who are given the short stick in changes such as these which the government pretends are merely cosmetic or superficial but which are in fact profound because they affect the very nature of the management of the schemes.

The government argues that the schemes will remain under government supervision and control because of their unfunded liabilities. That is far from the case. The schemes are heading towards privatisation — and why wouldn't they under this government, which has taken every opportunity to privatise everything, regardless of merit or worth to Victorians? Such attitudes have characterised every action and desire of the government.

The opposition objects most strongly to the proposed legislation. The second-reading speech and the contributions from members on the other side suffered from an absence of rationale for why a government should take successful superannuation schemes with high rates of return and remove the decision-making structure from one controlled by the membership, if not for the fact that the government wants to manipulate the spending of $4 million of members' funds.

The stakeholders have been ambushed. The trade unions that represent many of the members have not been consulted and there has been no attempt to reach agreement whereas historically a bipartisan approach has been taken towards superannuation in the public sector. That approach has ended because the government refuses to consult with the stakeholders. Further, the government seeks control over the $4 billion members' fund and will as usual appoint non-independent people who will follow the desires and demands of the government and the ministers concerned.

The next issue concerns the tendering out of the agency. Once the funds are removed from the current type of management — a combination of members and public — staff will be off-loaded, administration will be tendered out and services to members will deteriorate, resulting in a real loss for the members, who stand to lose considerably in terms of returns on investments, services provided and the ability to have a direct input into the management of their funds. It is their funds and their rights that we are talking about. Government should not demand, dictate and be authoritarian about such matters.

There are many examples of similar superannuation schemes, particularly industry-based schemes, where members have an enormous say about what happens to their investments and there is a good relationship between the superannuation membership and the trustees. That was the case with the Victorian superannuation scheme and has been so for a long time. It will not be the case in the future. The scheme will change, deteriorate and cost the members.

It should come as no surprise that members of the community and public sector unions affected by the bill held a rally today. Quite rightly, they said the fund belongs to the members, who have not been consulted, do not support the changes and want the government to reconsider. They refuse to accept that the burden of change should always fall to the workers and that the government should not have to take responsibility for it. The questions that fund members were asking today were: why have the changes occurred; why change a decent administration; why is the bill necessary? The bill is now before the house but the very people it will affect are still asking, 'Why is it necessary? Why seek changes? On what rationale are they based?'.

The government argues that the proposed legislation is a superficial restructure when in fact it is far from it. The means by which Treasurer Stockdale will grab control of a very large superannuation fund will result in a massive change in administration and the responsibilities of the schemes. It is just a ploy to control a huge pot of money and use it for the government's pet projects.

As opposition members, we believe the workers who have paid their contributions and stand to lose or benefit, depending on the success of the investments, are the ones who should be consulted. We are standing up for their interests because we believe it is the workers who stand to lose from the changes. The opposition strongly opposes the bill.

Mr SEITZ (Keilor) — I support the honourable member for Footscray in opposing the bill. There has been insufficient consultation with the community and the members of the fund.

It is of concern that when people have been encouraged to make self-funded retirement the norm in Victoria and have paid their dues, the government can change the goalposts without seeking the input of contributors or discussing the matter with their representatives. People have been unable to have a say in who will look after

them in the future or how their dividends will be managed.

The existing scheme has been one of the most successful superannuation funds. Its annual investment return of 12 per cent compares well with those of other funds, many of which are not doing so well. There is no need to change it.

The government says it is changing the legislation to bring it into line with the commonwealth legislation. I do not wish to anticipate debate on another bill, but the government's words are hollow. There is no reason why the Victorian Superannuation Board should be abolished. There is no reason why the arrangements for management of Victoria's superannuation funds should be similar to others throughout Australia.

I was a member of the Victorian Superannuation Fund during my time in the teaching service. When I was elected to Parliament I rolled over my entitlements into the parliamentary superannuation fund. At the time I was familiar with the benefits of the state fund. Women teachers were not allowed to belong to the government superannuation fund. Teachers campaigned successfully to have that situation changed so women teachers could enjoy security when they retired.

Most retirees think, 'I don't have a worry; the government is looking after my money'. Now the fund has been placed into government ownership, creating uncertainty for public sector superannuants. There have always been two classes of citizens in Victoria — one, public servants who belong to a superannuation fund operated by the government, and the other, people working in the private sector. Government superannuation was an incentive to get a job in the public service: while some companies had superannuation funds, others did not.

Early in my career I worked for a company that had a superannuation scheme. Without being forced to do so by the union, the company had employee representatives involved in managing the fund in company with the fund managers. They decided jointly where to invest the superannuation funds.

The interests of superannuation fund members should have been represented in preparing this bill. Perhaps a grandfather clause would have ensured that people now entering the work force would be bound by the new system, but that will not happen in this case. The government wants to control where the superannuation funds will be directed and who will decide how they will be used. Will the government appoint an independent chairperson who is at the behest of the Treasurer or the Premier? Will unpopular projects be funded by public sector superannuation funds?

The forerunner to the Victorian Funds Management Corporation asked the Victorian Superannuation Board to manage its funds, but its request was refused. The management of superannuation funds is a lucrative business when one considers that $4 billion is involved; the management fee of only 1 or 2 per cent of the funds would attract a profitable return. For many years the funds have been invested and managed profitably by the board. This legislation creates uncertainty for self-funded retirees and for fund members who have not yet retired.

When I talk to high school students I tell them they should think about their futures and should not rely on social security benefits or welfare payments. I tell them to aim to become self-funded retirees. Everyone should have that aim. This bill will mean Victorians will not have much faith in this government or in future governments because the action leading to the introduction of the bill was taken without consultation with fund members. Many people have asked me, 'What will happen to my superannuation? Will I have the same rights as in the past? Will I receive superannuation payments? How will the eligibility rules be affected, particularly if my partner or spouse dies?'.

As I said, the government says it aims to bring the Victorian fund into line with the commonwealth superannuation scheme. It says it will invest the contributions of members aged less than 55, but later this year people aged more than 55 will be unable to cash in the government contribution portion of their superannuation entitlements. When I asked the Treasurer about that his answer was ambiguous.

The government is selling off the railways, the gas industry and other assets. This legislation represents yet anther change. People will lose jobs and their superannuation entitlements will be affected. When they lose their jobs will they be able to cash in their entitlements and establish businesses? We do not know the answers. The government has been shedding jobs, selling off assets and downsizing — a word the media and management like to use when they actually mean sacking people.

Officers of the superannuation board have diligently looked after membership funds, but what will now happen to those officers? The bill says they will have an opportunity to become part of the Victorian Funds Management Corporation, but some people always fall off the edge when changes occur. Is that part of the bill's objectives? Does the government aim to abolish

one organisation, reduce the number of staff and hand the rest to private management? There are many unanswered questions, and I hope the Treasurer will answer the questions my constituents continue to ask me.

Until now people who worked in government jobs may have received lower rates of pay than people in the private sector, but the advantage was the superannuation nest egg they received upon retirement. They looked forward to becoming self-funded retirees. This bill is a further step towards making the community scared of Big Brother. If changes were needed to the funds and if the government has nothing to hide, surely it could have consulted with the membership and arrived at amicable arrangements as the former Labor government did when changes to the funds were needed to take account of the then unfunded liabilities.

I strongly suggest there is more to this bill than simply bringing the Victorian government scheme into line with the commonwealth legislation. I ask the Treasurer to come clean. Why has he taken these steps? If the government had its money in the same fund I would say, 'Fair enough, the Treasurer has investments there', but it is the members' money we are now talking about.

The unfunded liability is the government's share. Honourable members must not forget that the Treasurer is really talking about the members' money. If I pay my share of 8 per cent of my salary and the government pays 8 per cent, the government has a fifty-fifty partnership and an equal right to protect its investment for the future. That is fair enough. However, in this case the government wants to take $4 billion of members' contributions and direct how the funds are to be used and where they are to be invested.

Can the Treasurer guarantee that following the proposed move the average return over five or six years will increase to 14 or 16 per cent? Will the operation and investment of the fund improve or decline? I will watch closely and monitor what happens to the fund over a period because a management fund requires time before its average performance can be judged. In this case it cannot be said that the existing fund has not been managed properly. Is it more likely that the Victorian Superannuation Board did not acquiesce in the wishes of the Treasurer on where to invest the money and will be abolished by way of retribution? Those are the questions on which I request a reply from the Treasurer.

In conclusion, fund members must be vigilant in examining whether the returns achieved on their investment under the new administrator are lower than those achieved by the current administration.

House divided on motion:

Ayes, 49

Andrighetto, Mr	Maclellan, Mr
Ashley, Mr	McNamara, Mr
Burke, Ms	Maughan, Mr
Coleman, Mr	Napthine, Dr
Cooper, Mr	Paterson, Mr
Dean, Dr	Perrin, Mr
Dixon, Mr (*Teller*)	Perton, Mr
Doyle, Mr	Peulich, Mrs
Elliott, Mrs	Phillips, Mr
Finn, Mr	Plowman, Mr A. F.
Henderson, Mrs	Reynolds, Mr
Honeywood, Mr	Richardson, Mr
Jasper, Mr	Rowe, Mr
Jenkins, Mr	Ryan, Mr
John, Mr	Smith, Mr E. R. (*Teller*)
Kennett, Mr	Smith, Mr I. W.
Kilgour, Mr (*Teller*)	Spry, Mr
Lean, Mr	Steggall, Mr
Leigh, Mr	Tehan, Mrs
Lupton, Mr	Thompson, Mr
McArthur, Mr	Traynor, Mr
McCall, Ms	Treasure, Mr
McGill, Mrs	Wade, Mrs
McGrath, Mr J. F.	Wells, Mr
McGrath, Mr W. D.	

Noes, 28

Andrianopoulos, Mr	Hamilton, Mr
Baker, Mr	Hulls, Mr
Batchelor, Mr	Kosky, Ms
Bracks, Mr	Langdon, Mr (*Teller*)
Brumby, Mr	Leighton, Mr
Cameron, Mr	Lim, Mr
Campbell, Ms	Loney, Mr
Carli, Mr	McLellan, Mr
Cunningham, Mr	Maddigan, Mrs (*Teller*)
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Robinson, Mr (*Teller*)
Dollis, Mr	Savage, Mr
Garbutt, Ms	Seitz, Mr
Haermeyer, Mr	Wilson, Mrs

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

JOINT SITTING OF PARLIAMENT

Victorian Health Promotion Foundation

Message received from Council acquainting Assembly that they have agreed to a joint sitting to elect members to the Victorian Health Promotion Foundation.

SUPERANNUATION ACTS (FURTHER AMENDMENT) BILL

Second reading

Debate resumed from 25 March; motion of Mr STOCKDALE (Treasurer).

Mr MILDENHALL (Footscray) — In contrast to the skulduggery and intrigue associated with the previous bill the house has been debating for the past few hours, this legislation is relatively straightforward. It involves a fairly simple application of recent federal legislation, and it is consistent with commonwealth–state agreements dealing with the supervision and administration of superannuation schemes, and in that context the opposition does not oppose the bill.

Commonwealth legislation now requires that all superannuation benefits accrued after 1 July 1999 can only be accessed at preservation age, apart from the obvious exemptions relating to disability and illness and other special circumstances. For people born before 1960, that preservation age will be 55 years of age, and for those born in 1964 and beyond it will be identified or locked in at 60 years of age.

This application of federal legislation flows from the commonwealth–Victorian heads of government agreement of 1996, which determined that provisions made by the federal government are to be applied to all superannuation schemes under state control.

That legislation passed through the Australian Parliament with bipartisan support. It is of some interest that the provisions not only affect the major state superannuation schemes, including the emergency services superannuation scheme, but also interestingly for members of this place the parliamentary superannuation scheme.

One issue of interest that arises in discussions with government representatives is the way it affects public sector employees who are able, as a result of industrial agreements or other legislation, to retire at the age of 50 years. I understand that even under the existing legislation emergency services personnel in particular can retire at age 50 but not access their lump sum superannuation until the age of 55. In some cases retirees in that situation are advised to find some independent means of support such as social security or some other means in the intervening period between their retirement and the age or date at which they are able to access their benefits. Obviously the application of this new preservation age standard will mean that unless the retirement age of those personnel is changed, people will be retiring at the age of 50 but not be able to access retirement benefits until the age of 60.

It is a bit much. There is a lack of alignment between those two areas of regulation, which results in some retirees leaving the work force, as they are entitled to do, at the age of 50, but not able to access their retirement benefits until some 10 years later. Of course that will take effect some time down the track because we are generally looking at people who are born beyond or later than 1964, and particularly for full effect we are looking at people who would be entering the work force following the application of this legislation on 1 July 1999. Therefore we are, in a sense, anticipating an issue that will arise probably around the year 2029 and beyond.

The bill also provides for pension benefits of the Chief Magistrate, to be on a par with the level of benefits of a County Court judge. That recommendation was made in the recent inquiry into the remuneration of members of the judiciary, and it is a recommendation with which the opposition would not take exception.

The opposition has consulted with federal colleagues and the unions because, as one would have expected, the government has not sought the views of those affected by these changes. They have just churned them through as a matter of course, as a part of machinery, and as officials of superannuation schemes.

The application of the federal legislation is sound social policy. It is part of a reasonably widely held community consensus about the need for self-funded retirement in a context of increased longevity and longer participation in the work force, apart from those exceptions or particular issues that I had previously mentioned. Because of the simple application of agreed commonwealth machinery legislation that has passed through with widespread support, the opposition does not take issue with the bill.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

WATER ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 25 March; motion of Mr COOPER (Minister for Transport).

The SPEAKER — Order! I am of the opinion that this bill needs to be passed by an absolute majority of all members on its second and third readings.

Ms GARBUTT (Bundoora) — The Water Acts (Amendment) Bill, a small but significant bill, contains a number of unrelated clauses with the common thread of being joined by the water industry. Although the bill has seven aspects, its major purpose is to legislate the changes made to the First Mildura Irrigation Trust, or FMIT. The aim of the changes to the trust is to sort out the water rights in the Mildura area.

By way of background, the framework developed to handle the implementation of the Murray–Darling Basin cap on irrigation water is summarised in the document, *Sharing the Murray*. In the Mildura area some old rights have made the implementation of that framework impossible. The existing conditions go back to the Chaffey brothers, who had an indenture with Queen Victoria. The old water rights go back over 100 years. The water rights associated with the scheme have been the subject of much legal interpretation and argument.

Essentially the water rights were associated with the land. They were part and parcel and not to be separated. Water rights are now tradeable, with rights being bought and sold by farmers and authorities up and down the river. Such tradeable water rights cannot be accommodated under the old rights arrangement. The question is whether the old rights were swept away by the changes brought about under the Water Act 1989. Rather than go through a legal process to determine exactly that — perhaps it could not be determined — the bill eliminates those old rights and substitutes new rights as contained in the bill.

Several difficulties are associated with the old type of water rights. Firstly, a right to water could involve extra water where a farmer moved to new crops. There was a legal argument that for a new crop requiring more water the old water rights would expand and allow the farmer to take more water. With an absolute cap on irrigation water and an intergovernmental agreement to enforce that, it is difficult if not impossible to accommodate that situation. Water rights cannot be allowed to blow out, with more water being taken than anticipated.

Secondly, the area granted by Queen Victoria to the Chaffey brothers was much larger than the current FMIT area — some 10 times larger, with the Chaffey brothers area occupying some 100 000 hectares and the FMIT area occupying some 10 000 hectares. The implication is that some might argue the right to expand the irrigation area, taking up a much greater volume of water, impacting on farmers up and down the Murray–Darling Basin area and impacting on the cap by making that impossible to meet. Where water is a scarce and valuable resource with certain rights associated, such expansion would increase the entitlements of some but that water would have to come from somewhere or somebody else — a difficult if not impossible situation.

The propelling motive behind the bill is to prevent that possible expansion of the irrigation area by 10 times and therefore the expansion of the volume of irrigation water required. The water rights of individual farmers could expand in an unlimited way, hence the need to define water rights in a way separate from land. The need to define precisely bulk water entitlements has been recognised to ensure the operation of the cap and enable trade in water rights. The bill abolishes the old water rights and establishes new ones set at 9.1444 megalitres per hectare for vines and 12 megalitres per hectare for high-use crops. The changes have been endorsed by the FMIT.

I was interested to read an article in the *Sunraysia Daily*, the local Mildura newspaper, dated 4 March. It states:

> FMIT chairman Owen Lloyd said yesterday that currently, water entitlements are attached to the land in the trust district, preventing trade.
>
> He said under the new arrangements, which still had to be formalised, irrigators would have flexibility in securing the water they needed for their business, or selling unused entitlements on a temporary or permanent basis.

Irrigators are quoted as being in support of that change. It is interesting that the FMIT has the support of irrigators. The FMIT is run by the irrigators and therefore responds to their needs. That situation is in direct contrast to that of regional water authorities, where the government has taken away the community's right to any representation on those boards. There is no community representation on regional water authorities, which is proving to be a major problem. The water authorities should be allowed to follow the example of the FMIT and return to having some community representation on boards.

However, all is not glossy in the FMIT area. A more recent report has led to calls for a water ombudsman to be appointed. There have been allegations of a water racket. People will try to make money out of water as it has become a valuable commodity. I refer to an article by Genevieve Barlow in the *Weekly Times*:

> Irrigators are calling for the establishment of an industry ombudsman following allegations of a water racket in Mildura. Police fear phantom sales worth hundreds of

> thousands of dollars have left water buyers holding titles to water that may not exist.

The article continues:

> It has prompted rising discontent among irrigators in the Mildura region, who say they are concerned about water management, overstaffing and lack of planning for replacement of an outdated delivery system.

So there are difficulties. The article quotes irrigator Darren Wilson as stating there were 'a series of questions the industry had to address'. Mr Wilson states:

> We have to ask have irregularities occurred in other areas and what sorts of checks and balances are in place to make sure water sales are bona fide and legitimate.

That is a legitimate question, but we cannot comment on the issue and nor would we want to. However, it raises the issue of checks and balances and leads to a call for the appointment of an ombudsman. I ask the minister to respond to that call. Other people have said there is a need for an independent arbitrator when problems occur, so government members who are contributing to the debate may respond to that issue.

An amendment could have been proposed in this measure, which has as its focus the First Mildura Irrigation Trust. The government could have responded to that issue but it has taken no action. It is another example of the government not listening to the people in the same way that it has turned its back on rural Victorians, particularly those affected by the catchment management levy. Rural Victorians have been slugged with another tax yet again and their discontent is shown clearly by a petition recently tabled in the house signed by thousands of petitioners. A government member recently called for the abolition of the levy, but he has backed down. I will be interested to learn whether he takes the opportunity of contributing to the debate.

Mr Steggall — Are you against it?

Ms GARBUTT — The opposition is not opposing the measure, but it is not supporting it either. Clause 3 enables the authorities to apply to the minister for the conversion of pre-existing water entitlements to tradeable bulk water entitlements. Applications may be varied by the minister by reducing or increasing water entitlements. The opposition does not oppose the provision.

Clause 4 enables an authority to reduce the supply of water in an irrigation district because of contamination of that water. During the recent summer season authorities have had problems with blue-green algal blooms in many lakes, rivers and dams. At present an authority may be sued if it stops supplying water to an irrigator who believes the contamination will not affect his crops. This measure will ensure that an authority cannot be sued if it limits the amount of water to an irrigator. However, it will not absolve the authority from liability if it is negligent. The clause also repeals paragraph (a) of section 222(2) of the principal act which restricts the supply of water for water rights in times of drought unless all domestic and stock users have been fully supplied. I am assured that situation occurs about four times every 100 years, but it has occurred during the past few years

Clause 8 requires all actions brought by claimants against Melbourne retail water authorities to be heard by the Victorian Civil and Administrative Tribunal. At present claims can be heard in a number of different jurisdictions. Apparently there has been some jurisdiction shopping. I am assured no penalty will apply to anyone taking action and that the level of damages or the award of costs will remain constant.

Clause 12 in part 4 of the bill relates to the responsibility Melbourne Water has for waterways and repeals the twelfth schedule, which is now out of date. Clause 13 validates waterway management activities carried out by Melbourne Water in the past.

When the minister first announced amendments to the Water Act I got excited because I thought the minister would address the major concern in the principal act, the catchment management levy. Unfortunately, the government is determined to press ahead in the face of clear and strong opposition throughout Victoria. Recently we had the spectacle of the government tinkering with the administration of the management levy but nothing occurred. Rural Victorians should be prepared to put up with another slug in their hip pocket.

The bill could have proposed changes to sewerage authorities and the outrageous amounts of money people in small towns are paying for costly sewerage schemes which, in many cases, they do not need. No problems or difficulties have been established with the current schemes, yet Victorians are paying thousands of dollars no matter what the circumstances. People can either pay the money up-front or over a period, but they must pay and there is no way out. Some have sold their houses because they cannot afford to pay this outrageous charge.

The bill could have included provisions setting out a process of consultation with the community so that appropriate measures could be incorporated. That is the opposition's policy. The Labor Party will not impose such schemes on Victorians; it will listen to them and

treat them with respect. It will tell them honestly about the options or problems and the community will be able to decide what it wants by referendum. The important changes that should have been in this bill are not there. The government has missed a wonderful opportunity. It could have said that it listens to its constituents, but it is not a government that listens. It is a government that rules from Spring Street. It certainly does not operate in the interest of Victorians who reside outside metropolitan Melbourne.

Mr SAVAGE (Mildura) — It is a rare pleasure that I can say I basically support the Water Acts (Amendment) Bill which relates mainly to the First Mildura Irrigation Trust. The trust has a rich history in Sunraysia and has been in existence for more than 100 years having celebrated its centenary in 1995.

In 1892 George Chaffey said it was, 'a trust with perpetual succession'. The previous irrigation arrangements were an unmitigated disaster and brought the irrigation colony close to ruin. The success of the First Mildura Irrigation Trust is well documented. It is the only trust still in existence. Long may it exist as a stand-alone trust so long as the irrigators so determine.

The trust supplies irrigation water at far more competitive rates than the Sunraysia Water Authority. The trust still has a democratically elected board which enables irrigator growers to vote for the candidates of their choice. This must be the last vestige of democracy in irrigation water boards throughout Victoria. The control of water boards should be returned to the community and should not be regulated by the minister.

The trust has carefully managed its resources and assets and has a strong vision for the future. Long may it continue investing in the future. A primary example of this vision is the retention and storage basin in Benetook Avenue. The amendments that detail the changes to the ownership of water from the trust to the irrigators are acceptable. Discussions and consultations have taken place on this issue.

Under the current arrangements water cannot be sold by the individual irrigator but could be sold by the FMIT. It is a common practice to sell water rights, and in view of the current market price this is an appropriate procedure in the context that water is allocated for irrigated land. The 9.144 megalitres per hectare is a standard allocation for the Sunraysia Rural Water Authority, and it can be increased where high-use crops have been grown.

The issue of clear title to water ownership has not been addressed in the bill. This is an issue of great concern for many irrigators and persons purchasing property with water rights. There is a need for the ownership of water to be clearly defined to make it impossible to fraudulently or dishonestly dispose of water rights.

Recently a real estate agent advised me he had sold a rural property with a water right on it, which was paid for, and upon settlement it was determined that the water right had been sold elsewhere, even though it had been sold legitimately. Where is the protection for buyers and sellers under this sloppy and ad hoc arrangement?

Honourable members should also be aware that recently there was an alleged theft of $250 000 worth of water by an employee of the Sunraysia Rural Water Authority. I am advised that that is only the tip of the iceberg with that organisation.

An Honourable Member — It is the iceberg.

Mr SAVAGE — No, it is the tip of the iceberg. The minister's continued refusal to conduct an inquiry into the activities of the Sunraysia Rural Water Authority does not surprise me. It is an outrageous neglect of his ministerial responsibility, especially in light of the serious allegations of misuse of corporate credit cards, the payment of HECS fees, houseboat hire and the hiring of aircraft for personal pilot training for Sunraysia Rural Water Authority staff. It will come as no surprise that I have been waiting for more than 100 days for a response to an FOI request on this issue. The statutory limit is 45 days.

There is an urgent need for an ombudsman to be appointed to adjudicate on the Water Act. The honourable member for Swan Hill mentioned that. It is really in the hands of the growers and the people who use the water. There is merit in having an independent individual to adjudicate on disputes about water ownership and the like. It is also important for the ownership of water boards to come back to the community and not be subject to ministerial appointments. The FMIT stands alone in that regard.

The issue of the sacking of the administration manager at Glenelg is a good case in point. An employee of that organisation made a submission to the Productivity Commission sitting in Hamilton. The submission was critical of the state government's implementation of federal government competition policy. The submission was invited by the Productivity Commission and the local council, and Mr Kempton was of the opinion that the hearing would be held in camera.

On 9 December 1998 the Glenelg Region Water Authority received a copy of the submission and

determined to receive it but not to adopt it. Having read the submission, I believe it is a reflective and intelligent observation of the current affliction of rural communities with competition policy. The issue received some local coverage and came to the notice of the Minister for Youth and Community Services. His response shows that he is a sook. He took the matter to the board of the Glenelg Region Water Authority and then to cabinet and demanded that the Minister for Agriculture and Resources sack the author of the document.

An honourable member interjected.

Mr SAVAGE — The truth may hurt, but this is the place for it to be circulated.

On 13 January 1999 Mr Kempton was censured by the board, and it was decided the authority would set a policy and protocol to be drafted and determined on 10 February. On 1 February the chairman and deputy chairman of the Glenelg Region Water Authority went to Melbourne to have an audience with the Minister for Agriculture and Resources, who directed that Patrick Kempton, the person responsible for the submission to the Productivity Commission, be sacked or the whole board would go. Next day Mr Kempton was formally dismissed. The reason given was that he had damaged relations with the state government and that the submission had not been supported by the board.

Mr Kempton had a contract with the Glenelg Region Water Authority and legal opinion clearly indicates that Mr Kempton may now be entitled to damages from the minister for inducing the authority to breach its contract with him. Mr Kempton could make a claim against the minister under the tort of misfeasance in a public office and/or for inducement to breach a contract.

Victoria is in a disgraceful state when a person cannot express an opinion or make a submission which, in my opinion, is an accurate assessment of the effect competition policy is having on Victoria. This man was sacked because he told the truth. What a disgrace!

Mr STEGGALL (Swan Hill) — The honourable member for Mildura is probably fortunate that my voice is not in full throttle tonight. I am disgusted that when we are debating a bill that brings Mildura into the 20th century in preparation for the next century the honourable member for Mildura wants to talk about the Glenelg Region Water Authority.

This bill is one of the great breakthroughs for Mildura and Sunraysia. It comes out of a report called *Sharing the Murray* prepared by a committee I happened to chair over a period of two years. I suggest the honourable member for Mildura should read the document, which provides the best description of the Victorian water industry. It also describes how we as a community and a society on the Murray set about allocating the bulk entitlements for water use on the river.

The honourable member for Mildura represents one of the most productive and beautiful parts of Victoria, one of the areas that has most to gain and is gaining most from the changes introduced by the government along the River Murray — including the change in attitude. Never before have we seen the investment, the growth and the development that we are seeing today along the Murray.

The proposal will help Mildura. It gives it the right to trade water, so taking it out of a strange situation. Mildura was well served by the First Mildura Irrigation Trust (FMIT) but its time has come. The trust appreciates the long-awaited changes that will transfer the property rights of water to the irrigators. Victorians were the only irrigators along the River Murray who did not have those property rights; they were held by the FMIT. It is marvellous that Sunraysia will continue to develop. It has me tossed that the honourable member for Mildura would use his contribution to speak about the Glenelg Water Board.

The bill arises from four basic principles expressed in the *Sharing the Murray* report, the first of which is to protect the environment. I notice the honourable member for Bundoora did not mention the environment in her contribution. *Sharing the Murray* is all about putting the best environmental management into the River Murray system. Red gum forests stretch from Barmah to the South Australian border and beyond. The government has put its best effort into reshaping the River Murray into an ongoing healthy river.

However, a price must be paid for that outcome. Firstly, 20 per cent of sales water was taken from the irrigation industry and placed in the environmental flows. A management regime operates the dams that control the water to ensure regular flooding and management of the red gum forests. Discussions have recently taken place about low security water or water sales not being the property of the irrigators. That water was and will remain the property of irrigators. The sales component, while reduced, is a vital part of the dairy industry.

Some 20 per cent of sales was lost between Hume and Nyah. The horticultural area from Nyah to the South Australian border has lost all of its sales water. Horticulture cannot be maintained with a low-security water supply. Only last week irrigators from New

South Wales who listen to the radio station broadcasting in the Swan Hill area called on the New South Wales government to adopt Victorian-style water laws. If and when that happens the Murray Valley will be the most productive and exciting place in the world of food production. The government has touched only the surface. The River Murray irrigation area produces only some 10 to 15 per cent of its potential production value. It is just starting to go.

A principle of the *Sharing the Murray* report is to prevent erosion of existing water rights. Many water rights in the Mildura area were sleeper licences that had not been used. The government ensured their protection by transferring the value of those water rights to the value of the land. Rules were set for sharing water in droughts so that people who wished to invest in irrigation and food production in the River Murray area would know the rules for the operation of water allocations. The model for the drought area takes in the worst type of drought over the past 100 years and gives 60 per cent of water rights in such a possible drought.

To put that in perspective, the model uses not a one-year drought but the seventh year of a long dry period. The model provides for handling and management of water as well as the basis for water trading. The really great thing that came from the Water Act is the trading of water entitlements. I remind honourable members opposite that the Labor Party was in government when the Water Act was proclaimed. The then opposition moved 704 amendments to the bill, all of which were accepted, and a series of those amendments was about the trading of water.

Mr Hamilton interjected.

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Morwell will have the call on the next occasion.

Mr STEGGALL — That was the only time Parliament stopped to allow the Clerks to catch up. The *Sharing the Murray* study has brought about change in Sunraysia and right along the river. For the first time surety is given as to what a water right means to an irrigator, a water board and a community. It also gives surety to the government in endeavouring to achieve the health and quality of the river. The first thing that had to be done was to put in place for the next few years a water system to improve the health of the river. In approximately 10 years that will probably be reviewed. Something more may have to be done or it may be decided that it is fine. I hope that New South Wales will play ball, as it were, with the government and that, together with South Australia, we can run the River Murray system in such a way that the river has the future it deserves.

The *Sharing the Murray* report was a big seller in New South Wales, where for the first time they have understood what water law in Victoria is about. Victoria's water law is one of the best in the world. I have not seen a water law in arid or dry irrigation areas to match it. I am pleased that Parliament has achieved that over the years. From the time of the great debates of Alfred Deakin last century through to tonight, when the First Mildura Irrigation Trust has joined the rest of the irrigation industry in Victoria — —

An honourable member interjected.

Mr STEGGALL — No, there was no coercion. There were two years of solid debate. On one interesting day in my electorate office at Swan Hill I was visited by a group of 10 dairy farmers from the Cohuna area in the electorate of my colleague the honourable member for Rodney. I spent the morning discussing with them the principles behind *Sharing the Murray* and using the pain that had been asserted through the document on the horticultural industries. Later that day, I received a deputation from Mildura and spent the afternoon telling its members how much pain had been caused to the dairy industry. The document outlines a method that causes pain to all people along the River Murray. The back of the document lists the 33 people who formulated the document. Anyone who knows the politics of the River Murray might look at those names and think, 'Goodness, you actually chaired that for two years?'.

My involvement in the committee structure put in place by former Minister Coleman was one of the greatest experiences I have had in working with the river. The maturity of the debate was something to appreciate. My history with the River Murray goes back to the 1970s when people fought, scratched, clawed and threw stones at each other and achieved nothing. People now understand each other's problems and issues are worked through to reach a solution.

The document also tackles the issue of the Snowy River. In the final report to the minister on the issue of the Snowy River the committee said it believed the Snowy water should be provided at the rate of about 33 gigalitres a year and through savings from the irrigation areas. The people involved with the Snowy issue have not always been honest when they have spoken of its having a 1 per cent flow of water. Currently approximately 55 per cent of the original flow of the Snowy reaches the sea, yet as a result of the changes that have been made in the River Murray

system the figure for the original flow of the Murray is only 20 per cent.

The committee comprised irrigators, representatives of water authorities and environmentalists. The Australian Conservation Foundation either moved or seconded the final *Sharing the Murray* report. Tim Fisher of the Australian Conservation Foundation — —

Mr Hamilton — Not to be confused with the other Tim Fischer.

Mr STEGGALL — There is no C in this name — Tim Fisher was very understanding and magnificent to work with on this issue. As honourable members could well imagine, we had our moments, but he and the scientists who made up the technical support group were major players in solving the problem. I was proud to work with every person on the committee. This is a great challenge for anyone who is concerned with water. Around the world water law and the possession of water will be the great issue of the next century.

The government has set up Victoria — the bill brings Mildura into the picture — to achieve a balance between environmental concerns and the consumption of water from the state's major river. I mentioned earlier the growth, investment and development that is taking place along the river. It seems funny talking about it in Melbourne because no-one has the faintest idea what you are talking about. Currently, in Mildura, Nangiloc, Colignan, Robinvale, Piangil, Boundary Bend and Swan Hill you will find investment and growth that has never been experienced previously. My home town of Swan Hill has an unemployment rate of 3.8 per cent. The biggest problem is not having enough people to do the available work. It is the same in most areas along the river, as it is in the Shepparton area, because we are developing the food bowl of Australia.

The food bowl starts in the Riverland district of South Australia, around Berri and Renmark, and runs along the Murray to Cobram, and down to Shepparton. It also runs down the Loddon River to Boort. Together with the Murrumbidgee irrigation area of New South Wales that great food bowl will give Australians the standard of living they seek. The bill is self-explanatory. I am only sorry that the honourable member for Mildura did not choose to have a look at what it will do for his community.

An Honourable Member — He is not interested.

Mr STEGGALL — I do not know whether he is not interested or whether he does not know. I understand that the honourable member for Bundoora does not know — I do not expect her to — but I do expect the honourable member for Mildura to understand.

Representatives of the catchment management authorities (CMAs) in the area were involved in the negotiations that resulted in *Sharing the Murray*. They learned a lot about working with their neighbours in the catchment. *Sharing the Murray* is about the catchment of the River Murray, how it works and where it is going because there is no future in trying to handle these issues in isolation as spot problems. The main task of the CMAs is to set the priorities and strategies for each of the catchments they represent, not to raise money or do works.

There has been a salinity program in my area since the 1980s. It was extremely successful but there was never a catchment base because the people of Ballarat, for example, could not be convinced to participate in the issues of the Loddon or Avoca rivers. Because people did not realise that the Loddon and the Avoca emanate from near Ballarat it was necessary for the people in my area to fight for their end and develop the spot problem areas for salinity in the Kerang and the Tragowal Plains areas.

Today we have CMAs that are setting strategies for the catchment so that development of the upper end of the catchment around Ballarat and Maryborough is being tackled as part of the total catchment. A couple of years ago at a meeting in Kerang representatives of the Loddon catchment were present for the first time — people from the upper reaches of the Loddon met people from the Kerang region. The catchment authorities are there to set the strategies for the whole of the catchment.

For my area the difficulty is going to be that most of the works will be in the upper catchment, because that is where most of the damage is. If you want to see damage, have a look at the mess the Avoca River is in. An enormous amount of work needs to be done by the next generation to solve that problem. Our task is to set up those structures so that the problem can be managed. That task will now be accomplished.

The CMAs were vital to the sharing of the water from the Murray. They were also supportive of the final result. The arrangements for the Sunraysia area of the First Mildura Irrigation Trust have been changed with their agreement, to enable us to have tradeable water entitlements.

An issue for the people of Mildura is that they will have to make sure that the distribution systems on the river are the best possible for the irrigators, because

Mildura's irrigation waters are its most important resource. I hope the people of Sunraysia will look closely at how their irrigation waters are distributed and that they will take action to ensure that the most efficient and effective methods of water distribution are employed. This legislation is a first and major step in achieving that goal.

Mr CAMERON (Bendigo West) — The issue of water in the inland, whether the inland of Victoria or of Australia, is critical to the future development of the state and the nation.

The proposed legislation relates in part to the First Mildura Irrigation Trust (FMIT). One family, the Chaffeys, set about developing Sunraysia. Since then we have seen it develop into a very successful irrigation area. Robinvale, for example, where I was born, is in the electorate of the honourable member for Swan Hill and is a town that grew out of the red dirt around it. Robinvale became not simply a dryland area but an area able to produce a great deal of food.

As you will appreciate, Mr Acting Speaker, the production of that food depends on water. Water is the critical factor for inland Australian issues — for food production, for population density and for maintenance of the lifestyle to which we have become accustomed. Over the years all of us have become more conscious of our water use. That raising of consciousness has been necessary for us as a society, since without it there would not be enough water to go around.

Rainfall in the inland is undependable, and in all too many years there is just not enough of it. Come the end of summer people living in urban areas have to suffer water restrictions. Even in a good year there is the worry of what might happen the year after that.

The Coliban Water system in my own area of central Victoria is an engineering masterpiece. Bendigo does not have a river, and nor does Castlemaine. Both towns are where they are because that is where gold was discovered; their location is not the result of any natural feature other than gold. Both have now moved beyond that era, although there is still a little gold production in the area. The existence of such major population centres raises the question of how a ready supply of water can be secured. That is where the Coliban system came in.

The Coliban system is simple, although it might look complicated initially. Enormous dams were built near Malmsbury, and the water travels downhill from there by channel. Water users feed off the channel system, and it provides the water for Castlemaine and Bendigo. Towards the end of its term the former Labor government increased the size of the Upper Coliban Reservoir so that more water was retained. Looking towards the future, however, we have to ask ourselves whether we can simply continue increasing the size of reservoirs as a way of making more water available. On the one hand, when it does not rain much in any one year we may have enough water to see us through. On the other hand, however, we must make sure that we release enough water for environmental flows to be achieved. It is only in recent years that we have come to appreciate that we have to have water flowing in our rivers to keep them healthy. The issue of blue-green algae lies very close to the hearts of many Victorians and Australians. One of the facts about blue-green algae is that environmental flows are needed to keep it in check.

Part of the bill relates to the trading of water rights. In the Coliban Water area in the latter part of 1997 the government proposed to do away with water rights or licences and instead to introduce water agreements. The effect of that policy would have been to prevent people from being able to sell their water entitlements. At the time some people were told that when their properties were sold the water entitlements would not be transferred with them. That information considerably depreciated the value of the land. Instead of having guaranteed water rights, people's properties depended on the whim of Coliban Water. It was pleasing to work with the community on that matter. There was an enormous outcry about those changes, and ultimately the government backed off and promised to review the system and introduce a new one.

People who live in non-urban areas and use channel water face the problem of affordability. The government has made it clear that it wants full cost recovery. Full cost recovery, at least for some people and some channels, will come at an enormous price to the users. We have traditionally followed a system of everybody contributing to the system and everybody being able to take out. It is a sensitive issue, and government members now appreciate that fact.

I have taken up the issue of affordability with the minister responsible for water resources, who now advises that Coliban Water is aware of the potential impact of price increases on its customers. I am pleased to have that acknowledgment. The eventual outcome remains to be seen. Non-urban water users and I will be keeping a close eye on it.

In some parts of the state where people in irrigation areas can trade their rights, not only among other users in the same irrigation area but outside that irrigation

area, I understand there is a limit of 2 per cent limit on the volume of water that can be taken out of a particular area each year. That system has not yet been introduced in the Coliban area, and the government is still looking at the entire issue.

People in the Coliban area would naturally have reservations about great amounts of water being able to be taken away from the area. You will appreciate, Mr Acting Speaker, given the dry nature of the area and the need for water, that if a lot of water is to be taken out of the area its future security will be in question.

Mr Kilgour interjected.

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Shepparton will cease interjecting.

Mr CAMERON — I appreciate the sensitivity of the honourable member for Shepparton, because it was a National Party minister who was hell-bent on introducing water agreements to the Coliban area, and it was the National Party that was hell-bent on taking away the rights of central Victorians.

Mr Maughan — Did you disapprove?

Mr CAMERON — I did disapprove, the community disapproved and the National Party backed down.

Mr Kilgour interjected.

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Shepparton is committing two sins. Firstly, he is interjecting, and secondly, he is interjecting from out of his place. I ask him to cease doing both.

Mr CAMERON — The honourable member for Shepparton has committed a third sin. He supports the National Party, which wanted to take away the rights of non-urban water users in central Victoria. Those non-urban water users stood up to the National Party and took it on, which is why the National Party is totally irrelevant in central Victoria.

Honourable members interjecting.

Mr CAMERON — Honourable members on the other side of the chamber laugh, but they need only look at what occurred at the last federal election — —

The ACTING SPEAKER (Mr Perrin) — Order! I have some difficulty with the comments made by the honourable member for Bendigo West. The bill is not about the last federal election. I ask him to return to the debate.

Mr CAMERON — Well you did have difficulty with the bill, Mr Acting Speaker, much to the opposition's appreciation.

The issue for central Victoria in the future concerns the 2 per cent rule that has been applied in other areas, because it may not be suitable to Coliban Water. I ask the government to take up that matter seriously. I expect the government now appreciates that fact. It is one thing for intra-trade to take place within a particular water authority area, but it is another thing for trade outside that area to take place. The opposition wants the Coliban area to have water in the future, not only for urban development but also for agricultural development along the channel system. I am sure the honourable member for Swan Hill will be aware of some of that development. For example, a great many acres have been used to grow apples and grapes and now olives.

Clause 4 restricts the sale or supply of water that has been contaminated. Blue-green algae has been a problem for many years, and that clause primarily addresses that problem. The honourable member for Swan Hill mentioned the roles played by catchment management authorities, and I hope one of those roles will be to tackle the blue-green algae problem. You will appreciate, Mr Acting Speaker, that the issue of catchment management authorities is a sensitive one in country Victoria because country Victorians want catchment management authorities to go about the business of catchment management instead of going about the business of tax collection.

Mr Kilgour interjected.

The ACTING SPEAKER (Mr Perrin) — Order! The honourable member for Shepparton should cease interjecting. I point out to the honourable member for Bendigo West that the bill has nothing to do with catchment management authorities, and I ask him to return to the bill.

Honourable members interjecting.

Mr CAMERON — As you will appreciate, Mr Acting Speaker, the honourable member for Swan Hill raised the issue of catchment management authorities, and I am doing nothing more than taking up the issues he raised as the lead speaker for the government. Catchment management authorities need to tackle the blue-green algae problem instead of the issue of tax collection. There should be no need for

them to do that, because it was the government that took the funds away from them.

Water will continue for many years to be a significant issue for central Victoria, country Victoria and country Australia, because water is the lifeline for the future development of our inland regions.

Mr MAUGHAN (Rodney) — It is a pleasure to follow my good friend, the honourable member for Swan Hill, in this debate. He provided an excellent exposé of the bill, in contrast to the speech given by the honourable member for Bendigo West, which despite being interesting had little relevance to the bill.

The Water Acts (Amendment) Bill essentially deals with changes to the First Mildura Irrigation Trust. The bill is yet another step toward further extending the significant reforms to the water industry that started in 1989. I would like to take the opportunity to pay tribute to the honourable member for Swan Hill and the honourable member for Bennettswood for the significant roles they played in the amendment of the legislation brought in by the former government. Those honourable members have had an enormous influence on the bill.

Mr A. F. Plowman — And the honourable member for Benambra.

Mr MAUGHAN — And the honourable member for Benambra, as you correctly point out.

Water is the lifeblood of northern Victoria, which depends on irrigated agriculture, food processing and the service industries that flow from them. As a representative of northern Victoria I have a great deal of interest in all matters relating to Victoria's irrigation system.

Given that the bill largely concerns the First Mildura Irrigation Trust, I would like to recount the formation of that trust in 1887 when Queen Victoria gave land to the Chaffey brothers in return for their development of the irrigation scheme in the Mildura area, which demonstrated the enormous value of irrigation for Victoria. The development of the Victorian irrigation system from the River Murray is an amazing pioneering story in itself. Suffice it to say that something of the order of a quarter of a million acres of land was suitable for irrigation in the Mildura area, and about 10 per cent of that land was given to the Chaffey brothers in return for their demonstration that irrigation could make an enormous contribution to the Victorian economy.

The First Mildura Irrigation Trust covers an area of approximately 10 000 hectares. Subsequent developments in other parts of Victoria, include the construction of the Hume Weir, the extension of the Eildon Weir and the construction of the Dartmouth Dam. That was the beginning of the tremendous developments in the Goulburn and Murray valleys region that have led to the prosperity of towns such as Shepparton, Kyabram, Echuca, and all the other towns in the Goulburn and Murray valleys. The bill is primarily about Mildura.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The ACTING SPEAKER (Mr Seitz) — Order! The time appointed under sessional orders for me to interrupt the business of the house has arrived.

Casey: road funding

Mr PANDAZOPOULOS (Dandenong) — I ask the Minister for Transport to refer the Minister for Roads and Ports in another place to the emerging need for funding of road improvements in the Cranbourne area of the City of Casey. Recently in an unprecedented move the City of Casey letterboxed a colour brochure titled 'Country roads, city traffic', with 'Urgent roadworks needed in Cranbourne' appearing on the front page. It is unfortunate that the City of Casey has to appeal to the honourable member for Cranbourne to assist the campaign for urgent road improvements in Cranbourne, which is a need that has been consistently overlooked by the government.

The Cranbourne township is growing very quickly. My electorate takes in that part of the township up to Cranbourne North, so it is of interest to me. In an attempt to assist the honourable member for Cranbourne, I make a special appeal to the Minister for Roads and Ports to consider an application made to him by the City of Casey to accelerate the construction of traffic lights at the Sladen Street–Cameron Street intersection in Cranbourne, and to provide for the ultimate intersection treatment at Sladen Street and Monahans Road, as referred to in the city's brochure.

The Casey City Council did the right thing by the government and asked for approval to borrow an amount of money to fix the problem at the Sladen Street–Monahans Road intersection. The developer has to contribute to the cost of traffic lights at the intersection and, in order to avoid the necessity for roadworks in the future, the council wanted to ensure that the job is done properly. The Casey City Council is

prepared to borrow money to assist with the construction of traffic lights at the Sladen Street–Monahans Road intersection, provided it has a guarantee that the government will repay the money at some time in the future.

Meanwhile, the council wants the government to consider providing funding for the traffic lights at the Sladen Street–Cameron Street intersection. Unfortunately, the government has rejected the commonsense proposal to fast-track the funding for the Sladen Street–Monahans Road intersection. The council has now appealed to all members of Parliament — even those who do not directly represent the electorate of Cranbourne — to assist with the matter, because it is the number one priority for roadworks in the City of Casey.

I ask the minister to consider favourably the application for the installation of traffic lights at the Sladen Street–Cameron Street intersection in the next budget, and I ask him to revisit his decision to reject providing funding for the Sladen Street–Monahans Road intersection.

I am happy to assist the honourable member for Cranbourne. He needs all the help he can get to obtain justice from the government in the provision of roads in his electorate. As the population of the City of Casey continues to grow, infrastructure funding for roadworks is simply not enough to meet the demand. Residents are getting sick and tired of the situation. As I said, the council has taken the unprecedented action of letterboxing a brochure over the entire City of Casey, appealing to the honourable member for Cranbourne and to the state government to fix up the roads mess.

Southmoor Primary School

Mrs PEULICH (Bentleigh) — I refer the Minister for Education to the Southmoor Primary School in my electorate, which has already clocked up some very impressive environmental achievements, including twice winning the Proud School of the Year award, and is now embarking on some very exciting science initiatives.

Recently the school was selected to participate in the National Science Week activity called the tethered balloon experiment with CRC Southern Hemisphere Meteorology, Monash University, in which four Victorian schools are taking part. In term 2, the school will begin work on the Airwatch project with the Bureau of Meteorology. The project that Southmoor Primary School is endeavouring to get off the ground — pardon the pun — is called A Working Knowledge of the Weather.

The cost of establishing the project is $10 000. It includes some exciting activities, such as the establishment of the near real-time interfacing of the automatic weather station database to the World Wide Web which would include links to other weather-related information for primary schools and example teaching units and materials produced by Southmoor staff. It would also include a free-to-air public service, which involves an FM band computer-generated weather status report regularly giving updates, and a development project that provides an opportunity for students to design a dynamic display or weather electronic wall plaque that will be used to view the AWS information, in effect providing a portable remote readout of the present conditions around Moorabbin.

The school is looking at a fairly substantial commitment. The all-up cost is $10 000, including the purchase of an automatic weather station, software and weather electronic wall plaque, a weather radio station including the licence, voice simulator, transmitter and antenna.

Will the Minister for Education assist by exploring the funding options that may be available to enable Southmoor to get this exciting project going. Given the state's emphasis on beefing up science, particularly in primary schools, the project is exemplary. This type of initiative, which goes beyond the call of duty, deserves any assistance that could possibly be provided through either the minister's department or any other departments.

There are a host of other exciting science activities, including one called Onesky, Many Voices — Kids as Global Scientists 1999 — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member's time has expired.

Family services: support

Ms CAMPBELL (Pascoe Vale) — I refer the Premier to his comments at Monday's school assembly at MacRobertson Girls High School. It is interesting to contemplate the scene when the Premier faced 850 young women aged 15 to 19. What hit him as a vitally important topic? Was it the opportunities Victoria offers? Was it that they should dare to dream and achieve their goals? No. The topic foremost on the mind of our intrepid warrior was their obligation to reproduce. Why should any schoolgirl be surprised? Why should any parent or teacher who encourages his

or her daughter to conscientiously study and aim for a career be alarmed at the Premier's encouragement of some of the state's top female students to increase the birth rate? Faced with a Melbourne High School assembly would the Premier have chosen procreation as the topic? No. I ask the Premier — —

Mr Finn — On a point of order, Mr Acting Speaker — —

The ACTING SPEAKER (Mr Seitz) — Order! The adjournment debate provides an opportunity for government action to be taken. The honourable member for Pascoe Vale has not yet raised an issue for action by the Premier. I will hear the point of order of the honourable member for Tullamarine.

Mr Finn — Mr Acting Speaker, you have just beaten me to it. Thank you.

Ms CAMPBELL — Will the Premier ensure that both physical and personal supports are provided by the government for mothers and children? Those supports include maternal and child health services, child care, family support workers, family-friendly workplaces and amendments to section 6 of the Equal Opportunity Act. Families need child care, a fact lost on the Premier. He is silent on family-friendly workplaces. Last night he had the opportunity to attend the business — —

An Honourable Member — What do you want to ask?

Ms CAMPBELL — I have already asked the Premier to act.

Mr Finn — On a point of order, Mr Acting Speaker, the Chair has already drawn the attention of the honourable member for Pascoe Vale to the need for her to ask for some action by the Premier. As yet the honourable member for Pascoe Vale has ignored the Chair's urging. I now ask that the Chair request the honourable member to make her request.

The ACTING SPEAKER (Mr Seitz) — Order! I have heard enough on the point of order. I ask the honourable member for Pascoe Vale to refer to the government action she seeks.

Ms CAMPBELL — I already have, Mr Acting Speaker. I ask the Premier to ensure that the necessary supports for mothers and children are put in place. The Premier has failed to do so. He has a downright nerve expecting women to procreate when he will not put the support in place.

Laser pens

Mrs ELLIOTT (Mooroolbark) — I direct a matter to the attention of the Minister for Police and Emergency Services. On 12 March I received a letter from a constituent, Ivan Ryan, of 9 Eric Street, Croydon who asked me to bring to the attention of the minister the problem with laser pointer pens. On 3 March, when Mr Ryan was putting out his rubbish bin, a laser light was beamed in his eye by people he describes as hoodlums. Attached to his letter is an advertisement for laser pens which he saw on sale at the Chirnside Park shopping centre. He directed to my attention that the laser pointers can cause blindness, disorientation and ulceration of the eye.

The government has prohibited the use of such weapons from 23 November last year. Will the minister ensure by any means possible that laser pointer pens are prohibited and are not for sale in shopping centres where they can be purchased by people to intimidate or terrorise anybody, particularly elderly citizens who feel distressed by the fact that they cannot put their rubbish bins on their nature strips without having a laser light beamed into their eyes? Will the minister assure my constituent, Mr Ryan, that he will not have to experience such things in the future?

Blackburn South school site

Ms DELAHUNTY (Northcote) — I direct to the attention of the Minister for Education a matter concerning the site of the Blackburn South campus, formerly part of the Forest Hill Secondary College. I seek from him an assurance that the Department of Education will give every assistance to community organisations that have an interest in purchasing part of the site for future educational or recreational purposes.

I am seeking more help from the minister than he has been prepared to give in the past. Mr Brideson in the other place declared to a public meeting that he was appalled by the lack of consultation on the school's closure. One can understand that the site has had a vexed recent history, but in January this year the government erected a barbed wire fence around the site, which is a cruel symbol of the ninth school closure within a 3-kilometre radius.

Mr Perton — On a point of order, Mr Acting Speaker, the honourable member is clearly reading from a document and I ask her to make it available to the house.

The ACTING SPEAKER (Mr Seitz) — Order! Is the honourable member reading from a document or notes?

Ms DELAHUNTY — I am reading from notes.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member is reading from notes and there is no point of order.

Ms DELAHUNTY — There are serious community misgivings about the lack of consultation and they fear the worst. In the past they have seen a community site bulldozed and sold off for development. The community does not want to see that happen again. Given that the minister has refused to seek community representations before the closure but gave an assurance that he would meet a delegation and discuss the future of the site, I request that he meet with me, leading a delegation of community representatives, to discuss the future of that site, in particular the fate of Wal Wicking Hall, which should be protected for the local community. The hall was financed in part by the local community and is currently being used by the Whitehorse Gymnasium Club. There is a belief that it should be maintained for the community. I look forward to the minister meeting a delegation to discuss the future of the site.

Knox hospital

Mr WELLS (Wantirna) — I ask the Minister for Transport to raise with the Minister for Health in another place the Labor Party's spreading misinformation about the proposed Knox public hospital. The proposal has an enormous amount of support in the local area and in the outer eastern suburbs. I seek the minister's reassurance to constituents that construction of the hospital will proceed in a reasonable time.

Most people will remember that Labor policy in the 1980s was to box up health services in the city area. The services became run down and were of no use to people in the outer east because they had to travel such a long way to reach them. The coalition's new policy is to build hospitals out where the population lives. It is my understanding that the coalition's 1996 — —

Mr Haermeyer — On a point or order, Mr Acting Speaker, earlier you correctly ruled that the adjournment debate is an opportunity for members to request administrative action from a particular minister. The honourable member has been speaking now for at least a minute — —

The ACTING SPEAKER (Mr Seitz) — Order! I ask the honourable member to sit down. I have heard enough on the point of order.

Mr WELLS — On the point of order, Mr Acting Speaker, I made it very clear in my third sentence that I was asking the minister to reassure my constituents that construction of the hospital would proceed on time.

The ACTING SPEAKER (Mr Seitz) — Order! There is no point of order. As the honourable member for Wantirna correctly pointed out, he asked for action by the government and the minister.

Mr WELLS — The local Labor candidates are running around saying that the building of the hospital has been suspended indefinitely, which is raising concern in the local community. It is my understanding that originally the hospital was to be built in two stages; it is now being built in one stage and obviously will take longer to plan to ensure that the health services meet the needs of people in the outer eastern region.

I also suggest to the house that the ALP should come clean in the eastern region — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member's time has expired.

Kydaco Painting

Mr ROBINSON (Mitcham) — I ask the Minister for Fair Trading to take action on a matter involving Kydaco Painting. The company owes a number of workers in the Mitcham electorate and, I believe, people outside the electorate considerable amounts of money for work performed. Will the minister ascertain whether the company has breached any Victorian laws and take appropriate action if that is the case?

Not long ago a number of people in the Mitcham electorate, some of whom have limited English, approached me to say they had not been paid for work performed months ago for the company running to several thousand dollars. I understand they answered a newspaper advertisement placed by the company, performed a number of jobs and were paid in a lump sum at the end of the jobs. However, they have not been paid for the past two jobs, which were carried out some months ago.

On 8 February this year workers received a letter from Kydaco Painting stating, in part:

> ... we regret to inform you that all our debts have been handed over to a credit consultancy firm to act on our behalf.

The letter concludes:

You will be in receipt of a letter from our credit firm in the near future fully explaining these matters.

More than two months have passed and no action has taken place. No advice has been passed to the workers or other people about any credit consultancy being appointed. The company has made no effort to establish contact with the people concerned and in fact is exceedingly difficult to contact. The listed telephone numbers on the letter have been disconnected and messages left on the mobile phone service of Mr David Lancaster, who hired the people concerned, have not been returned.

This looks and smells like and is almost certainly a scam. I concluded that the letters sent to workers were a deliberate deception and that no credit consultancy firm had been appointed. The principals of the company staged a stunt to enable them to walk away from their debts and establish a business some time soon in another guise.

The principals of the company are Mr David Lancaster, who hired the workers, and Ms Kylie Lancaster, who signed the letters as managing director. They have neither returned calls nor correspondence from the workers or me in recent weeks. I urge the Attorney-General to investigate whether Victorian law has been breached and, if so, to make sure the full force of the law is applied so that such scams are eradicated.

Rural Ambulance Victoria

Mr PATERSON (South Barwon) — I ask the Minister for Transport to have the Minister for Health in the other house reassure country Victorians, particularly those in Geelong, that the transfer of Rural Ambulance Victoria headquarters to Ballarat will result in better services. Will the minister also reassure Victorians that the scare campaign being waged by some in the community, particularly the Labor Party and the union movement, is unfounded? In last Friday's *Geelong Independent* a union representative was reported as casting doubt on the new arrangements, which have been received positively in most parts of rural Victoria.

To refresh the memories of honourable members, it was decided to amalgamate rural ambulance services into one rural ambulance service headquartered in Ballarat. I pay tribute to those in Geelong who contributed over many years to the local ambulance service, particularly Keith Fagg, who remains on the ambulance board, and the former chief executive officer, Daryl Starkey. Some of the scare campaigns have included suggestions of a reduction in ambulance services and of job losses as a result of the merger.

The consultation leading to the merger proceeded well, but it is disappointing that some in the community continue to attack the positive merging of rural ambulance services. It should be remembered — perhaps it is not well understood — that that has been and possibly still is Labor Party policy. Although few people know what the Labor Party stands for these days its policy is to amalgamate the services into one service. The coalition rejected that idea. Now Victoria has one metropolitan service and one excellent rural service. There will be no reduction in ambulance services to rural Victorians. I ask the Minister for Health to reassure country Victorians in particular that that will be the case.

Police: Oakleigh station

Mr HAERMEYER (Yan Yean) — Will the Minister for Police and Emergency Services ensure that the government provides its police force with a sufficient budget to ensure that all stations are properly staffed? The instance I refer to tonight is the rather sad case of the Oakleigh police station. The honourable member for Oakleigh makes great play of the new police station, but unfortunately it is operating with 15 fewer members than the old police station had two years ago.

Members opposite should understand that by itself a police station does not provide the community with safety. It is important that we have adequate police stations which house our police officers properly and which are strategically located to ensure appropriate response times. However, they need police in them. That is something members opposite seem to have difficulty getting through their heads, and it is something the government seems to have difficulty understanding. When asked about police numbers all they talk to us about is computers — as though a computer can turn up at a pub and break up a fight! They told us about a new police station — as if a police station could turn up at a home to deal with a domestic dispute! Government members have to get it through their heads that it requires people to run a police force! Unfortunately, the honourable member for Oakleigh has neglected her responsibility to take up the matter with the minister, but the ALP candidate for the seat, Ann Barker, has raised the matter with the opposition.

I ask the minister to take the matter on board. The Victoria Police Force is spread far too thinly. The Oakleigh area has an inadequate level of patrols. The police are continually chasing their tails in trying to keep up with the workload, and as a result response times have blown out unacceptably. I ask the minister to provide for an injection of extra police officers so the

chief commissioner can ensure the Oakleigh police station is properly staffed — which at the moment it is not.

Vincent Street, Daylesford: bus stop

Mr TRAYNOR (Ballarat East) — I ask the Minister for Transport to raise with the Minister for Roads and Ports in another place the school bus parking facilities outside the Daylesford Primary School in Vincent Street, Daylesford, and I ask the minister to look favourably on the matter.

A safe bus stop needs to be established outside the school. Several buses from around the district park there, and many children alight from them. Vincent Street is a main thoroughfare to the Western Highway and Ballarat. In the past Daylesford has had some problems with the timber trucks and heavy vehicles that pass through. Tourists on their way from Melbourne to Daylesford also travel on that route.

Because many of the 350 schoolchildren who attend the Daylesford Primary School are dropped off by bus, will the minister look at the possibility of widening the road, particularly on the east side, and establishing safe bus parking outside the school?

Yarra Valley Hockey Club

Mr LANGDON (Ivanhoe) — I ask the Minister for Sport to assist the Yarra Valley Hockey Club in its endeavours to have the government funding granted to it in the last financial year held over to the next financial year.

The Yarra Valley Hockey Club received a government grant of $150 000 to assist with the building of a new hockey facility in the Cyril Cummins Reserve in my electorate. Currently the hockey club rooms are at the Chelsworth Park Reserve, but its members play at John Cain Memorial Park in Northcote. A whole new facility was to be built at the Cyril Cummins Reserve with the assistance of the City of Banyule. Unfortunately, the City of Banyule has been rather lax in assisting the club with its funding, which has resulted in the money not being spent in the appropriate year.

The hockey club asks the government whether the $150 000 grant can be held over to the next financial year. I believe the club will arrange a meeting with the Minister for Sport to ask that that occur. Unfortunately, the council has been a bit slow — —

Government members interjecting.

Mr LANGDON — I hear interjections from the government side criticising the council. I am pleased that they criticise it. My opponent at the next state election is from the City of Banyule. Clearly he has been lax, along with the rest of the councillors!

I urge the government to encourage him, along with the other councillors, to facilitate the process involved in allowing the club to hold its grant over to the next financial year so the facility can be built. The issue purely concerns sport, and since Victoria has the Commonwealth Games, of which hockey will be an important part, I urge the government to carefully consider the matter.

Responses

Mr KENNETT (Premier) — The honourable member for Pascoe Vale, in her normal careless way, referred to the speech I gave yesterday at a very prominent girls' school. She also raised the issue of what we as a government had done — or in her opinion failed to do — for young families. I gave a fairly wide-ranging speech yesterday to a very mature, well-educated group of young women.

The honourable member for Pascoe Vale is laughing, which is probably a typical reaction from the person who raised the issue tonight. The honourable member has not tried to find out what I spoke about yesterday. My speech covered a number of subjects, one of which was the changing role of women in our society, which has been well articulated by the leading Sydney sociologist Hugh Mackay. He says that one of the biggest changes over recent years has been the entrance of women into the work force, quite properly wishing to pursue their own careers, but he articulates the effect that change is having on society.

I also talked about the introduction of information technology, about Australia's relationship to the world and about population policy. In terms of population policy there is probably no member of this house and very few people in Victoria or around the country who would be surprised that I have been continuing to pursue this advocacy because I strongly believe the way in which Australia is heading will result in a country 20 or 30 years from now that will have an ageing community with very few young people, therefore imposing great risks to Australia.

During that speech I talked about two ingredients that formed the basis of my concern. One was to accurately reflect the change in fertility rates in Australia. In 1995 it hit an all-time, postwar low of 1.82 children for each woman. In 1996 that figure dropped to 1.79, and in

1997 it was 1.77. So there is clearly a trend where women are electing, for a whole range of reasons, not to produce numbers sufficient to replace the existing population, let alone to build on it.

That is a fact. It is not to say that there will be a change, and I did not, as the honourable member will know, use the words attributed to me by the AAP journalist who said, 'Mr Kennett said to go forth and multiply'. That was his interpretation, even though he attributed those words to me. It is important for Australians to understand that we do have, through natural birth, a declining population. Europe's fertility rate is now about 1.5 and, as we know, in China — —

Ms Campbell — On a point of order, Mr Acting Speaker, during my speech on the adjournment debate I asked the Premier to ensure that his government provides the physical and emotional support necessary for mothers and young children, particularly in the equal opportunity and child-care areas — items that the Premier has conveniently decided to ignore in his response. If the Minister for Transport wants to interject across the table — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Seitz) — Order! I have heard enough on the point of order. Does the Premier wish to speak on it?

Mr KENNETT — Yes, Mr Acting Speaker. The honourable member, in raising the matter, spent at least three-quarters of her time as she led up to her final point referring to the speech I gave yesterday. The honourable member made several false allegations. She was trying to be political in her normal way. I contend that I am in order in addressing the issues raised by the honourable member during her entire speech, not just what she concluded with in her last 30 seconds.

The ACTING SPEAKER (Mr Seitz) — Order! I have heard enough on the point of order. There is no point of order, as the Premier was coming to the question.

Mr KENNETT — As I was indicating, in Europe the fertility rate has dropped to 1.5 children per woman. As honourable members would know, China has a policy of one child per couple. On the one hand, our fertility rate is dropping significantly; on the other hand — —

Honourable members interjecting.

Mr KENNETT — One of the difficulties for the public of Victoria is that it cannot place any confidence in the opposition. The honourable member raised an issue I thought was serious, but she does not want to hear the answer.

The other issue associated with what I mentioned in my speech yesterday is immigration. The net immigration figure to this country has dropped substantially to about 80 000. As I said in question time today, the government has argued that Australia should have a net immigration rate of about 130 000 and aim to increase its population by 50 per cent by the year 2060. As our fertility rate is dropping and as I do not see that changing — let alone endorsing what the honourable member said I advocated; that is, that women go out and produce more children — I strongly advocate a higher immigration level away from our net 80 000 to a net of approximately 130 000 immigrants.

The tragedy is the way in which some media sources have covered the story and the way the opposition, understandably, has been negative in its response to it. This happens to be one of the most important issues for the long-term development of Victoria and Australia. As the ALP has no vision of what is happening in this society, it cannot contribute constructively to any debate in society today.

The second issue the honourable member for Pascoe Vale raised concerns what the government has been doing to assist families, mothers and others. She was critical of our programs. A number of the steps taken by the government over the past few years could have been taken by the former Labor government but were not. I will give a few examples. This government is the first in Australia to have introduced a program to address, treat and educate both parents and children in the area of drugs. The government has put $100 million towards the nurturing of children and trying to give people quality of life. The honourable member conveniently forgot that.

The Victorian government is the first government in Australia to put in a program that recognises the needs of carers — people in society who look after their children although they might not be in perfect health or who look after a relative or friend, often well beyond the time at which most people would give up. The government has contributed $100 million over four years to that cause. The Labor Party had 10 years to do that and did not give one dollar.

Since 1992 there have been no reductions in maternal and child health services — in fact, there has been an increase in funding since 1996. That is quite the opposite to what the honourable member was saying. The honourable member's party could have introduced

two other important services when in government but failed to do so. Labor has an abysmal record in this area. One example is Parentline services and the other is regional parenting services, which is another $6 million initiative.

Through its performance in the house tonight, the Labor Party continues to reinforce in the minds of those who observe it that it is not ready to govern. It is incredible that the opposition wonders why it does not attract the votes of young people or why young people no longer relate to it. The opposition has insulted the intelligence of the young people I had the honour of addressing yesterday. They are well educated and almost 60 per cent are from non-English-speaking backgrounds, so many of them and their parents are recent immigrants to this country. By misinterpreting my comments the Labor Party is putting down those young people who are part of this program.

As I said, they are well-educated young people who think about issues that confront them today and will confront them in the future. It is no accident that the Labor Party has been deserted by young people and will continue to be deserted by them. Until the Labor Party addresses the issues that matter and reflects accurately what happens in society and where it wants to take society, it will not create opportunities for young Victorians.

The Leader of the Opposition laughs. He displays his immaturity, as do the honourable members for Yan Yean and Pascoe Vale. Until they address issues that relate to young people in particular they will continue to be rejected, not just by the youth of Victoria, but by the majority of Victorians.

Dr NAPTHINE (Minister for Youth and Community Services) — The honourable member for South Barwon raised for the attention of the Minister for Health country ambulance services and the development of a rural ambulance service. The establishment of a single rural ambulance service is one of the most significant developments in providing better ambulance services in this state, but particularly in country areas.

I congratulate the Minister for Health and the honourable member for Malvern on their efforts in establishing the service. The consultation process has ensured enormous support from rural Victoria. The service will deliver a better and improved ambulance service. I assure the honourable member for South Barwon that whether those services are in Hamilton, western Victoria, Mildura, Gippsland or the north-east, the fact that Victoria has a combined rural ambulance service will ensure a better and more efficient service of which country Victorians can be proud.

The honourable member can assure his constituents that the development of the rural ambulance service will improve the service and the career opportunity for officers in the service and, most importantly, ensure that people who need the service in an emergency will receive a more responsive, effective service. Country people will be better served in the long term.

The honourable member for Wantirna raised with me, as the representative in this house of the Minister for Health, the establishment of the Knox hospital. I assure the honourable member and residents of the eastern suburbs that the government is absolutely committed to the establishment of the Knox hospital as outlined in the metropolitan health services plan. Initially the plan outlined a two-stage process to build the hospital, but it is now clear a more efficient way will be to combine the two stages into one so that the new hospital will be completed by 2000. The hospital will deliver services to about 18 000 people, and it represents a commitment from the government to take high-quality tertiary health service to the suburbs where people live. I assure the honourable member for Wantirna and the people of Bayswater and Knox that the hospital will be built.

In contrast to the knockers and critics in the Labor Party, who cannot get the issues right, the government will continue to deliver high-quality services in the area. My attention has been drawn to a Knox community survey circulated by the Labor Party. The first question implied that funding for the new hospital will come from funding withdrawn from the Angliss and Maroondah hospitals. How is Maroondah spelt? It is spelt M-a-r-a-n-d-a-h. The Labor candidate obviously has a wide knowledge of the area!

The Labor Party has no knowledge of the health services and systems in the eastern suburbs. It has no understanding of the needs of the area. Once again on behalf of the Minister for Health I assure the house that the new Knox hospital will be built, it will treat 18 000 patients and it will be completed in the year 2000, because a two-stage process has been rolled into one.

The scare tactics of the Labor Party will be ineffective. They are based on falsities and misunderstandings and, as clearly revealed in the Knox community survey in which the Labor candidate does not even know how to spell Maroondah let alone where it is, the Labor Party shows it has no understanding of the needs of the eastern suburbs. The government understands its needs and is committed to delivering high-quality health services.

Mr GUDE (Minister for Education) — The honourable member for Bentleigh referred to the Southmoor Primary School and in particular to a science project involving a working knowledge of the weather. She inquired about the possibility of funding of $10 000 for the project. No specific funds are available for that type of project. However, with a bit of self-help from the school community the project may fit in with a number of other programs. For example, the marvellous Ford One Planet program, funded by the Ford Motor Company, enables school communities to become active in environmental matters. Clearly the science project would fit within that program and would therefore attract a measure of funding, but perhaps not the total amount the school seeks. That program also recognises the important work carried out by school communities, particularly the enhancement of the environment.

Four or five weeks ago I visited schools in the Dromana area. I spoke by telephone to a teacher from one of the primary schools who with her husband is carrying out a scientific project for 12 months at the South Pole. The exciting part of the process is the capacity of those two fine Australians to interpret and be part of the journey to the South Pole, and via information technology to beam light pictures back into the classroom to enliven the science program at Southmoor Primary School. There is scope for that to happen. I encourage students in the work they are doing and wish them well in their endeavours.

The honourable member for Bentleigh is a former teacher but is also a parent with a genuine and warm interest in the wellbeing of youngsters in the community. I will be pleased to have further discussions with her to examine whether anything can be achieved by the department, either by directing the school to prospective funding channels or assisting it to make a connection with a private sector sponsor for at least part of the project.

Contrast that with the approach of the honourable member for Northcote, who has recently become the shadow Minister for Education. The honourable member raised a concern that the Blackburn South Secondary College had been closed as part of a rationalisation of school facilities. The amalgamations were the result of considerable community consultation. The honourable member for Northcote asked whether I would receive a deputation led by her. That would be a waste of time because some months ago I met deputations led by government members who represent the area. I advise the honourable member that there is some private-sector interest in the school. The government is awaiting the Valuer-General's valuation so that the facility can be dealt with appropriately.

I have visited the area in company with the local member. I am familiar with it. When I last looked at the situation of the Wal Wicking Hall a private-sector group was operating gymnastic activities there. Arrangements must be made about its future and discussions have taken place with the local council. I assure the honourable member for Northcote that the government intends, firstly, that if possible the hall should be utilised for a continuing education pursuit because it was obviously constructed for that purpose, and secondly, as is always the case with the disposal of education facilities, where a genuine local interest exists and the municipality is prepared, willing and able to meet the costs associated with purchase, it should receive the first call, as happens with every project dealt with by the government.

That stands in stark contrast to the years of mismanagement and maladministration by the previous government, which closed many schools without giving the same sort of care and consideration to local community outcomes.

The matter is in hand and the government is awaiting the outcome of the Valuer-General's appraisal. I remain hopeful that an appropriate purchase will be possible and that the facility, which is protected from vandalism by a fence, will be used for continuing education.

Mr W. D. McGRATH (Minister for Police and Emergency Services) — The honourable member for Mooroolbark raised a matter on behalf of her constituent, Mr Ryan, concerning the misuse of laser pointer pens. She highlighted some of Mr Ryan's concerns, such as someone suffering temporary blindness or disorientation, and the possibility of eye damage if the beam were focused for too long on a person's eyes.

Given the possible consequences of their misuse, the import, sale, purchase and possession of high-powered laser pens was banned in Victoria on 23 November 1998 via amendments to the Control of Weapons Act. I refer to the new, high-powered class 3 or 4 laser pens that are no longer available in the general community. The lower-powered class 1 or 2 pens are not affected by the ban.

I advise the honourable member for Mooroolbark that any retail outlets in the shopping strips in her area that are selling the class 3 or 4 pens are in breach of the act and are subject to fines. If anyone brings such sales to her notice she should immediately direct it to the

attention of the police, who can take the appropriate action to ensure that that type of equipment, which causes this sort of alarm in the community, does not continue to be available.

The honourable member for Yan Yean raised an issue concerning the Oakleigh police station having a manpower shortage of some 15 persons.

Mr Haermeyer interjected.

Mr W. D. McGRATH — It is interesting that he now makes it less than two years ago.

The honourable member for Oakleigh gives me a completely different story. She is satisfied with the new police station in her electorate. I will not taking too much notice of the accusations of the honourable member for Yan Yean.

Today on his radio program Steve Price took a balanced view on the issue of police numbers. He has begun to realise the fear that can be engendered in the community by some of the opposition's accusations, particularly the allegations of the honourable member for Yan Yean. An article in the *Herald Sun* of 19 March headed 'Brutally beaten' had the subheading 'But Cec didn't call the police because he thought they were undermanned'. It is very sad when elderly people who have suffered an injury feel they cannot call the police on 000 because they think there is a police shortage.

Mr Haermeyer — On a point of order, Mr Acting Speaker, the matter that was raised for the attention of the Minister for Police and Emergency Services related to the Oakleigh police station. He is going off on a different tangent and is making a personal explanation. I suggest there is a time and place for that.

The ACTING SPEAKER (Mr Seitz) — Order! Adjournment debates are wide and open discussions and are different from question time. The minister is in order. There is no point of order.

Mr W. D. McGRATH — After seeing the article in the *Herald Sun* I wrote to Mr Boag and assured him that there are enough police to respond to the needs of all Victorians, particularly the most vulnerable, such as the elderly, and that he should never be afraid to ring 000 because police will attend in the shortest possible time. An article in yesterday's *Age* showed that when responding — —

Mr Haermeyer interjected.

Mr W. D. McGRATH — The honourable member for Yan Yean apparently did not listen to what the chief commissioner said in the last day or so either. Calls to the police are always prioritised, and the response time to no. 1 priority calls is good.

The honourable member for Yan Yean talks about the shortage of police, yet he is not nearly as productive as some of his colleagues. The Honourable Barry Pullen, a member for Melbourne Province in the other place, sought a meeting with a deputation of traders in Smith Street, Collingwood. We sat down and discussed drug issues. Similarly, Dandenong traders sat down and talked the issues through, and they are getting positive results from their local police.

The government will continue to work through the issues with the police and various community groups to ensure there is a sense of safety in the community, despite the fact that the honourable member for Yan Yean and the opposition in general continue to try to erode it.

Mr COOPER (Minister for Transport) — The honourable member for Mitcham raised a matter for the Minister for Fair Trading concerning a company in the Mitcham area that owes large sums of money to people for completed work. I will direct that matter to the attention of the minister and ask her to get back to the honourable member for Mitcham on the subject.

The honourable member for Ivanhoe raised a matter for the attention of the Minister for Sport regarding the Yarra Valley Hockey Club and sought the minister's assurance that a grant made to the club can be held over until the next financial year. I will direct that matter to the attention of the minister and ask him to get back to the honourable member for Ivanhoe directly.

The honourable member for Dandenong raised a matter for the attention of the Minister for Roads and Ports in another place regarding funding for roads in Cranbourne. In particular, he drew attention to the traffic lights at the corner of Sladen and Cameron streets. During his contribution he took to the honourable member for Cranbourne with some gusto, saying that he needed assistance in his electorate and offering to give him that assistance.

I can assure the honourable member for Dandenong that the honourable member for Cranbourne certainly does not need any assistance from him. In the time he has been a member of this place the honourable member for Cranbourne has been noticeably successful in getting large amounts of money in grants, particularly road funding grants, for his electorate. He won the seat in 1992 and won it again with an increased majority in 1996. That shows the high regard in which

he is held by his electors, and that regard is the reason he will retain the seat with a substantial majority at the next election.

The honourable member for Cranbourne is not only an involved and concerned representative for Cranbourne, he is also a successful representative. The gratuitous insults directed at him by the honourable member for Dandenong are nothing more than politicking. I suggest that the honourable member for Dandenong should look after his own patch, because his performance has been less effective than is desirable. The honourable member for Dandenong should look to his laurels instead of those of the honourable member for Cranbourne if he expects to retain the support of the majority of his constituents.

The honourable member for Ballarat East also raised a matter for the attention of the Minister for Roads and Ports concerning the Daylesford Primary School in Vincent Street. He is seeking to have the road widened and a bus stop installed nearby. He is well known for his work for his electorate, particularly in Daylesford. I am aware of the honourable member's involvement in a wide range of community activities in Daylesford, and I know from my visits to the area that he is held in high regard by the Daylesford community because he is a person who gets things done. Representatives of the Central Highlands Tourist Railway, which is based in Daylesford, will attest to the successful work of the honourable member for Ballarat East.

I urge the honourable member for Ballarat East to apply to the Minister for Roads and Ports for the works he requires to be done as soon as possible, because I am sure the minister will pursue the matter with Vicroads. I know the minister will assess the matter with reference to funding priorities and will look forward to receiving the application from the honourable member for Ballarat East.

The ACTING SPEAKER (Mr Seitz) — Order! The house stands adjourned until next day.

House adjourned 11.08 p.m.

Wednesday, 21 April 1999

The SPEAKER (Hon. S. J. Plowman) took the chair at 10.04 a.m. and read the prayer.

POLICE: STRENGTH

Mr BRACKS (Leader of the Opposition) — I desire to move that the house do now adjourn for the purpose of discussing a definite matter of urgent public importance — namely, the unusual action by the Chief Commissioner of Police, Mr Comrie, in writing personally to every member of the Victoria Police Force on 15 April 1999 stating he has vigorously pursued the issue of police resources through appropriate channels and that the government's budgetary and economic review committee is the only mechanism by which he can seek additional resources for the police force.

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

The SPEAKER — Order! I have some problem with the admissibility of the motion. I will advise the house of my concerns and then the Leader of the Opposition might like to put his points in support of the motion being heard.

When accepting a motion, the Chair is guided by *May*. The matter must be a definite matter of urgent public importance. No doubt this is a definite matter and no doubt it is a matter of public importance. The urgency of the matter is the question to which the Chair must relate. I seek from the Leader of the Opposition an explanation as to the urgency of this matter and the reasons he believes that comes within the rules laid down in the 17th edition of *May*, with which he is probably familiar. I also seek any points the government wishes to put on the motion before the Chair makes a final decision.

Mr BRACKS — Thank you, Mr Speaker, I am happy to take up your invitation to indicate that this matter fits within the definition of *May* and the definition of an adjournment motion. There are several tests that *May* requires: firstly, that the matter is definite, and certainly this matter is definite; and secondly, that it is a matter of urgent public importance. I believe the issues of police resources and police numbers and the issue I have raised today in support of this motion, effectively the action of the chief commissioner, are clearly matters of urgent public importance.

The matter before the Chair is new. The letter is new, and I will come to that later. This has been the first opportunity to raise the matter. It arose last Thursday or Friday and there has been no opportunity to raise it since then.

I appreciate that the question of what is new and ongoing is difficult for you, Sir, to judge. I refer particularly to page 365 of the 17th edition of *May*, on which you may need to rely. It may have a bearing on your decision to accept the motion.
Paragraph (2)(b)(i)states:

> The fact that new information has been received regarding a matter that has been continuing on for some time does not in itself make that matter one of urgency.

I suspect that is the matter on which your decision may rest, Sir. If that is the case, I submit that the motion does not continue debate on police numbers but concerns the letter and action of the Chief Commissioner of Police, Mr Comrie, who wrote to every serving police officer in the state. That is the matter referred to in the adjournment motion. Therefore I believe it is absolutely admissible and should be accepted.

You would be aware, Mr Speaker, that matter has a precedent. It comes from Speaker Plowman on 4 December 1996 and concerns a related matter — a letter from the Auditor-General to every member of Parliament. The wording of my motion is almost identical to the wording of that letter, which was the subject of some debate that day in Parliament. In that case, debate on the letter from the Auditor-General to every member of Parliament was allowed.

On that occasion the then opposition leader, the shadow Treasurer and the manager of opposition business raised contestable points of order arguing that the motion should be allowed. The Treasurer and the Leader of House argued that the motion was not admissible. Your ruling on that occasion is telling, Mr Speaker.

Today's motion is similar. The previous occasion involved an ongoing matter about the Auditor-General. Although the motion concerns police numbers, the new factor is the commissioner's act of writing a letter. On the previous occasion the Auditor-General wrote a letter and on this occasion the police commissioner has written a letter to every serving police officer. It is that action that I seek to discuss today. As the commissioner says, it is new and it is unusual.

Mr Speaker, you would remember the ruling you made. After hearing five submissions you said, as reported at page 1585 of *Hansard* of 4 December 1996:

> The Chair comes to the final matter I believe will determine this issue: whether or not it is a separate matter. The Chair has listened carefully to the argument from both sides of the house on whether this is a separate matter, and that impinges on the question of urgency as set out in *May*.
>
> The Chair believes this is a separate matter. However, if the Chair accepts the motion the debate would not go to the terms of reference of the review, the panel members or their appointment, et cetera, it would simply go to the issues raised in the letter written by the Auditor-General. Therefore debate on this issue will necessarily be narrow.

This part is telling:

> There is a very fine line between whether this is a separate matter or another event in an ongoing series of events. Because it is a very fine line I will follow the precedents of former Speakers. In order to protect the rights of minorities, I will accept the motion.

Your ruling at that time, Sir, was to accept the motion. It was a difficult question. There had been ongoing debate about the Auditor-General. There is now ongoing debate about police numbers. However, I seek to debate the new action of the writing of the letter. It is specifically referred to in the motion, as drafted, which seeks that the house:

> ... do now adjourn for the purpose of discussing a definite matter of urgent public importance — namely, the unusual action by the Chief Commissioner of Police, Mr Comrie, in writing personally to every member of the Victoria Police Force ...

That is the matter I seek to discuss. The ongoing subject of police numbers is a separate issue. I seek to discuss the matters the police commissioner raised in his letter. This motion requires a ruling similar to that made on 4 December 1996. I submit to you, Sir, that it is almost an identical situation. Therefore debate should proceed.

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I rise to speak, Mr Speaker, only because you questioned the admissibility of the motion. The same thoughts went through my mind but I was prepared to allow — —

Honourable members interjecting.

Mr W. D. McGRATH — You are absolutely right. If one considers the 17th edition of *May*, one realises that the adjournment motion fails because prima facie it is not urgent. If one looks at *May*, which I have done, one sees that the matter must be urgent. The debate about police resources has been going on ever since the budget and expenditure review committee process has been in place — ever since I have been Minister for Police and Emergency Services. Therefore I question whether the matter is as urgent as it is claimed to be.

Further, the fact that new information has been received about a matter that has been continuing for some time does not in itself make the matter urgent. The issue has been running in the public arena for the past six or eight weeks. Paragraph (2)(c)(i) at page 365 of *May* refers to:

> ... when the matter could be raised on the Estimates.

That process will be available once the budget has been introduced. It makes sense that the all-party Public Accounts and Estimates Committee is the right and proper place for such a matter.

I make one further point, about which I have some reservations. I question the right of Parliament to discuss a letter the chief commissioner wrote to members of the police force. He has every right to write to individual members of the force. It is his police force. I have not had any association with him in the writing of that letter. For me to do so would be to enter into debate about the separation of powers. To discuss the letter in this forum would be to verge on issues of the separation of powers. The chief commissioner had the right to send that letter.

A minister, a government or an opposition would need to be very careful about breaching something sacrosanct in Victoria. Unlike Queensland or New South Wales, which have had royal commissions, Victoria has maintained a strict separation of powers to ensure that the state continues to have a very good, clean police force. I offer those reasons, Mr Speaker, to give credence from this side to your questioning the admissibility of the motion.

Mr THWAITES (Albert Park) — I thank the Minister for Police and Emergency Services, who has greatly assisted our submissions by pointing out accurately that the letter goes beyond merely raising the issue of police numbers on an ongoing matter; it raises the relationship between the police commissioner and his police officers and, indeed, the issue of the separation of powers. That fact alone makes this a new matter, worthy of debate in this house. Therefore I thank the Minister for Police and Emergency Services for his expert submission to the house.

It is clear that the Speaker must consider three issues. The first is whether the matter is definite, and it is definite. It is a specific matter — that is, the action of the Chief Commissioner of Police in writing to all police officers at their home addresses, which is an unusual and extraordinary step.

Secondly, the matter has to be of public importance. There is no doubt the action of the chief commissioner in writing to all his members is an unusual step that is of the greatest public importance. Thirdly, the matter has to be urgent. That third issue appears to be the one concerning the Speaker.

In relation to urgency, *May* says the issue must be prima facie urgent; and already that urgency has been established by more than 12 opposition members standing in support of the motion. The previous Speaker, Mr Delzoppo, found that that in itself was sufficient. In April 1993 the then honourable member for Coburg moved a motion on discrimination against women. The Attorney-General drew attention to the fact that the matter had been raised with her two or three weeks previously. The Speaker then stated:

> ... I cannot accept the point of order. The question of urgency is well established in the Standing Orders and in precedent. Urgency is established by 12 members rising in their place ...

So that has already been established. It would be the opposition's submission that there is nothing further for it to establish. But even if there are more hurdles the government seeks to put in front of a debate on this letter, I am happy to address those matters.

Is the matter of recent occurrence? Yes, it is. The letter was received, as I understand it, late last week. Is it the first opportunity for debate? Yes, it is. There has been no opportunity for a debate in this place since the letter was sent and received. Has it been raised at the first opportunity? Clearly this is the first opportunity the opposition has had to raise it.

The issue that has caused some concern about these debates in the past is whether the matter is a continuing grievance. The 17th edition of *May* states:

> The fact that a grievance is continuing is not sufficient if it is not of recent occurrence.

Sometimes that has been used as the basis for arguing that if the matter concerns a continuing grievance it is disqualified from being the subject of an urgency debate. But that is not what *May* says. It merely says that it is not sufficient for the matter to be a continuing grievance if it is not of recent occurrence. So it is no disqualification that this letter is linked to or in some way concerned with or an aspect of a continuing debate about police.

If a restrictive view is adopted, we may never be able to have an urgency debate about anything, because everything is connected in one way or another to something else. For example, if there is a serious flood one can argue that that is connected to the weather, which of course it is — it is an aspect of the weather; but that does not disqualify it from being debated in this place.

What we are seeking to debate today is the letter of the Chief Commissioner of Police, and more particularly the action of the chief commissioner in writing to every member of the police force at his or her home, which is unusual and extraordinary. This is exactly on foot with the finding that you, Mr Speaker, made on 4 December 1996 in relation to the Auditor-General's letter to all members of this house, when you found that that writing of the letter about the audit review by the Auditor-General meant it could be debated on an adjournment motion.

That is an exact metaphor for this case, and I urge you, Mr Speaker, to adopt it. There have been numerous instances of similar matters being raised through adjournment motions that have been allowed by the Speaker, even though they relate to or are connected in some way with a continuing grievance. I refer you, Sir, to the debate on 6 September 1995 when the opposition urgency motion related to:

> ... the government's failure to address the crisis in the child protection system as evidenced by the submission to the Auditor-General of the Children's Welfare Association of Victoria.

That was allowed. Of course child protection is an ongoing issue, but the matter that was the substance of the debate was the submission by the Children's Welfare Association, which is exactly the same as the situation here, where the subject of the debate is the letter of the chief commissioner.

Similarly, on 18 May 1994 the motion concerned community unrest and concern expressed by the Victorian Council of Civil Liberties on 7 May 1994 regarding:

> ... the Minister for Planning's increasing use of his powers to bypass normal planning procedures.

I would have thought the bypassing by the Minister for Planning and Local Government of planning procedures was certainly a continuing grievance — it continues to this day. What was allowed as the subject of debate on that day was the concern expressed by the Victorian Council of Civil Liberties. Similarly, today's motion on the letter of the chief commissioner should be allowable.

I turn specifically to the letter. The letter itself, on its face, states that it is unusual. The Chief Commissioner of Police says that. The chief commissioner is in a special position. He is not just an ordinary member of

the public taking part in some debate about police numbers. As the Minister for Police and Emergency Services said, this raises fundamental issues about separation of powers and about relationships between the chief commissioner and his police officers. He is under his own statute, independent of government. To say that this letter is just part of a continuing debate is an insult to the chief commissioner. To say that is to say that the chief commissioner is in some way just like everyone else in the community, and of course that is totally unacceptable.

I will conclude with two matters: firstly, the Minister for Police and Emergency Services stated that there would be a future opportunity to deal with this matter in the budget debate. Speakers have repeatedly found that a future opportunity some weeks hence is not sufficient. It must be immediate. There must be an immediate opportunity today or in the next day or so.

Finally, if there is any doubt in your mind, Mr Speaker, about the admissibility of this motion, if it is a borderline case, I would urge you to exercise your discretion to give it the benefit of the doubt, because the opportunities for this place to debate important issues such as police numbers are very limited.

This government has closed down the Parliament. It makes it almost impossible to have a debate, and therefore — —

The SPEAKER — Order! The honourable member is now straying from the point before the Chair.

Mr THWAITES — I urge you, Mr Speaker, first to protect the interests of the minority, which is what you held in relation to the Auditor-General's letter, and second to give all members of the government a chance to have their say on the police commissioner's letter, because members in this place ought to be able to debate an important letter from the head of our independent police force.

Mr BATCHELOR (Thomastown) — I join in putting the advice you sought, Mr Speaker, when this urgency motion was first called on. You have heard arguments put to you by honourable members from both sides, and I would like to briefly add my views to those comments.

There is no doubt in my mind that the adjournment motion meets the tests provided for the guidance of Parliament and yourself in *May*. You have narrowed the issue down to seeking advice on whether the matter is urgent and by inference have accepted that the other criteria have unambiguously been met.

The most salient point for me to argue is that this is a separate matter from the ongoing political debate about police numbers. The letter from the Chief Commissioner of Police to all members of the police force is a separate issue and, as he says, an unusual step. In the letter the chief commissioner sets out a series of issues of concern to him about his relationship with the police force. The only conclusion one can come to about the letter and the reason it was written is that it is a separate matter that can and should be discussed by members of this house.

The Minister for Police and Emergency Services raised a number of points, and the helpful nature of his submission was indicated by the honourable member for Albert Park. The minister said Parliament had no right to discuss a letter from the Chief Commissioner of Police to members of the police force. That is a preposterous proposition. Members of Parliament have not only the right but the duty to discuss issues concerning the Victoria Police. The fact the minister uses that argument as a reason to gag the opposition is an indication that his arguments are flawed. He couched his arguments in the language of *May*, but to put forward arguments couched in the language of *May* does not mean those arguments on their own stand scrutiny.

The issues raised by the opposition in support of the adjournment motion are the same as those raised by the opposition during an earlier debate about whether to consider the urgency motion moved to discuss a letter sent by the Auditor-General to members of Parliament. Mr Speaker, those issues were summarised in your ruling on that matter and they are the core of the issues raised today. The proposed motion refers to a letter written by the chief commissioner. Honourable members understand the implications that letter has in any debate on this issue. Nevertheless, the opposition accepts that it is a separate issue.

Another point made in the earlier debate related to the Speaker's responsibility to protect the rights of minorities. That Westminster tradition was brought to your attention during that debate and was acknowledged by you as a reason for proceeding with the urgency motion at that time.

Mr Speaker, if you think this matter is a borderline case, which I do not, you have a duty to protect the rights of minorities and allow the debate to proceed. I urge you to consider the two fundamental points I have raised and to rule that the motion is in order and that the debate should proceed.

Mr RYAN (Gippsland South) — Mr Speaker, I urge you to have regard to the words contained in standing order 26(a) of the *Standing Orders and Rules of the Legislative Assembly*:

> A Member rising in his place may propose to move 'That the House do now adjourn' for the purpose of discussing a definite matter of urgent public importance ...

Mr Speaker, for the purpose of your ruling you should characterise what is 'of urgent public importance'. The wording of the explanation in support of the adjournment motion focuses on the Chief Commissioner of Police writing a letter to members of the police force which the opposition characterises as being an unusual action. To that extent the content of the letter is irrelevant. The issue concerns Parliament debating the fact that the chief commissioner has written a letter to members of the police force, and that issue should not be debated in this place. It is not inappropriate for the issues contained in the letter to be discussed in this place, but that is not the issue.

Mr Thwaites interjected.

The SPEAKER — Order! The Deputy Leader of the Opposition was heard in silence and I ask him to give the same courtesy to other members.

Mr RYAN — The question is whether the matters contained in the letter should be discussed in this house through the medium of this motion. No-one disputes that it is an important issue, but the government says that it is an inappropriate mechanism for the opposition to use to debate this matter. Mr Speaker, I submit that the fact the chief commissioner chose to write to members of the police force is not a matter that you ought to consider as being urgent and, therefore, debated in this place.

The SPEAKER — Order! I shall deal firstly with an issue raised by the honourable member for Thomastown. The honourable member said that during the debate on whether to proceed with the adjournment motion concerning the Auditor-General it was brought to my attention that, according to Westminster tradition, I should uphold the rights of minorities. The reverse, in fact, was the case. When giving my ruling on whether to proceed with that motion I said the Speaker should always endeavour to uphold the rights of minorities. It was something I said, not something that was brought to my notice.

In his contribution the Minister for Police and Emergency Services said the budget debate was the appropriate time in which to raise this issue. The budget will be presented on 4 May, and it does not provide an early opportunity to debate this issue. I do not accept that argument. The minister suggested this matter could be dealt with by the budget and expenditure review committee. That committee may wish to consider this issue, but it is an inappropriate forum for an adjournment motion to be considered. The minister also referred to an argument about the separation of powers. While the Parliament must recognise that separation, I do not consider this matter should be precluded from debate in Parliament if it is determined that it meets the other urgency criteria. I therefore do not accept the points made by the Minister for Police and Emergency Services.

The Deputy Leader of the Opposition tried to extend the motion in talking about the letter addressed to the homes of all members of the police force. That was not part of the motion. Parliament is not aware whether the letter went to the home addresses of all members of the police force. The letter, of which I have a copy, is addressed 'Dear colleague'; no address is given and there is no indication it was sent to members' private addresses.

It is not correct to say that 12 members standing in their places establishes a matter of urgency. It establishes a prima facie case of urgency only. The Chair unilaterally, or after hearing argument, can determine whether the matter is an urgent matter for debate. The Deputy Leader of the Opposition referred to a number of urgency motions accepted by the Chair on previous occasions. If the Chair is not in possession of the facts in relation to those motions, the Chair cannot say whether they are relevant to this motion, even though what the honourable member said may be right. The use of those previous issues without having the facts assessed does not necessarily make them a precedent in this case.

In his comments on matters put to me when deciding on whether to proceed with the urgency motion concerning the Auditor-General, the honourable member for Thomastown acknowledged that the Auditor-General's action in writing to all members of Parliament was unprecedented.

The chief commissioner writing to all members of the police force, although an unusual act as the police commissioner says, cannot be seen to be unprecedented. It is something the police commissioner might do occasionally on matters of great importance to the police force. The commissioner's letter goes on to say:

> I am taking the unusual step of writing to you personally because I am most concerned about the divisive impact the current debate on police numbers is having on the force.

As has been referred to on a number of occasions, *May* says:

> The fact that a grievance is continuing is not sufficient if it is not of recent occurrence.

The letter is a recent occurrence. However, the Deputy Leader of the Opposition did not go on to refer to *May's* further statement that:

> The fact that new information has been received regarding a matter that has been continuing for some time does not in itself make the matter one of urgency.

The commissioner's letter itself talks about the 'current debate'. In other words, the police commissioner himself is entering into a current debate.

Page 642 of the 17th edition of *May* refers to a situation in which the Speaker ruled in relation to a similar matter:

> To start with, the occurrence must be a somewhat sudden emergency.
>
> This matter has been going on for some time. The only new thing is the letter, which was received on 11 July —

in other words, the day before the matter came before the Chair.

I rule against the motion on this occasion. I cannot accept it.

Mr Bracks — On a point of order, Mr Speaker, I raise a matter concerning a comparison of the letters, one of which was sent by the Auditor-General to — —

The SPEAKER — Order! The honourable member is now wishing to raise something on which the Chair has made a ruling. I will not accept further argument.

Mr Thwaites — On a point of order, Mr Speaker, I am seeking guidance as to future practice in relation to adjournment motions. You indicated, Mr Speaker, in response to the submissions I made that you were unaware of the facts of the particular findings that had been made by previous Speakers.

The SPEAKER — Order! The honourable member is regurgitating matters he has already raised. I will not accept further points of order on the adjournment motion.

Mr Thwaites — If Mr Speaker will allow me to complete my point of order, I am seeking guidance for the future on how members can inform the Speaker about previous findings in relation to — —

The SPEAKER — Order! I would have thought that if the honourable member thought a little bit about what the Speaker said, and if he wished to inform the Speaker of the facts of the matter, he would not simply refer to the matter but would give the facts of each case so that the Speaker could judge it on its merits.

Mr Thwaites — I seek the Speaker's guidance as to whether a satisfactory procedure would be for the opposition to supply now for future occasions a list of the precedents or decisions — —

The SPEAKER — Order! I have ruled on this point of order. If the honourable member wishes to raise that sort of issue when there is consideration of an adjournment motion, he should present the facts to the Chair at the time.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Membership

Mr GUDE (Minister for Education) — By leave, I move:

> That Mr Bracks be discharged from attendance on the Public Accounts and Estimates Committee and that Mr Mildenhall be appointed in his stead.

Motion agreed to.

HOUSING: MAINTENANCE

Mr LEIGH (Mordialloc) — I should be flattered that opposition members wanted to move an adjournment motion so that I could not speak on this motion today. I am delighted to move:

> That this house congratulates the government on reducing the public housing maintenance backlog inherited on coming to office in 1992.

I have served as a member of the housing bills committee since this government came to office. For today's debate we need to put the relevant matters into categories. First, there is the matter of what happened during the Labor years that led to what can only be described as an unholy mess requiring the Kennett government to carry out a massive program. Urgent maintenance and the purchase of new stock were needed, and much more. According to my recollection of the way the Labor government operated during the 1980s, clients of the former Ministry of Housing and their neighbours were effectively facing chaos. Rather than having one person at the ministry to deal with there was an endless string of different people trying to

solve everything from washer replacements to rather more serious problems.

Historically Melbourne has suffered from problems caused by the location of ministry properties. In the past substantial amounts of stock were located in inner Melbourne. Some of that stock was in places such as the electorate of the honourable member for Albert Park. Many were very old buildings, perhaps occupied by a single person from a family long gone. Some properties of that kind might have been worth hundreds of thousands of dollars. Obviously it was necessary to look after the person who remained in the property, and more often than not the property was run down.

I am not advocating that the government take steps to remove people from houses they have lived in over the years. But the problem is that, particularly when Melbourne was growing up, so to speak, during the 1960s and 1970s, three or four people could have been living in one house, whereas today it is common for one person to live on a property. In one case no major maintenance had been carried out on a house in Albert for many years. The house and land were worth hundreds of thousands of dollars. The result of such large sums being tied up in single properties was that in outer suburbs such as Cheltenham there was a seven or eight-year waiting list for public housing.

It is important that the government look after older people who may have lived in the one house for many years, but there are problems that have to be resolved, particularly given that older people who live in old houses more often than not find it difficult to deal with the associated problems — for instance, big backyards. The situation has changed in recent years with the advent of multi-unit housing, which is part of the historical trend in Victoria's development.

One could be excused for thinking that opposition members suffer massively from amnesia. The Leader of the Opposition admits that he worked as an adviser to John Cain and Joan Kirner, but when you ask him what policy-making he participated in you find that he does not know. He apparently had nothing to do with any policy decision made by former Labor governments. He was merely learning so that he would not blow it if he ever became Premier. Of the 40 present members of the Victorian opposition, 20 were either advisers or ministers in the Cain and Kirner governments. Of the 20 former advisers or ministers, 10 are members of the opposition frontbench.

Mr Batchelor interjected.

Mr LEIGH — If the honourable member for Thomastown waited he might find out what is going on.

Mr Batchelor — On a point of order, Mr Deputy Speaker, the notice of motion — —

Mr Leigh interjected.

Mr Batchelor — You call me a jerk!

The DEPUTY SPEAKER — Order! The Chair finds that remark across the chamber to be unparliamentary. I ask the honourable member for Mordialloc to withdraw.

Mr LEIGH — I withdraw.

Mr Batchelor — I thank you for your assistance, Mr Deputy Speaker.

On the point of order, Sir, the motion moved by the honourable member for Mordialloc relates to public housing maintenance. Prior to his ill-tempered outburst he was referring to the employment of members of the Labor Party. I ask that you bring him back to the matter before the Chair.

Mr LEIGH — On the point of order, Mr Deputy Speaker, I was making a passing reference. It is not something I wish to continue with. I was making a point about policy decisions, and I will now talk about policy decisions on housing. If the honourable member for Thomastown is patient, he will find out.

The DEPUTY SPEAKER — Order! I uphold the point of order. The terms of the motion are specific. I accept the honourable member for Mordialloc was making a passing reference, but he should now return to the motion.

Mr LEIGH — I mentioned it because it relates to major housing policies.

The issues range from local concerns that affect members of the public directly — as happened in my electorate, which I will come to shortly — to broader issues. I refer in particular to a scheme the former Labor government introduced in the 1980s known as HOLS — the home opportunity loans scheme. That scheme took responsibility for the housing backlog away from the ministry and placed it with the private sector. The scheme was a flop, and it has led to bigger problems in the purchase and maintenance backlog. It caused absolute chaos for many families around Melbourne, and it continued from its introduction under

the former Minister for Housing and Construction, Mr Tony Sheehan, until 1991.

In my opinion the scheme was designed for two reasons: first, as a publicity stunt to make the former government look better towards the end of its administration, and second, as an attempt to remove from the books as much of the ministry backlog as possible. Some of my constituents experienced absolute chaos as a result of the former government's programs, and they literally walked out of their houses.

The government is still dealing with those issues. It has no choice but to do so because of the financial mess the former government caused. The former Labor government tried to remedy major housing problems by supposedly giving people cheap housing arrangements in an effort to get their names off the waiting list for ministry housing. The people involved in the scheme paid nothing up-front. However, the net result has been that those people are now back on the waiting list. Some of them lost everything they owned. It was a disaster. If a bank treated people like that the matter would come before the courts.

As with all governments, this government has done good things and has sometimes made mistakes. The most fundamental change with the housing ministry, particularly in my electorate, is that it now treats people as clients.

Staff do not treat the people with whom they deal as a bother to the department. My electorate office is located below that of an Office of Housing branch. People are treated like clients of a bank or similar organisation. Although problems still arise, in general the attitude of the public servants who deal with those problems is markedly different from the attitude adopted under the Labor government.

Since he is smiling I assume the honourable member for Ivanhoe does not accept that fact. However, I sat in this place when the Labor Party formed the government and I assure him that clients of the housing ministry were regarded as nothing and treated like dirt. The honourable member for Thomastown supported those tactics and those of the backroom boys administering the housing ministry.

The public service policy of the current government is different. Public servants are there to serve and relate to people. From my electorate office in Cheltenham which, as I said, is below the Office of Housing branch, I probably deal with more problems associated with people requiring public housing more than most other honourable members. If I am hung up with a problem I bother the minister.

I am aware of two local examples. The policy of the former Labor government was to purchase only one property in a street. However, it did not adhere to that policy. Two streets in my electorate had public housing opposite each other. It took the current government three years to sell one of them. During the time those houses were owned by the department they were tenanted by — you name it! There was everyone, including paedophiles. Neighbours fitted shutters to their windows for protection. I have a file approximately 6 inches thick detailing incidents that occurred when the Labor Party was in power; yet honourable members on the other side regard themselves as carers of people.

In another street the problem was worse. The Minister for Housing knows the example to which I refer, and she did an outstanding job resolving the problem. The residents involved in that case at Parkdale went through hell. There were two houses facing each other. Although tenants in one property caused no problem the tenants in the other house created hell.

I was amazed to discover that the Honourable Tayfun Eren, a member for the Doutta Galla Province in another place, is on the waiting list for public housing. Some of the waiting-list problems are perhaps caused by the inclusion of names that should not be there. It is incredible that an honourable member earning $90 000 a year is on the list, preventing some other person in the queue from obtaining a property.

During the 1980s the Labor government of the day bought a substantial number of properties but did nothing about their maintenance. As all home owners and tenants know, if a property is allowed to run down it will cost more money to repair. As a result of the lack of maintenance the current government has spent much money repairing the mess. From portfolio to portfolio one found the results of the lack of competency on the part of the former administration by failing to do what it was supposed to do.

Since 1992 the government has improved the quality of housing stock through the implementation of an asset management strategy. It acquires stock that better matches its clients' needs, upgrades stock that is needed in the longer term, redevelops, replaces and disposes of poor quality stock and increases program maintenance. Both the current and former housing ministers have fought with the various tenant organisations about what should happen.

Sometimes the government has examined the possibility of redeveloping an entire site. At Karingal in my electorate the government contemplated selling the site, requesting the builders to build new stock and giving them part of the land. That did not happen but it emphasises the government's positive programs, which involve both the private and government sectors.

Between June 1992 and June 1998 some $1.7 billion was spent on acquisitions, upgrades, redevelopment and maintenance. The Productivity Commission *Report on Government Services* demonstrates that Victoria and Queensland are above the national average for the state of their stock. According to the Labor Party the Kennett government is uncaring about people's interests; yet Victoria and Queensland have the best quality stock in the country. The Labor Party does not want to speak about that.

The former shadow Minister for Housing, who is now the shadow minister for employment, tertiary education and training, spoke a great deal about bits and pieces. However, if she reads the file on past occurrences her views may be different. In the 1990s the government introduced a detailed inspection program of its stock. By December 1995 for the first time the department had inspected some 94 per cent of its stock.

For the first time the government was inspecting its own stock. What happened in the years when the former Labor government bought stock and never bothered to inspect it? It is incredible that any government should have been so incompetent as to never inspect the properties that it owned on behalf of Victorian taxpayers.

By December 1995 almost 94 per cent of all public housing stock had been inspected and it was planned to inspect the remaining 6.7 per cent as soon as possible. It is envisaged that 20 per cent of the total stock will be reinspected every 12 months thereafter on a rolling five-year cycle, so that all properties will be reinspected during that period. Following inspection the properties are categorised as excellent, good, fair, poor or very poor.

Between June 1992 and June 1998 some 10 825 properties were acquired to better match the housing stock to the needs of clients. The acquisition of those properties meant that 16 per cent of the stock available at June 1998 had been acquired within the previous six years, introducing into the public housing stock pool housing that was in a better condition than most existing stock. Maintenance costs increase dramatically as houses age, particularly houses of the standard of some public housing properties. Having more modern properties brings down those costs to some degree, and I presume the opposition would regard that as being in the interests of taxpayers. In addition to acquisitions some $428 million has been spent on physically improving and upgrading public and community-managed housing stock. Over the period in question the upgrading budget was continually boosted and expenditure in 1997–98 was 138 per cent higher than in 1992–93.

The estate in the honourable member for Northcote's electorate known as the Walker Street estate is a good example of what happened with some public housing stock. It might be a good idea for the honourable member for Northcote to come across from the sunny bush area in which she lives and visit the people that she represents. She may or may not be aware of the Walker Street estate. I do not have the *Melway* reference for her, but I am sure the Minister for Housing would be very happy to assist her in that regard. The estate is on the corner of Walker and High streets and consists of 103 mainly 2 and 3-bedroom flats. The flats were built in 1960 of concrete panels. The estate is a particularly dense site and has limited privacy and open space. Following a meeting of the minister and representatives of the residents committee a detailed feasibility of the redevelopment of the estate was prepared. The study proposed the demolition of certain blocks to reduce the density, improve security and upgrade the remaining blocks.

The work was staged as follows. Stage 1A consisted of the demolition of all of block 9 and two-thirds of block 8, while leaving the community facility and the flats above it intact. Stage 1B consisted of an internal road closure and associated works, the demolition and relocation of the external laundries for apartment blocks 1 to 5, general estate repairs, and the reinstatement of existing public lighting. Some $495 000 was set aside in the 1997–98 budget for the redevelopment of stages 1A and 1B, and stage 1A reached the practical completion stage on 19 May 1998. The tender for stage 1B was awarded in April 1998. Approximately $400 000 was available in the 1998–99 budget to complete the stage 2 works, involving upgrading the fire services and general public lighting, the completion of fencing revisions against new road works, minor landscaping and complete external painting. It was anticipated stage 2 would be completed by December 1998.

I would suggest to the honourable member for Northcote that that estate is probably a good place to start finding out where her electorate is and seeing the work of the Kennett government. The opposition consistently has a go at the government and says it is

not doing anything in Labor electorates; it suggests that somehow the Kennett government looks after Liberal electorates. Opposition members should not judge the government by the standards Labor applied when it was the government of the day.

The Olympic Village residential development at Heidelberg West is another example of the Kennett government's achievements and will be of interest to the honourable member for Ivanhoe. The honourable member for Ivanhoe cannot be accused of not being everywhere across his electorate and of not trying hard. I have heard that he nitpicks a bit sometimes, but apart from that I am told that he is studious in following up what happens to his constituents. It might be of benefit for him as the Opposition Whip to sit the honourable member for Northcote down and have a serious chat to her about when she proposes to move to her electorate, how she can recognise her own constituents and what she is going to do to look after them.

The Olympic Village structure plan has been approved. The implementation stage addresses issues in the predominantly public housing neighbourhood of Heidelberg West under the guidance of the Olympic Village Residential Committee. The committee was convened by the then Minister for Housing, the Honourable Rob Knowles, to oversee and formulate the redevelopment, and was chaired by my colleague the Honourable Bill Forwood, a member for Thomastown Province in another place. I have heard that even the honourable member for Ivanhoe has good things to say about Mr Forwood's work on the issue.

An Opposition Member — Never!

Mr LEIGH — I cannot believe that; it is obviously party politics taking over.

The membership of the committee comprised representatives of the Office of Housing, the local council and neighbourhood communities.

Mr Batchelor interjected.

Mr LEIGH — I am not running for Bulleen, so there is no need to worry about it.

The ACTING SPEAKER (Mr Seitz) — Order! Discussion among honourable members is disorderly. The honourable member for Mordialloc will ignore interjections.

Mr LEIGH — I thank the Acting Speaker for his protection — I obviously need it. The extent of the Office of Housing's involvement in the project included the demolition of 67 properties, the construction of up to 134 new public rental units, improvement works to 244 existing public rental properties, the sale of 10 parcels of land to the private sector for development of up to 192 units for private accommodation, and a final commitment of $14 million to be set aside, offset by $2.2 million recouped from land sales. The local municipality committed $3.8 million for improvements to amenities and infrastructure of the Olympic Village as part of the redevelopment.

In December 1996 the Director of Housing accepted a tender for the purchase of land and construction of 83 public dwelling units to be built over a four-year period. Stage 1 of the contract for 37 units was completed on 3 December 1997 for $3 036 200. The successful tenancy relocations and the availability of funds enabled the three remaining stages to be combined into a single stage 2, which was completed on 19 September 1997 for $3 779 169. Prior to awarding the contract an additional 28 public housing units were completed by way of separate contracts. The attachment indicates that the Olympic Village redevelopment project was ahead of schedule. Improvement works to the existing housing stock had been completed and the local council continued to implement roadworks improvements.

This project is in the electorate of Ivanhoe. The Labor Party continually attacks the Kennett government for not looking after the other side of Melbourne. What has happened? In two instances — and I could go through more — —

Mrs Henderson interjected.

Mr LEIGH — Absolutely, the Labor Party had 10 years. Does the honourable member for Thomastown live in Thomastown?

Mr Batchelor interjected.

Mr LEIGH — When the honourable member for Thomastown won his seat, he did so only with the assistance of the Democrats, so I do not think too much about his credibility. Those figures indicate that the Kennett government has been consistent about one thing in public housing policy: that it believes people have a right to good quality accommodation. The government does as much as it can to ensure that happens within its budget.

The government has also involved the private sector in a successful way. That is why I used the example of the home opportunity loan scheme arrangements. HOLS went off the rails in another way and did not work. It destroyed many people's lives. Let me assure those opposition members who laugh about it that I have

constituents who had voted for Labor until they bought a HOLS house, and now they are safe Liberal voters because of the money they lost through that scheme. It was a scandal. The less said about that today the better because this is a positive debate.

Importantly, the government has sought not only to look after metropolitan Melbourne but also to administer rural public housing stock. Other than perhaps the honourable members for Bendigo West and Morwell, Labor members believe Victoria stops at the end of the tram tracks. The former Labor government had no public housing policy for country Victoria. The coalition government has treated country Victorians in exactly the same way as city people — fairly and reasonably — because it does not matter where you live in Victoria, you still pay taxes. And if you require housing accommodation, obviously the government of the day has to look after you in the best way it can.

Since the honourable member for Thomastown obviously likes these examples I will give him another one — the Maidstone–Braybrook redevelopment. The redevelopment comprised part of the Maidstone–Braybrook area in the vicinity of Churchill Avenue and Braybrook Road.

Mr Batchelor — On a point of order, Mr Acting Speaker, the honourable member is obviously quoting from a document. I would like him to table it.

Mr LEIGH — I would be delighted. I will supply the honourable member with a copy.

The ACTING SPEAKER (Mr Seitz) — Order! Is the honourable member for Mordialloc prepared to make the document available?

Mr LEIGH — Absolutely, Mr Acting Speaker.

The ACTING SPEAKER (Mr Seitz) — The honourable member will make the document available after the debate is concluded.

Mr LEIGH — I will also make available my handwritten notes, because the honourable member for Thomastown might like to read them. So that the house is aware of the notes I have, I will also include an extract from *Hansard* of 12 April 1989. In answer to a question without notice, the then Premier, John Cain, talked about HOLS.

I refer the house to an article in the *Age* of 7 January 1991 headed 'Labor launches $1 billion home finance plan', in which Tony Sheehan, then Minister for Housing and Construction, is quoted as saying that HOLS helped 400 families. Everybody else said it was a dumb scheme. I am happy to make available to the house an article in the *Herald Sun* of 8 January 1991 headed 'Blast for state housing scheme', which contains a lovely photograph of Tony Sheehan still with his beard. This is a good example of documents that should be made available to the house. The visionary attitude of the then opposition housing spokesman, Mr John Richardson, is contained in the article. The honourable member criticised the introduction of the housing scheme, describing it as a farce.

For the information of the honourable member for Thomastown, I also have a number of press releases from the then Minister for Housing and Construction, the Honourable Bunna Walsh. The first, dated 9 August 1988, is headed 'Housing package to assist first home owners' mentions funding amounting to $200 million for the home opportunity loan scheme. The beginning of a multitude of disasters known as HOLS was mentioned in that press release. The then minister said that assistance was in the form of a loan of up to a maximum of $4000 depending on the percentage of income needed to meet loan repayments to private lending institutions, which is exactly what I have said.

A press release dated 16 August 1988 is headed 'First home opportunity loan makes Pam a home owner'. I wonder whether she still has the house in Pascoe Vale. The then minister, Bunna Walsh, said it was a brilliant scheme and that thanks to him this lady had a house sponsored by the then Ministry of Housing. I will make that document available as well. Most of these documents were obtained from the library, so if the honourable member for Thomastown would like more information I am sure the library would be more than happy to provide it.

Another press release dated 12 August 1988 headed 'Minister "opens the door" for Broadmeadows home buyers' has Bunna Walsh signalling a gradual release of 280 hectares of affordable residential land in Broadmeadows where he opened a $1 million housing display village at Coolaroo, on the Meadow Heights estate. Does the honourable member for Thomastown know that one? It was built by local tradespeople. The press release states:

> Mr Walsh said his ministry had also introduced the new home loan scheme — home opportunity loans to assist first-home buyers and low-income earners and embarked on the HOME scheme with the Housing Industry Association.

The honourable member does not need to worry, the documents are all here. Unlike the honourable member for Thomastown who likes printing things, I always make everything available to the house. He should not

judge me as he judges himself. We know his history of looking after people's interests — it is not a great one.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member will address the Chair.

Mr LEIGH — Mr Acting Speaker, I missed a graph which is an extract from the Productivity Commission's *Report on Government Services 1999*. It demonstrates that the condition of housing stock in Victoria is above the national average. My notes are also available. Opposition members will obviously go through them with a fine-tooth comb as they contain a massive amount of secret information.

I will deal with local issues as well, because I have dealt with many people who have required public housing over the years. I have been a member of Parliament for a considerable period and, as I said at the outset, I have noticed a significant change in the attitude of public housing consumers and departmental officers.

One issue is to make sure the next person in the queue gets the next available house. Obviously there is a big demand for three-bedroom and on occasion even four-bedroom properties. No government has ever been able to grapple with problems like that which occurred with an honourable member for Doutta Galla Province in another place. Obviously some people should not have their names on the waiting list. All governments have to be sensitive about the way they address such issues. I know the minister is. However, something has to be done to ensure that people like that honourable member for Doutta Galla Province do not have their names on the waiting list.

Victorians need an explanation about how somebody like that can sneak his name onto a housing waiting list that already has a backlog. Did he put down that his income was not $90 000 a year? Did he forget about the car and other things? Did he claim he is paying the money to somebody else and is getting only $30 000? I do not know. The Leader of the Opposition might like to explain to me how one of his colleagues could do something like that.

Do opposition members think it helps their credibility? They claim to represent disadvantaged people yet one of them is first in the queue despite the fact that he earns $90 000 a year as an MP — never mind some of the other things members of Parliament get. I have no difficulty with Mr Eren being a member of Parliament. He has served the government well as a member of Parliament. I often run into him at Turkish functions. However, something needs to be done to stop such incidents of rorting in the future.

Government members know that the conscience of Parliament, the honourable member for Niddrie, is in the chamber. Perhaps we should ask for his opinion on the credibility of his colleague in this instance. I think the honourable member for Niddrie is a member of the same power base as Mr Eren. I would be fascinated to know if he thinks that is an appropriate set of standards. On the one hand he tries to judge the government. That is fair enough; I have no problem with it. But will he judge his colleague in the same manner?

When I uncovered the incident I gave notice of a motion. Members like the honourable member for Thomastown squealed about it; they did not like it being sheeted back to the opposition. You have to be fair and learn to take it. Some people in this chamber are good at dishing it out but have glass jaws when it comes to taking it.

The waiting list reveals many people in genuine need. If members of Parliament are to judge themselves responsibly they must ensure that those people live in reasonable conditions and that their children have the opportunity to go to local schools. Living and working in shocking environments will not help people become responsible citizens.

There are also occasions — not many — when tenants drive their neighbours to absolute distraction. That can happen to anybody who buys a house, and I understand that. However, the ministry has a responsibility to ensure that its tenants are good neighbours. I understand that that is very difficult for a department.

I refer to an example when the minister and the department acted quickly to resolve one such problem. I speak on behalf of all the residents in the street concerned when I say that they could not believe the minister was so prepared to fix the mess. They were amazed; that is what I heard. Some pregnant ladies in the street were almost in tears when they talked about what had been going on. The minister knows that, because she talked to them. If the department has problems with tenants it has to go through the appropriate processes at the residential tenancies tribunal just like anybody else.

When the department owns a house filled with paedophiles who drive everybody to distraction — as happened in the time of the Labor government — it has a responsibility to ensure from the outset that the tenants look after the property, just as I do with my tenants, and hope they are reasonable neighbours. I do

not know how the government deals with such issues. It is not just a responsibility of the Kennett government. It is the responsibility of all members of Parliament. They are involved because government money is involved.

Another issue is that of older people in old or large houses who want to continue to live and participate in their communities. The government of the day has a responsibility to ensure that the housing stock is where the people are. For example, although there are historical reasons for the housing stock being where it is, that means little when the people needing housing live in other areas. People have to wait seven or eight years for three-bedroom houses.

For historical reasons the government has significant assets in a block around Melbourne. Some members of the Labor Party do not want to do anything about it because they see that as taking away their power base. They see the people in those areas as Labor voters. I have often been surprised by the number of people who do not share the same background as me. That used to prevent me from seeing some of the problems that occur. Although I started with the wrong perception years ago my point of view changed simply because of my involvement as a member of Parliament over the years. Governments have to care.

Whenever I drive past a local housing estate I notice that a brand new BMW is always parked out the front. It is not in my electorate. I do not know whether the owner is a resident of the estate, but I drive down that road constantly and the BMW is always there. It makes me wonder who owns it. Some years ago a New South Wales senator was living in state housing commission accommodation while being paid as a senator. From memory she was a member of the far left of the Labor Party. It is a significant problem.

As I said, it is not a problem the Kennett government can solve by itself. Perhaps a future Labor government will solve it. When the people get rid of the current crew, most of those opposite will probably get into government. That tends to happen in a democracy. I have been here long enough to view such sea changes.

The government has only so many public dollars to spend. They must be spent in a manner that enhances the lives of those most in need. I mean what I say. Methods of dealing with those problems must be faced now and into the future. Governments will have to show sensitivity. The last thing that should happen is for people who have lived in a street for 35 years and know all their neighbours to be thrown out and placed in some other area with which they have no association. Further, residents of housing ministry accommodation are often still close to their relatives, which provides a backup for them. It is much easier for such people to obtain assistance from family members than to rely on outside services. That must result in savings to the government on service costs. Current and future commonwealth and state governments will have to deal with a range of issues in the same sensitive, caring manner as the Kennett government has done during its period in office.

Although the government has demonstrated that it cares, the Labor Party has tried to portray the coalition as doing nothing but making economic decisions. I hope during my contribution today I have provided the house with some good examples of why that is not so. I invite the honourable member for Northcote to visit the Walker Street estate in her electorate. The minister is more than happy to give her the *Melway* reference so that the honourable member can leave her nice rural retreat — —

Mr Baker — Stick to the policy argument. You were doing all right with that. Don't do the dirty stuff!

Mr LEIGH — If the honourable member for Sunshine had been here — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable for Mordialloc will ignore interjections.

Mr LEIGH — I have high regard for the honourable member for Sunshine, so much so that when he thinks I am doing something wrong I try to ensure that he understands the position.

Mr Baker — You were making a bit of sense and I was interested. So don't do the dirty!

Mr LEIGH — I use that estate as an example of what the Kennett government is doing.

Mr Spry — You do it your way. If you want to be dirty, so be it!

Mr LEIGH — The honourable member for Bellarine says do it one way, and the honourable member for Sunshine says do it the other way. I am not sure which way to go. Perhaps I will do it the way the Chair says I should do it!

From a public policy point of view the Kennett government has overcome some of the big hurdles facing it in this important area. Some sensitive issues still need to be dealt with, but in the life of the next Kennett government one matter the government might consider is giving an all-party parliamentary committee

a reference to examine guidelines or procedures for ensuring that elderly residents have their lifestyles enhanced by moving them closer to resources and so on. If governments do not do that, members of the community will continue to have problems with housing. We must have a well worked-out procedure that all political parties can agree on, or we will face bigger problems, with the mix of stock continually changing, a significant section of our population getting older, and people moving out to Cranbourne and similar areas.

The Kennett government deserves all the credit. Certainly the former minister — the current Minister for Health — deserves credit for what he did with the bill committee involved in this area. If they wanted to, honourable members could be really involved in the workings of that committee. Often one finds that government bill committees meet on the last day before bills are introduced into the house. That did not happen with the housing committee, which is commendable. If governments want to stay in power longer, members of bills committees must be prepared to work hard. Not all power rests with the bureaucracy or the minister; those who see things differently can add to the workings of government.

I say that with the benefit of having been chairman of the Family and Community Development Committee for the past six years. When inquiring into services for older persons and the needs of families the committee took evidence from people who had dealings with the Office of Housing.

I congratulate the government on a terrific job. It is difficult for people when they are faced with change. Often the problem relates to fear. It is not that people do not appreciate the change or that they will not benefit from it — they probably would. But, as we all know, when you are asked to take a step into the unknown most people do not want to do so because they are comfortable where they are. Sometimes a change is as good as a holiday, as they say.

I would be interested to learn from the honourable member for Ivanhoe whether he supports everything the government has done in the Olympic Village. He might like to tell the government whether it has failed there. His constituents may be interested to know what his policy is in that area. Does he support what has happened? Perhaps the government can provide further assistance. I look forward to his comments.

Mr LANGDON (Ivanhoe) — It is a great pleasure to join the debate on the motion moved by the honourable member for Mordialloc. I will commence with a preamble, which seems to be all the rage at the moment. I am one of the few members of Parliament living in a former Ministry of Housing home, which I purchased in 1984 and have lived in since. I understand the confines of housing stock and so on.

I live in West Heidelberg — the heart of the housing estate in my electorate — not in the Olympic Village but not far from it. My electorate office is directly opposite the Office of Housing office in Oriel Road, and it is frequently visited by tenants complaining about the Office of Housing, priority housing and, unfortunately, maintenance.

Maintenance is one of the biggest problems public tenants have had and continue to have, which contradicts the motion. I have had experience with housing matters since 1988, when I was elected to the local council, and have dealt with housing concerns for 11 years. I assure the house that the problems are ongoing, with highs and lows. The matter is getting worse in some areas because obviously the stock is getting older, and every year brings with it a burden the government has to deal with.

I will pay one compliment to the Minister for Housing, with whom I have had many dealings, even though the work we have done together is just the tip of the iceberg. She has always responded efficiently to my correspondence, and I congratulate her on that. She has always shown a caring personal manner, as she does in the house.

However, I cannot agree with the honourable member for Mordialloc's summary of what has happened in housing, particularly with the backlog issue. I have an example that I will read into *Hansard* shortly, but first I shall pick up on his remarks about paedophiles in his electorate. The house should note that he did not use the expression 'convicted paedophiles'. I do not know whether they were convicted or whether it was hearsay, but honourable members should always refrain from spreading hearsay. If those people were convicted, that is another matter, but the honourable did not use the word 'convicted'. He should choose his words more wisely in describing certain situations.

The honourable member for Mordialloc mentioned the Olympic Village, and my office and home are not far from it. There has been a fundamental change in the Olympic Village, supported by the City of Banyule, formerly the City of Heidelberg, of which I was a councillor. The previous and current federal governments have also assisted, as has the state government. I also give credit to the former member for Ivanhoe, the Honourable Vin Heffernan, whom I have

criticised many times in this house for many things he did not do but should have done, et cetera.

I acknowledge that the former honourable member for Ivanhoe, always considered issues raised by West Heidelberg residents. He once owned a service station in Heidelberg Heights and said he knew the issues and the people in that area. Many residents have told me that when discussing problems in the area with the former member he would say to them that he was really a Labor person at heart and loved representing Labor areas. That is a strange and contradictory thing for a person representing the Liberal Party to say, but that was his style.

Prior to the Olympic Village being refurbished the first phase of the development involved pulling down many of the most dilapidated homes. The cynics among us thought that was an attempt to move hundreds of people who would normally vote for the Labor Party to neighbouring electorates to improve the re-election chances of the former honourable member for Ivanhoe. I am sure the house would agree that the likelihood of the residents of West Heidelberg voting for the government party would be low at best, but the fact that many people were moved to neighbouring Labor electorates was not lost on any of us.

Mr Cameron interjected.

Mr LANGDON — The honourable member for Bendigo West said it was cleansing, and I suppose that is the case. It did not help the former honourable member for Ivanhoe because people voted against him en masse.

My electorate office receives a constant flood of housing issues. My memory does not allow me to say exactly how many inquiries we would receive in a year, but it would be in the hundreds. People come to my office to talk about maintenance problems ranging from the horrific to the minor. A picture paints a thousand words. Many people tell me about the cracks in their walls and the state of repair of their houses. I do not always receive a prompt response when I send a letter to the Office of Housing, but when I include with that letter pictures of cracks and the state of repair of the house the response is far better. Often the cracks are 2 inches wide, and housing officers respond more promptly when they realise the cracks are not minor but substantial. However, it illustrates that the Office of Housing should respond more promptly to letters from constituents and members of Parliament.

The honourable member for Mordialloc said there had been a fundamental change in the way the Office of Housing dealt with its clients. He referred to public housing clients being similar to clients of a bank. As a former bank officer in the early 1980s, I do not think I have heard clients of banks say to me during the past five years that the service they receive from their bank has improved. The honourable member has not used the best example when referring to clients of the Office of Housing being similar to clients of banks. I have with me a letter about the possible closure of a bank in my area, which illustrates the fact that banks care about their shareholders and not their clients. They do not mention clients in the letter. The honourable member has used a bad example. I hope the Office of Housing will not treat its clients in the way banks treat their clients.

As an example of the problems that can occur with renovations to houses I refer honourable members to an Office of Housing house in Wimpole Crescent, Heidelberg West. The tenants of that house, who have a young child, have lived in the residence for seven years. In mid-November 1988 the department renewed all windows, window frames and screens, and reused some of the window sealing. The aluminium frame windows were left on the property for four to five weeks during which time all the glass windows were smashed. That obviously caused problems for the family with their young child. The family advises me that a few weeks later, with no prior notice, painters arrived at the house and told them that all the furniture had to be removed to prepare the house for painting. The painters just turned up and demanded that the residents move all their furniture straightaway. The painters used drop sheets sparingly, with the result that there were paint splashes on the doors, the walls and clothes.

Having recently renovated my house I can compare the work of tradespeople. The people who renovated my house treated me with respect, did their work on time and did not go missing for days or weeks at a time. The tenants of Wimpole Crescent told me that the contractors left unfinished work for days or weeks at a time. I urge the Minister for Housing to instruct her office to treat its clients as private clients would be treated. I know the minister may wish that to be the case, but it does not always occur. The tenants also advised me that not all of the cracks in the walls were repaired and that those that were repaired have reopened. The work obviously is substandard. The painters revarnished doors without repairing or removing the paint that had been splashed on them. That is not good enough. The tenants told me that it is a patchwork. They want to live in a nice environment but they have to put up with this patchwork.

While the bathroom and the kitchen were being painted the bath and the basin were removed. All honourable members would acknowledge that the kitchen and bathroom of a house are of fundamental importance to the way people live. The tenants say they were advised on the Friday that the bath and basin would be removed. The following Wednesday, five days later, the tenants rang the Office of Housing and asked what was happening. The office was told that workers had removed the bath and basin from the room but nothing had happened since the previous Friday.

Mr Lean interjected.

Mr LANGDON — The honourable member for Carrum says by interjection that my speech is riveting. Government members praising the Office of Housing should be prepared to accept that it does not always do the right thing. This issue may not be riveting for the honourable member for Carrum, but it is an important issue to raise in this house.

Mr Lean — How many times did it happen?

Mr LANGDON — A large number of people visiting my office complain about similar issues. I do not refer all those cases to the minister because she receives sufficient letters from me as it is.

The tenants said that an inspector visited the house and work on the bathroom commenced soon afterwards. The bath and shower recess were installed, but the shower could not be used because there was no shower screen. Just prior to Christmas the work stopped. The shower screen was not installed until 11 January, even though the shower had been installed prior to Christmas. In February the kitchen cupboards were ripped out and new cupboards and a kitchen sink were installed, but without water, taps or tiles, and a bare floor.

Mrs Henderson — Have you talked about the enormous improvements being made to the housing in the Olympic Village?

Mr LANGDON — I mentioned that, but you were distracted at the time.

The kitchen was there, the cupboards were there, but there was no plumbing. This is a kitchen we are talking about; a place to feed a family from. They could not use it because none of the plumbing had been done. Perhaps this is an extreme example, but there is more.

I know the minister would find it appalling that this could occur and she would not personally wish any such thing to happen, but these things do occur, and this is just one example. I do not say they happen all the time, but it would be preferable if they did not happen at all.

The family went on to tell me that the basin was finally installed in the bathroom some two and a half months later. Anyone would say that that is appalling. I am advised that the cupboards were installed on 15 February.

Mrs Henderson interjected.

Mr LANGDON — I will take up the minister's point on the Olympic Village.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Ivanhoe does not need the assistance of the minister!

An honourable member interjected.

Mr LANGDON — You raised the issue of blinds. It is often the case that people come into my office with difficulties about blinds. Often when they are moved into a new flat they find that it has broken blinds or no blinds at all. They are then told by the housing staff that they will have to pay for the blinds themselves, even though that was not the original arrangement. The people I am referring to also had difficulty with blinds that were of poor quality and did not work after they were installed.

The letter moves on to an example of something that happens even more frequently in this area. In February 1999 a large part of a gum tree fell into their backyard. I do not know what made that happen. Gum trees have a habit of doing such things. The timber fell onto their clothesline. That is an act of God or of nature.

Mr Cameron interjected.

Mr LANGDON — No doubt, being in the electorate of Ivanhoe, it was a red gum.

They sought to have the clothesline repaired. The letter states that the maintenance people came to fix the clothesline but could not do so because the timber was still on top of it. I do not know how they thought they were going to repair it without moving the timber. A week later others came with chainsaws and cut up the fallen part of the tree. They advised the occupants of the property that the remaining part of the tree was dead and would also have to be removed. The workmen could not remove it, however, because they did not have a work order. A litany of little mistakes.

The writers of the letter also advised me that the toilet pipes were constantly blocked by the roots of a tree and had to be repaired by the plumber every four to six months. I know the minister is aware of the problem of toilet blockages because I have written to her on the subject.

Blocked toilets have been a constant problem in three or four blocks of flats between Bardia Street and Bell Street. They comprise about eight dwellings each. I have had no further complaints in the past 6 to 12 months, but over a longer period the toilets in those buildings became blocked one after the other.

Returning to the matter of the Olympic Village, I wish to say that I have been involved in housing matters in the area since 1988. The former Labor government spent a large sum of money throughout the West Heidelberg area improving fencing. I am not sure whether the minister has been out to West Heidelberg, but if she drives through the housing estate she will see a large number of white fences that were installed by the Labor government.

Mrs Henderson interjected.

Mr LANGDON — Yes, fencing was a problem. People with young children who had to live in houses without fencing had a major worry. The minister may no longer have young children, but I do, and these days people want to make sure their children are safe.

Mrs Henderson interjected.

Mr LANGDON — It was certainly not small. A large number of blocks were fenced. I cannot remember exactly how many houses were fenced, but the number is certainly more than 300 to 400.

Boyd Crescent, in the heart of the Olympic Village, originally had a group of three-storey buildings and was commonly known as Little Chicago. It was notorious. The buildings were the only three-storey units in the village and they were part of the old section. The minister tries to tell me the current government has done absolutely everything for the Olympic Village and the former Labor government did absolutely nothing. Those rows of three-storey buildings, however, were removed by the Labor government and elderly person units were erected in their place. A large number of family units were provided in Boyd Crescent.

Mrs Henderson interjected.

Mr LANGDON — That was done prior to this government coming to office. Many houses were replaced in the Olympic Village prior to the term of this government.

The coalition government has prepared an action plan to which the cities of Banyule and Heidelberg have contributed significantly. The City of Banyule deserves credit for spending more than $1 million on improving roads and other services in the Olympic Village.

I note that the honourable member for Mordialloc praised the Honourable Bill Forwood, an honourable member for Templestowe Province in another place, for the work he has done. I have had complaints from members of the committee advising the government on the Olympic Village that it rarely meets. Once a year was the last meeting arrangement I heard of. I do not know how often it met originally. The other complaint from members of the committee is that it does very little.

An honourable member interjected.

Mr LANGDON — Great leadership! The Honourable Bill Forwood may have dictated to them; I am not certain. I was not invited to attend.

An honourable member interjected.

Mr LANGDON — Far from it. I am more than pleased to represent the people of Heidelberg West and the Olympic Village estate, where the Labor vote at Olympic Village Primary School gets up to about 75 to 80 per cent. I am more than pleased that the residents of the estate are in my electorate, and I hope they remain there. When the current redevelopment of the Olympic Village estate took place many people thought it was an attempt to cleanse the area of Labor Party voters. It did not work. I raise that matter again because when I raised it earlier the Minister for Housing was engaged in conversation and did not hear me.

I am the only honourable member to represent Heidelberg West, and that includes an honourable member for Templestowe Province in the other place. I moved my office into that area to serve the many needs of local people involved in the housing issue. The government would not allow me to move into the office of the former minister, Vin Heffernan; it allowed the Honourable Carlo Furletti to move into that office.

Mrs Henderson — On a point of order, Mr Acting Speaker, I am reluctant to interrupt the honourable member for Ivanhoe, but I must point out that the motion is not about his office or his political involvements in his electorate, and I ask that you bring him back to the motion.

Mr LANGDON — On the point of order, Mr Acting Speaker, I am merely following the fine example set by the honourable member for Mordialloc, whom you did not have the opportunity to hear earlier. He mentioned paedophiles, the HOLS scheme and pregnant ladies. He well and truly drifted from the motion. My comments serve to illustrate my commitment to public housing and are more relevant to the motion than comments about paedophiles, the HOLS scheme or pregnant ladies.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member for Ivanhoe is beginning to stray from the motion. I ask him to return to the motion before the Chair.

Mr LANGDON — I have strayed no further than did the previous speaker. I raised those concerns because, as I said earlier, I believe the Minister for Housing is committed to housing, and I commend her for that, but the government must do more about the maintenance of public housing.

As a gesture of goodwill I will advise all public housing tenants in my electorate of the motion and encourage them to contact me about any maintenance problems they experience to ensure that their concerns are addressed. I say for the record that my constituents will be more than pleased to raise their concerns with me, and I will then raise them directly with the minister.

Mr SPRY (Bellarine) — The honourable member for Mordialloc moved that the house congratulate the government on reducing the public housing maintenance backlog inherited on coming to office in 1992.

With those words ringing in my ears I make the comment that the motion concerns asset management. So far as the government and Victoria are concerned, during the past five to six years asset management of public housing can be described only as good news.

Mrs Maddigan interjected.

Mr SPRY — The funny little scoffing noise made by the honourable member for Essendon shows how ignorant of the facts she is.

The scale of the operation should be commented on. The government is dealing with public housing assets in the order of $5.7 billion, which represents almost 70 000 independent housing units. It is a huge management program, and the government, particularly the minister and the minister before her, should be congratulated on the way they have tackled this enormous challenge and their success in dealing with property management.

It was interesting to hear the comments of the honourable member for Ivanhoe, who spent a lot of time trying to draw attention to small examples of the things that can go wrong in the management of 67 000 public housing units. It is not unexpected that from time to time odd incidents will occur. It is right and proper that those incidents should be brought to the attention of the Office of Housing and, if they are serious, to the attention of the minister.

It was also interesting to hear the honourable member for Ivanhoe's ringing endorsement of the minister's willingness to address those sorts of problems when they are brought to her attention. It was gratifying to hear him compliment the minister, and it was generous of him to do so.

During the term of the former Labor government in the 1980s the enormous expansion of public rental properties was not supported by appropriate maintenance programs. That issue was addressed by the coalition government when it came to office in 1992. At that time the government went through the entire register of publicly owned and managed properties, not merely in the housing sector but across all government sectors, including schools. An assessment of stock and the review of the register revealed that the maintenance backlog was alarming, and in the public housing sector it was very alarming.

I was a member of the housing bills committee that found that the register was inaccurate and had not been upgraded for some time. It was difficult to get a handle on the stock the government owned and the condition it was in. The housing ministry was in chaos, which reflected the administrative efforts of the former Labor government in its dying days. Its administration was out of kilter, and it had lost touch with asset management.

Since 1992, when it came to power, the Kennett government has developed an asset management strategy that is designed to better meet the needs of the clients it is privileged to deal with while upgrading the stock it will need in the longer term. As was cited earlier, some $5.7 billion is invested in public housing, so it is necessary to keep the stock turning over. As the honourable member for Mordialloc said, unless stock is constantly regenerated debasement occurs and the cost of maintenance becomes enormous.

From June 1992 to June 1998 the government spent some $1.7 billion on acquisitions, upgrades, redevelopment and maintenance. Recent

announcements on public housing developments include those on 17 February, when the minister announced the refurbishment of the Regal Hotel at St Kilda to provide long-term accommodation for 55 people; 16 February, when the Thomson estate redevelopment at East Geelong was announced; 15 February, when the extension of a free home inspection service for the elderly was announced, including amounts of up to $20 000 as special loans for repairs; 26 November 1998, when $10.8 million was committed for 133 new homes in Maidstone and Braybrook; November 1998, when 19 new Braybrook units were opened at a cost of $1.26 million; 14 May 1998, when more than $1.1 million was allocated for family and older person units in Broadmeadows; 6 May 1998, when a redevelopment of 20 Richmond units for the elderly costing $1.2 million was opened; and May 1998, when $1.7 million was committed for 22 new family housing units at Norlane at Geelong. That list sets out approximately half the recent initiatives announced by the minister. It is a commendable record of achievement.

On coming to power the government undertook a property condition inspection review. During the mid-1990s a detailed inspection of public rental properties was undertaken by the Director of Housing. By December 1995, 93.3 per cent of all stock had been inspected for the first time. As the honourable member for Mordialloc said, the government has now embarked on a rolling five-year review of all government-owned stock. That means 20 per cent of housing stock will be reviewed every year, thus maintaining the government's understanding of the stock's condition.

Data gathered from those inspections was categorised as either excellent, good, fair, poor or very poor — and detailed mention was made of the former Olympic Village.

Ms Davies — Mr Deputy Speaker, I direct your attention to the state of the house.

Quorum formed.

Mr SPRY — I hope that satisfies the honourable member for Gippsland West. She entered the chamber only about half a minute before she drew attention to the lack of a quorum, and one might wonder where she has been and what sort of game she is playing.

An honourable member interjected.

Mr SPRY — The honourable member for Gippsland West is the guilty party in this instance!

As I was pointing out, part of the government's objectives has been to remove stock that is in poor condition and requires excessive maintenance and to rationalise stock in areas of relatively low demand. Recently I visited the Olympic Village and was staggered to see the size and scale of the operation that was initiated under the former Minister for Housing, the Honourable Rob Knowles, and overseen by a committee chaired by the Honourable Bill Forwood, a member for Templestowe Province in another place. There was an enormous amount of community consultation on the project.

The state of the site during the years of neglect by the former Labor government was frightening. It was something one would expect to see in an area that was under siege. Windows in the shopping centre were boarded up and properties were unusable. It was from such a base that the government had to address the real problems at Olympic Village. It is to the government's credit that the site has been totally revamped and the social issues have been addressed and overcome — an enormous achievement. The residents of the village now have an extraordinary feeling of pride in their community.

Earlier this year I had the privilege of being asked by the Minister for Housing to look into an area in East Geelong called the Thomson Estate. In some ways it was similar to the Olympic Village situation and the same principles applied — the Office of Housing was looking to regenerate an area that had become gradually degraded. The process mirrored the already successful process undertaken at the Olympic Village and other areas like it. Olympic Village set the template for other redevelopments throughout Victoria. The minister initiated similar projects in Bendigo, a couple in the central city area — —

Mrs Maddigan — In Shepparton.

Mr SPRY — Yes, in Shepparton. One of the minister's instructions to me and the advisory committee was to ensure that there was close and detailed community consultation. To date there have been three public meetings, the last of which was conducted in the style of a community forum. Approximately 100 people attended and were divided into four groups. As I was the chairman of the committee I did not guide the groups — —

Mr Hamilton — You were guiding them.

Mr SPRY — I did not guide those groups. There were approximately 25 people in each group. The views of the smaller groups were not only heard but

also discussed and debated in detail. The exercise was the ultimate in community consultation. The members of the committee comprised officers of the City of Greater Geelong, a tenant representative, a community representative who is the chairman of the council of the local Tate Street Primary School, and officers of the Office of Housing. It was a well-credentialled advisory committee, and I am confident that by the end of May the minister will have a first-class, comprehensive report that she can take into consideration and act upon if she feels so inclined.

I made those remarks about something that is happening in the electorate adjoining mine because I want to draw attention to the origins of the motion and reflect on the topic of the debate — namely, the government's performance in reducing the public housing maintenance backlog that it inherited on coming to office in 1992. My comments about East Geelong and the Thomson estate confirm the commitment of the government and the minister to addressing that issue and demonstrate how it is going about that process in an effective way.

I strongly support the motion moved by the honourable member for Mordialloc.

Mr BRUMBY (Broadmeadows) — I welcome the debate and the opportunity for honourable members from both sides of the house to agree on the importance of public housing and to exchange some views on maintenance and the adequacy of the public housing stock. I also welcome the notes that were tabled by the honourable member for Mordialloc, notes that presumably have come from the minister's office providing background information on public housing estate improvement, maintenance and upgrading.

The minister will probably not agree but between 1992 and 1996, the term of the first Kennett government, the performance of the government on public housing was at best average. Many people would use the expression 'very average' to describe the performance of the government during that time. Massive cutbacks occurred in capital funding for new housing construction and maintenance. Consequently, there was a significant blow-out in public housing waiting lists. As I understand the 1992–96 figures, funding available for housing assistance declined by 14 per cent in real terms, which meant that more than 55 000 people across Victoria were waiting for public housing. Waiting times increased, with 37 000 households waiting for more than two years and 38 per cent of people on critical priority lists waiting for more than six months.

That was compounded by a private rental market which was overheating — for example, in the 12 months to January 1997 rents increased by 8 per cent; the vacancy rate for private rental accommodation was dangerously low at 1.8 per cent; and at the same time about 100 000 low-income Victorian families were spending more than 30 per cent of their income on rent. It is accepted — and the minister is nodding in agreement — that that is too much to be paying in rent.

Since then a number of changes have occurred that have improved the situation. In the private rental market obviously interest rates have continued to decline markedly. Interest rates are now the lowest in Australia's modern history — the past 50 years. That has improved housing affordability. It means more people who might otherwise use public housing have been able to go out into the private market to buy or rent at more competitive rates.

The government has also provided additional funds for capital works. There has been an increased rate of housing construction. It is also true that increased funding has been made available for the vital area of maintenance. The minister's briefing notes refer to an increase of about 138 per cent in the funding available for maintenance in the current year compared with 1992–93. Although that increase is welcome, it is coming off what was an extraordinarily low base in 1992 and 1993.

I want to make the point generally — it is a view that is probably shared by most honourable members — that public housing is crucial to the economic welfare of Victoria. There is an important role for public housing. A dynamic private sector is developing new housing in Victoria at a very satisfactory rate, but public housing also has an important role. I am always reminded of the extensive investigation undertaken by organisations such as the former Industry Commission, which examined the role of public housing and concluded that public housing is essential and cost effective and has a role to play in maintaining and improving living standards, particularly of low-income families.

Public housing is also important in a counter-cyclical sense. The housing market normally goes through a cycle. I hope it will not be the case, but if in a few years interest rates have increased because of economic or international pressures and the rate of new construction in the private sector declines, it would be important that the public housing market expand to take up some of the slack and to maintain job opportunities and the overall housing stock. That public housing role, in terms of it being counter-cyclical, is also crucial to the economic health of Victoria.

I refer to maintenance. The honourable member for Bellarine referred to the massive expansion that occurred in public housing stock in the 1980s — and the minister's briefing notes confirm that there was a huge expansion. At the time it was appropriate policy to expand the housing stock. It was not large enough. Indeed, I recall when, in around 1979–1982 when the Premier was the Minister of Housing and Malcolm Fraser was the Prime Minister, he publicly attacked the Prime Minister over cutbacks in public housing funds. I remember it distinctly because it was quite an issue at the time. The now Premier called on the former Prime Minister to slash spending on overseas aid and to put it into public housing. I mention that because it highlights that at the time there was a shortage of public housing. The strategy in the 1980s to construct more was the correct strategy. I acknowledge it meant that there was a growing backlog of maintenance occurring across the system which had to be tackled, and that is what the house is debating today.

As I have said, I rate the performance of the government in its first term as pretty average. That performance in relation to the stock and the maintenance of that stock, and in improving some of the public housing estates across Victoria, has improved considerably. I congratulate the government on that. However, there are still problems. I refer to a note recording an anonymous telephone call to my electorate officer on 17 October 1996 on public housing:

> Caller said he works in the Office of Housing and is fed up with the lack of service now being provided to tenants. He says:
>
> 1 The maintenance budget is fully spent.
>
> 2 Area managers have been told that they must cut all further maintenance spending and that if tenants wish to have maintenance done on their houses, they must fill in a form 15 —

and take the form to the tribunal which is at a cost to the tenant —

> 3. Only the most urgent maintenance which constitutes a safety hazard will be undertaken.

And it goes on. That was late 1996. There has been some improvement since then. I have dozens of examples of housing needs in my electorate. I highlight them because although the government's performance in public housing has improved, there is more that can be done. I will relate some of the cases that have come to my office. I have a note from December 1998 to the effect that Lorraine C is homeless and a sole supporting parent of three boys aged 7, 2 and 1. She was evicted from her private rental housing in February. Both she and her children were unable to find rental accommodation due to the circumstances of their eviction and there being no suitable dwellings within the income range.

The family was living on a part-time basis with friends and relatives who already had their accommodation fully occupied and that necessitated the family sleeping on the floor. All three children suffer chronic asthma. I pointed out to the local housing office that continuation of this arrangement would be detrimental to their long-term prospects. I made representations to the Office of Housing to try to find housing for them.

Another case from May last year concerns the K family, who were evicted from their private rental housing. The family is currently residing on a temporary basis with friends. They have five children, aged 15, 13, 7, 4 and 2. They have been actively seeking private rental accommodation but have been unsuccessful. One of their sons has severe asthma and psychiatric problems. Various emergency housing agencies have been approached but all efforts have been unsuccessful.

In respect of the maintenance question, back in October 1997 the L family needed improvements to the fencing around the property in which they live. The office had been told about it for three years but nothing had happened.

In another case in February this year, Gail L was evicted from private rental housing. She is a single mother and has three children. Transitional housing put her into a match but said in February it had no further funds and she has to vacate today.

Mrs Henderson interjected.

Mr BRUMBY — The minister said $100 million has gone into transitional housing, which I welcome. This particular constituent rang the minister's office and her application was approved, but no houses were available. I understand from my office that this woman went again to the minister's office and staged a sit-in, but she has now been given a townhouse and is happy.

In another case concerning maintenance, Mrs T makes the point that two security doors were to be fitted at the back of her house. They were listed to be provided in the tenancy contract in May 1996 and the case was brought in October 1996. Backlogs certainly exist. Another case from 1998 deals with increases in rental payments. It just goes to show the difficulties those policies cause low-income families.

Another case concerns a family with eight children. Some of the families in public housing are very large and it is difficult for them to make ends meet. In the case of Carolyn D, from December last year, she, her husband and baby were due to be evicted from private rental accommodation. They were referred to emergency housing, to caravan parks and so on. When contacted, the section dealing with transitional housing told my staff that the section had 16 people waiting for every house in that category and could not help these particular people as they were not yet homeless. They are just some of the cases. Of course there are dozens more in my office. As all members have said, public housing is one of the areas that attracts continuing representations to Parliament.

The government's performance in its first term was pretty average, with major cutbacks in housing and major increases in waiting lists. However, the situation has improved. More has been spent on new housing stock and maintenance. There have been significant redevelopments that have been very positive.

The minister is well aware that I would like to see the area of Dallas in my electorate redeveloped. The area has old concrete slab, prefab housing, much of it substandard. Some is being demolished, some is being sold off to the private sector but much of the area needs redevelopment. As I said, I know the minister is aware of it. She has visited my electorate and I thank her for that. However, it would give me a great deal of satisfaction if more progress were made in major and significant redevelopments in housing in that area.

Because of the Western Ring Road and the widening of the Tullamarine Freeway, the north-western suburbs are becoming increasingly popular areas in which to live. That is increasing the pressure on housing, both in the private and public sectors. Recently in Glenroy one of the old box forest school sites was sold off and subdivided, and every block sold for more than $100 000. If that had been said about Glenroy 5 or 10 years ago people would have laughed, but it shows the extent to which those suburbs are becoming more popular. To some extent it highlights the substandard history of the housing in those areas. It was not the fault of this government or the previous government. The problem goes back to the 1960s and 1970s. Housing stocks need replacing, the sooner the better.

From the minister's briefing notes I find that some positive things are occurring in estates such as Maidstone, Braybrook, Northcote and so on. I hope the minister looks at the Dallas area as well. I know she is familiar with it, and I hope she will give it greater priority and an injection of capital funds to boost housing stock.

I am relaxed about the involvement of the private sector in major housing redevelopments, providing proper safeguards are built in. I do not mean the private sector in the sense of simply contracting to build houses; I mean private sector in the sense of infrastructure investment, provided proper management and proper safeguards are put in place. Opportunities exist — some will involve superannuation funds and others — to step up the rate at which the redevelopment of housing stock takes place. I welcome the motion and welcome the opportunity to speak to it.

Although the maintenance situation is better than it was, as with all these things, we can always do better. I hope that can continue in the future. I hope the minister will examine public housing in the Dallas area of my electorate. As I said, she is familiar with it because she has visited it. I think public housing in my electorate was examined in the past year. If the government could give some priority to redeveloping Dallas and providing it with the best possible public housing it would be a great showcase, a great thing for the northern suburbs and a positive statement for the Victorian government.

Mr LEAN (Carrum) — I acknowledge the great work the Kennett government has done in bringing public housing maintenance backlogs up to date. I shall comment on an issue the honourable member for Broadmeadows spoke about. I agree that it is all very well to create new assets. Because my background is assets management, I know there must always be some basis for their maintenance. The former government constructed a great deal of public housing, but there is little point in creating enormous amounts of assets — public housing in this case — if maintenance is not carried out. One would be just chasing one's tail. While new assets are being created the old ones are deteriorating. The bottom end of the line does not keep up with the top end and one ends up just marking time.

Many figures have been bandied about this morning, but I point out that since 1992 the government has improved the quality and implementation of asset management, and over the period from 1992 to 1998 some $1.7 billion has been spent on acquisitions, upgrades, redevelopment and maintenance in public housing.

The majority of the stock is now considered to be in good or even excellent condition. I will quote from the Productivity Commission report on government services in 1999:

> A housing stock condition index relates to the cost of repairs/maintenance required to bring all public rental stock up to an adequate condition relative to the replacement value of that stock. A low index value indicates that the stock is in relatively poor condition, while a higher value indicates that it is in relatively good condition.
>
> This is the first time that data has been collected for this indicator. A number of methodological and collection issues still need to be addressed, so the results should be treated with caution.

It goes on to say that in South Australia and the Australian Capital Territory 89 per cent of public housing was in good or excellent condition and Victoria, Queensland and Tasmania all had ratings of 99 per cent.

On that basis members of the government can say a lot of effort has been put into the backlogs. In December 1995, 93 per cent of all stock had been checked to see what the backlog was. We are working on the basis that every 12 months thereafter, over a five-year cycle, at least 20 per cent of existing housing stock will be looked at and checked for maintenance purposes.

This again goes back to asset management. Although the government is creating new stock and upgrading old stock, it is still checking the existing stock to ensure that the standard is kept up. Some $428 million was spent on physical improvements over 1997–98, which was 138 per cent higher than the amount spent during 1992–93. The boosting of the upgrades was based on these property inspections, and the physical improvements include major refurbishments such as roof repairs, window replacement and basic major construction work.

There has been some criticism of the government about stock disposal, but old stock gets to a stage where it just physically cannot be maintained. Also, many of the old, larger four-bedroom homes occupied by elderly couples have basically passed their use-by dates.

Many of those larger homes are in inner metropolitan areas and young families of today prefer to live further out of the city — 25 or 30 kilometres away, in newer areas. Consequently the government sold the older properties that have passed their use-by dates and bought new stock in the outer areas where there are more activities suitable for young families to be involved in.

Once again the government is catering for the needs of the community. It is not healthy to have people living in high-rise, ghetto arrangements in inner city areas, so the government has done away with that situation and is getting people out into areas where there is a mix of public and private housing so that people can live in a normal, family environment where there are parks and other amenities.

I take up one point made by the honourable member for Ivanhoe, who was having a great time talking about West Heidelberg. I know it well. The old Olympic Village area has deteriorated over a period of years. The honourable member was talking about the maintenance concerns of some of his constituents, but we do not live in a perfect world and whichever way we go there will always be maintenance problems. The problems in that area have been addressed over time and are still being addressed.

Obviously every now and again some situation will develop where things do not go according to plan and people are inconvenienced, but down in the Carrum electorate we have some wonderful public housing operations. We have some villages and a mix of private and public housing.

Unfortunately, from time to time people who move into a public housing area encounter difficulties with some of the private residents. The minister has had experiences with a few people in my area who, for one reason or another, find it difficult to accept people in public housing. But we have solved those problems, and after some discussion with the residents we have achieved happy outcomes.

The government has done a remarkable job on the upgrading of maintenance over the years. I am not familiar with the situation prior to 1992 and back in the 1980s, but from what I have seen I can say that the coalition government is doing an excellent job on the upgrading and maintenance of public housing.

Once a strong base has been built the situation can only improve. I believe the situation in public housing will now become even better, and the existing stock will improve even further and more stock will be provided.

Mr E. R. SMITH (Glen Waverley) — One of the interesting points that has come out of the debate is the government's record in the area of public housing. It is interesting that under Labor the budget blew out from somewhere in the vicinity of $11 billion to $33 billion, yet there were cutbacks in almost every area. When this government came to power it decided that one of its top priorities was to improve public housing stock.

The figures support that argument. I do not think the government trumpets these facts enough, and even if it did it would not receive the media coverage it wants. The media never seem to give credit where credit is due.

The figures speak for themselves. In the area of asset management, $1.7 billion has been spent on the acquisition and upgrading of housing stock. Somewhere in the vicinity of 70 000 houses are being managed by the state government. That is an enormous number, and a report produced in June last year shows that in the period to June, 84 per cent of the stock was classed as being in excellent condition. Only 10 per cent was fair, and only 0.6 per cent was classed as being poor.

That is a record of which the government should be proud. In times when people require public housing — in the past it was called housing commission accommodation, but these days it is known by the more dignified and accurate expression 'public housing' — the least a government can do is provide the very best for them.

As a member of Parliament trying to help people who come into the office with enormous problems it has been my experience that it is possible fairly quickly — you cannot do it straightaway, but you can do it fairly quickly — to help the people in the greatest need.

The honourable member for Mordialloc backed up his support for the motion and the government with sound arguments. I congratulate the Minister for Housing on her personal efforts in ensuring the government's message gets through to Victorians. It gives me great pleasure as a local member to support the motion.

Mrs HENDERSON (Minister for Housing) — I am delighted to support the motion moved by the honourable member for Mordialloc. As the Minister for Housing, I feel great pride in what has been achieved since 1992. It was acknowledged by all honourable members that the Kennett government inherited a huge backlog of maintenance and upgrading work in public housing. No sensible management tools had been established to assess the approximately $6 billion worth of taxpayers' assets and the backlog of work.

Since 1992 the government has improved the quality of Office of Housing stock by implementing an asset management structure — something that had not been done previously. One of the challenges facing the government and the community was how to better manage the stock and the change in the client base. Over the next few years the Office of Housing will face a further challenge of matching the available housing stock to its clients. A number of policy decisions will be made to overcome that challenge.

The Office of Housing waiting list has been reduced substantially, and I am proud that the government's policies have impacted on the waiting list, particularly for those people most in need of housing. Since 1992 the ministry has upgraded its stock through an injection of $428 million and has done considerable redevelopment work.

One of the most exciting challenges in redeveloping housing stock is illustrated in the work being done in Kensington. That estate comprises more than 700 high-density units in poor condition, and there are other problems that are not conducive to quiet family life. The government has taken up the challenge. The committee headed by the honourable member for Malvern is doing excellent work in developing policies for the future of the estate. The committee is examining how best to develop the estate and, more importantly, how to reduce the number of public housing tenants on the estate.

One of the most exciting things that has happened in public housing in decades is the demolition of one of the high-rise towers in Kensington. Approximately 108 households in that high-rise tower had to be relocated to other housing, and the people affected were given the opportunity to nominate where they wished to live. More than a third of the households chose to move some distance from the area. Other households wished to be relocated in surrounding areas. One of the most pleasant days of my week occurred when I visited one of the families that had been relocated from the high-rise tower. I had pleasure in seeing the joy the people found in living at ground level with a backyard and they told me they were part of a neighbourhood. The demolition of the high-rise tower at Kensington has started and we should all share the pride in seeing the redevelopment in that area.

The honourable member for Bellarine made an excellent contribution. He has also taken up the challenge of improving public housing stock by chairing an advisory committee for the Thomson estate in East Geelong, part of my electorate and an area that was sorely neglected by previous Labor administrations. The former Labor government walked away from the challenge facing it in that area, as well as other regions of Victoria. I am pleased with the work the honourable member for Bellarine is doing with his advisory committee. The Office of Housing will soon commence the upgrade of the housing stock in that area which the former Labor government walked away from.

Significant redevelopments have taken place in other parts of Victoria. The honourable member for Bendigo West will be pleased to know that the Office of Housing is applying the same strategy in redeveloping

the Long Gully estate in Bendigo. I feel some despair about the condition of the estate because it has been neglected over many years. The former Labor government turned its back on the maintenance problems at that estate. An honourable member for North Western Province in the other place, the Honourable Ron Best, leads an advisory committee that is adopting some innovative approaches, and its recommendations for development of the estate will soon be put to me.

I am optimistic about the government's achievements in public housing; it is addressing the backlog of maintenance work it inherited in 1992 and a strategy is now in place for prudent stock management, including the selling and development of stock.

I acknowledge the contributions of the honourable members for Mordialloc, Carrum and Bellarine. The honourable members for Ivanhoe and Broadmeadows were generous in their contributions by acknowledging that since 1992 the government has introduced considerable changes in public housing. By working in a bipartisan way the government and the opposition have the opportunity of making a considerable difference to the lives of many. We can provide affordable accommodation to give people some security, while acknowledging that some difficult policy decisions must be made. I am pleased the opposition supports the government in these decisions.

Debate interrupted pursuant to sessional orders.

Sitting suspended 12.59 p.m. until 2.05 p.m.

DISTINGUISHED VISITOR

The SPEAKER — Order! Before calling questions without notice, I wish to recognise in the gallery the Reverend Dr John Davis, Vicar of St Peter's, Eastern Hill. Dr Davis has graciously agreed to become one of our two parliamentary chaplains and will join the Reverend Father Anthony Fisher, who has been in the position of parliamentary chaplain for some time.

Honourable Members — Hear, hear!

QUESTIONS WITHOUT NOTICE

Police: regions

Mr BRACKS (Leader of the Opposition) — I refer the Premier to the new Victoria Police regional boundaries that are soon to be announced. The boundaries will reduce 17 police districts to just 5 regions. The new boundaries will place Northcote in the same region as Mildura, Bacchus Marsh in the same region as Casterton and Narre Warren in the same region as Mallacoota. Will the Premier admit that this will mark the death of local policing and is nothing more than a cost-cutting exercise designed to cover up the government's complete failure to adequately resource Victoria's police force?

Mr KENNETT (Premier) — I thank the honourable member for his scintillating question. First of all, the boundaries have already been released. They are not going to be released; they have been released. The question is factually incorrect; that is point one. Secondly, this is a matter for police command and has nothing to do with the government. The honourable member himself has said that it is not right for politicians to get involved in matters that are the responsibility of command.

The benefits of the arrangement are, in part, that there will be more commissioned officers available to rural and provincial Victoria.

City Link: key structures

Mr SPRY (Bellarine) — Will the Premier inform the house of initiatives the government is taking with regard to the key structures that make up Melbourne's road network?

Mr KENNETT (Premier) — For the past three years we have witnessed the construction of the Melbourne City Link, a 22-kilometre road project that will slash travelling times through and around the CBD.

Central to the project has been the construction of a new bridge over the Yarra River and two new underground tunnels beneath Kings Domain. The new cantilever bridge over the Yarra River is part of the western section of City Link, which links the West Gate Freeway with the Tullamarine Freeway. At almost 30 metres in height and 500 metres in length, complemented by two towers each 140 metres in height, the bridge will be an impressive landmark for Melbourne. I am sure those who have seen it lit up at night will be aware that it is going to be a major addition to our infrastructure and will also be the focus of a great deal of attention by the Victorian community.

I wish to advise the house that the new bridge over the Yarra River will be known as the Bolte Bridge in honour of Victoria's longest serving Premier, Sir Henry Bolte.

Mr Batchelor — He introduced tolls, too!

Mr KENNETT — Dear, oh dear! Mr Negative is at it again.

As many honourable members know, Sir Henry Bolte served as Premier from 1955 to 1972, and it was his foresight that led to the construction of the South Eastern Freeway, the West Gate Freeway and Tullamarine Freeway. Therefore, it is only fitting that the new bridge, as part of the City Link project, should join those three freeways, which were built as a result of Sir Henry Bolte's vision of strong growth for Melbourne and Victoria. I believe Bolte Bridge will be a permanent and practical reminder of the outstanding legacy left by Sir Henry Bolte for the development of Melbourne. I thank the many Victorians who contributed submissions in the naming process.

I also advise the house that the two underground road tunnels between Southbank and Punt Road at Burnley are nearing completion and will retain the names they have been given to date — the Burnley Tunnel and the Domain Tunnel respectively. The 3.4 kilometre Burnley Tunnel will take traffic eastbound from Sturt Street at Southbank through to the South Eastern Freeway at Burnley, and the shorter 1.6 kilometre Domain Tunnel will carry westbound traffic from the South Eastern Freeway through to the West Gate Freeway and beyond.

I also wish to announce that the government has decided to rename the South Eastern Freeway as the Monash Freeway in honour of one of Australia's greatest engineers and soldiers, Sir John Monash.

Honourable members interjecting.

Mr KENNETT — People observing the activities of the house will leave absolutely disappointed in the opposition's immaturity. The coalition would like to recognise those who have served Victoria well. Sir John Monash was a great Australian, not only because of his war experience but also because he was a wonderful engineer who was responsible for the construction of many of the bridges around Melbourne. As you know, Mr Speaker, he was also the person after whom Monash University was named. The Monash Freeway is the route by which most people from the inner city region travel to reach Monash University.

The government believes the new names are commendable, and as I said before, I thank the people who contributed to the process by which the decisions on the names were reached.

City Link: e-tags

Mr BATCHELOR (Thomastown) — I refer the Premier to his last answer concerning freeways and draw his attention to the day-to-day operations of City Link. The use of e-tags requires all motorists to understand the complicated City Link semi-morse code system, under which one beep means everything is OK; no beeps mean there is a problem and the motorist must ring City Link; four beeps mean the transponder has run out of registration or has been suspended; and one beep followed by two short beeps means the motorist must cough up more money. I ask the Premier whether he is aware that motorists could incur fines of $500 because of a failure to understand and respond to that code system, or has he been too busy playing dress-ups?

The SPEAKER — Order! The latter part of the question is out of order, as the honourable member for Thomastown should know.

Mr KENNETT (Premier) — That is a bit rich, given that the question has been asked by an individual who lied about fraudulently producing how-to-vote cards.

Honourable members interjecting.

The SPEAKER — Order! If my hearing was correct, despite the noise to my left, I believe the Premier used an unparliamentary expression, and I ask him to withdraw it.

Mr KENNETT — I withdraw. But the fact is that the honourable member for Thomastown admitted publicly that he had lied. He had lied!

The SPEAKER — Order! That does not excuse the expression being used in the house.

Mr KENNETT — I withdraw the word 'lie', but let me say that he did not tell the truth. Before I return to the major gist of the question I will deal with the latter part of it. I take great pride in being associated with the good work that has been achieved in Victoria.

The SPEAKER — Order! The latter part of the question has been ruled out of order.

Mr KENNETT — How terribly unfortunate because had it been ruled in order I would have said how passionate — but it was not, so I will not say anything about it.

The last time the honourable member for Thomastown referred to an issue about e-tags, I believe that, as is his

wont, he deliberately misled Parliament with the information he offered.

The SPEAKER — Order! The Premier may not make that comment. The Premier can make that comment only by way of a substantive motion. I ask the Premier to withdraw that statement.

Mr KENNETT — I can see that I will have a bad day today. I am missing my plot.

Honourable members interjecting.

Mr KENNETT — Deliberate? I withdraw 'deliberately'. Last week the honourable member for Thomastown misled the house through the information provided in his question. Therefore, I have no confidence that his current question is accurate. I suggest that he telephone Transurban and sort the matter out in his own mind.

Swimming pools: funding

Mr THOMPSON (Sandringham) — Will the Minister for Sport inform the house of details on the latest sports funding programs for aquatic facilities funded through the Community Support Fund?

Mr REYNOLDS (Minister for Sport) — I thank the honourable member for Sandringham for his interest in the subject, particularly as the current Victorian president of the Royal Life Saving Society.

The facilities development program introduced many years ago greatly benefits sport. However, over the past decade aquatic facilities were limited to some $500 000 on a $1-for-$3 grant. During that period costs and prices have risen in many areas. I have pleasure today in announcing a $20 million boost to that funding.

The program entails payment of some $5 million over four years, still on a basis of $1-for-$3 but with the maximum government grant being some $2.5 million. That equates to a huge 500 per cent boost on the previous amount of $500 000. Several municipalities have applied for funding under the scheme and several more are ready to do so.

The grants are for new pools and significant upgrading of existing pools. Many of those pools are out of doors, are unheated and are not used for nine months of the year. The scheme will help the Learn to Swim campaign, which is now highlighted by the Water Safety campaign.

Community Support Fund statistics show that $9.5 million a year is placed into the community for sporting facilities, including some $5 million in the coming year for aquatic facilities, $2.5 million for minor facilities and $2 million for upgrading life saving clubhouses. Added to the funding for the Water Safety campaign, the total is $11.5 million a year. Some $55 million from the CSF has already gone to the Melbourne Sports and Aquatic Centre, together with $27 million for the state hockey and netball centre, construction of which is soon to start.

The $20 million is all additional funding and comes from the better pools and aquatic facilities funding program. Since 1992 the government has provided funding of $39.7 million for 1309 projects for sport at the grassroots level. It is a record of which all Victorians can be proud.

Knox hospital

Mr THWAITES (Albert Park) — I refer the Treasurer to the statement made by the Minister for Youth and Community Services yesterday that the privatised Knox hospital would be completed by 2000. I ask whether that statement is correct and whether the Treasurer will guarantee that the government will provide enough additional funds in future health budgets to fully fund the cost of treating patients at that hospital or whether some of the money will come from the budgets of existing public hospitals in the inner and eastern network?

Mr STOCKDALE (Treasurer) — In recent budgets the major priority of the government was meeting the cost of growth and demand for health services, relocating hospitals closer to the population and improving the capacity of public hospitals to render service to the community. Those priorities have seen the largest increase to funding in hospitals over the past three budgets. Compared with 1992 when the Labor Party was last in power public health funding has increased in real terms by more than 20 per cent. Hospitals are now in a position to deliver first-rate services to the community notwithstanding that several factors, including the decline in private health insurance, have led to increased demand — —

Mr Thwaites — On a point of order, Mr Speaker, the Treasurer is debating the question which was very narrow: will Knox hospital be completed by 2000 and will money be taken from other public hospitals to fund Knox hospital?

The SPEAKER — Order! I uphold the point of order. I ask the Treasurer to return to the question.

Mr STOCKDALE — The delivery of first-class health services, including to the Knox community, will continue to be a priority of the Kennett government.

Land titles register

Mrs McGILL (Oakleigh) — Will the Minister for Conservation and Land Management advise the house of progress achieved in the automation of the land titles register?

Mrs TEHAN (Minister for Conservation and Land Management) — I was at the old ANZ bank building in Collins Street this morning to launch a government investment of $60 million for automating titles at the Land Registry or the former Land Titles Office. The titles office served Victoria for more than 140 years administering the paper registration of land transactions.

Land is a basic asset of any state; the operation and the transactions relating to it are of vital importance. During the next two years there will be a transition from a totally paper-based system to an electronic system as part of the Government Online 2001 program. It will involve the conversion of more than 3 million titles, some 320 000 plans of subdivision and more than 500 000 dealings to electronic form. Around 80 per cent of titles will be automated by the end of this year and 100 per cent by March next year. A total business restructure will be carried out with the help of Fujitsu Australia Ltd, and will be operating in the titles office by the end of next year. A huge amount of work has gone into the development of the automation program. While that is happening, the registry is continuing to process the transactions that are currently taking place in the titles office. It will be a remarkable piece of engineering to ensure that automation is achieved within the designated time frame.

The old Land Titles Office has had a great history and is the embodiment of a great tradition. Technology is being applied to that tradition so that Victorians will reap all the benefits of having title searches completed in seconds as opposed to days and will enjoy all the benefits that will flow to the finance, banking and insurance sectors, to constituents and to users of land — a basic commodity that is dealt with every day.

Knox hospital

Mr THWAITES (Albert Park) — I refer the Minister for Youth and Community Services, as the representative of the Minister for Health in another place, to his statement in the house yesterday that the privatised hospital at Knox would be completed by 2000. Is the minister aware that the Inner and Eastern Health Care Network has stated that it does not know when the hospital will be built, that expressions of interest that were due to go out in March 1998 have still not gone out, and that there is no possibility that the hospital can be completed by 2000, as he claimed? Will the minister admit that he has misled the house, yet again, and make his fifth personal explanation?

Dr NAPTHINE (Minister for Youth and Community Services) — The issue of the proposed new hospital at Knox was raised with me during last night's adjournment debate by the honourable member for Wantirna following claims from the Labor Party that the hospital would not be built.

The government has given a commitment to build a new hospital at Knox to treat 18 000 people. As I indicated to the house last night, the initial plan was to build the hospital in two stages. The responsible health care network has determined that it is more appropriate to roll the two stages together and build the hospital in one stage. I have not read the *Hansard* report of last night's debate, but what I sought to convey was that the planning stages will be completed by 2000, that the hospital will be built subsequent to that, and that it will treat 18 000 people a year. The government has a clear commitment to improving health services in the outer suburbs and a proven track record of taking health services to the people, whether they be in Epping or in the growth areas covered by the new health services.

A new hospital will be built in Knox. The planning stages will be completed by 2000 and the hospital will be completed subsequent to that.

Housing: building program

Mr PERTON (Doncaster) — In view of the fact that the building industry is a major generator of jobs in Victoria, providing around 15 jobs for every $1 million spent, will the Minister for Housing inform the house of new public housing projects being constructed in inner and metropolitan Melbourne?

Mrs HENDERSON (Minister for Housing) — The government will spend $88 million on additional homes before the end of this financial period. As the honourable member for Doncaster said, for every $1 million spent on public housing, about 15 jobs are created in the building industry. It means that more than 1300 jobs will be provided directly as a result of public housing construction in that period. As part of that expenditure tenders worth $6 million have been let for construction in inner city and metropolitan areas. Tenders for the provision of some 75 additional units in

metropolitan Melbourne will continue to provide stable employment opportunities in the building construction industry for a significant number of Victorians. Once the projects have been completed there will be a dramatic increase in the public housing stock available for the elderly, single people, families, people with disabilities and those who are facing some form of homelessness.

As part of the $6 million in contracts that have been let recently, $3.5 million will be spent on further redevelopment of the Maidstone housing estate. In Coburg North eight family units will be built at a cost of almost $800 000. In Abbottsford and Preston another eight transitional housing units will be built at the cost of $700 000. Additional accommodation will be made available to the Aboriginal Housing Board Victoria. This $6 million development in metropolitan Melbourne is an exciting opportunity for the construction industry. It underscores the government's commitment to public housing and demonstrates its responsible management of Victoria's public housing assets.

Police: strength

Mr HAERMEYER (Yan Yean) — I refer the Minister for Police and Emergency Services to Victoria Police G district which stretches from Kew to Knox, and to the fact that G district has suffered a cut of 120 police over three years, despite the fact that crime has risen by up to 50 per cent in some parts of the district over the same period. Is the minister aware that G district has now been forced to axe regular car, bike and foot patrols and on one recent night a lone divisional van in Nunawading had no fewer than 35 jobs to attend?

Mr W. D. McGRATH (Minister for Police and Emergency Services) — For the information of the house, today is the Treasurer's birthday and we wish him a happy birthday.

Honourable members interjecting.

The SPEAKER — Order! The minister will make his remarks through the Chair and perhaps address the question rather than birthdays.

Mr W. D. McGRATH — I will disregard unruly interjections. I am prepared to check the range of statistics that the honourable member for Yan Yean produced a moment ago. Last night the honourable member referred to a list of statistics for Oakleigh police station and claimed it was down 15 police personnel. I checked that out and discovered that the manpower strength at Oakleigh is 39. At the moment four are on secondment to Moorabbin station and there are three vacancies.

Mr Kennett — So where's the 15?

Mr W. D. McGRATH — Good question. It is also of interest that the crimes statistics for the Oakleigh — —

The SPEAKER — Order! As I remember the question it had nothing to do with the Oakleigh police station. I ask the minister to address the question he was asked, not the question he may have been asked last night during the adjournment debate.

Mr W. D. McGRATH — I used that information to illustrate that sometimes the statistics raised by the honourable member for Yan Yean, as he has done today, can be quite deliberately misleading.

Mr Thwaites — On a point of order, Mr Speaker, it is inappropriate for the minister to say something is deliberately misleading and I ask him to withdraw.

The SPEAKER — Order! There is no point of order. The minister will complete his answer.

Mr W. D. McGRATH — I am prepared to examine the claim made by the honourable member for Yan Yean and will respond to it through the forms of the house at the appropriate time.

Aboriginals: preschools

Mr DIXON (Dromana) — Will the Minister for Youth and Community Services advise the house of any progress in improving the participation rate in preschools of Victorian Aboriginal children?

Dr NAPTHINE (Minister for Youth and Community Services) — I thank the honourable member for Dromana for his question and his interest in kindergarten programs, particularly programs for community groups that require special consideration. The government believes kindergarten is a vital part of the program for the development of children, particularly for children as they move from the family, the home or child care into the more formal education system.

The kindergarten year is a critical year in a child's development. As such the government is committed to providing an opportunity for all four-year-olds to have at least one year of kindergarten on the way to their formal education. The government is pleased that there is a very high participation rate of four-year-olds in Victorian kindergartens. Despite having record levels of

participation last year and a very high level of participation again this year, the government recognises that the participation rate among Koori children was well below the state average. In recognising the needs of Koori children the government developed particular targeted programs to assist Koori children and their families to better understand the value of kindergarten programs, to make the kindergarten programs more relevant to Koori children, to make the kindergartens more receptive to the needs of Koori children, and certainly to work closely with Koori communities to improve the participation rate. As a result the government employed workers in each region of the Department of Human Services to work with Koori communities to improve the participation rate of Koori children.

The result of that program has been absolutely outstanding. In February 1998 only 214 Koori children were at kindergartens in Victoria. In February this year the figure was 374, an increase of 75 per cent in the participation rate of Koori children in Victorian kindergartens. That gives Koori children a much better opportunity to have a positive start to their formal education. The government will continue to work with Koori communities to further improve that participation rate so that Koori children and Koori families will be able to benefit more substantially from preschool programs which are of very good quality across Victoria. I take this opportunity to thank and congratulate kindergarten teachers and their committees of management for their work in making kindergarten programs in Victoria the best in Australia.

PERSONAL EXPLANATION

Mr SEITZ (Keilor) — I wish to make a personal explanation.

The SPEAKER — Order! Does the honourable member claim to have been misrepresented?

Mr SEITZ — Yes, Mr Speaker. The Premier is reported as saying in the house yesterday:

> I congratulate the honourable member for Keilor on his maiden speech. Fourteen years and this is the first time we have heard from him. Thank you, George.

For the sake of truth and accuracy, I wish to place on public record that I made my inaugural speech the first day I was sworn in as the honourable member for Keilor in 1982. The Premier himself, within the traditional forms of the house, came and shook my hand, congratulated me and welcomed me to the house.

NEW TAX SYSTEM PRICE EXPLOITATION CODE (VICTORIA) BILL

Introduction and first reading

Mr KENNETT (Premier) — I move:

> That I have leave to bring in a bill to apply certain laws of the commonwealth relating to the New Tax System Price Exploitation Code as laws of Victoria, to make a consequential amendment to the Competition Policy Reform (Victoria) Act 1995 and for other purposes.

Mr BRACKS (Leader of the Opposition) — I ask the Premier for a short explanation of the bill.

Mr KENNETT (Premier) (*By leave*) — I do not know whether I can give a short explanation but I will try to explain it as quickly as I can before 4 o'clock. This is major legislation that is conditional upon major taxation reform passing through the Senate, dealing with the tax package offered by the Howard government to the electorate prior to the last election. As you will know, Mr Speaker, that government was overwhelmingly returned, the first one in Australia's history to be returned offering a new tax. The purpose of the bill, if it is passed, is that it will be held until the legislation passes the Senate which will be some time after the end of the autumn session.

Once the legislation has been passed by the Senate the act will be proclaimed. As its title indicates, it will ensure that no exploitation takes place when new taxation is introduced. When tax rates are reduced people will not be disadvantaged by not having that reduction passed on.

Template legislation will be passed in every Parliament in Australia. Some Parliaments will deal with it now, as Victoria is doing, prior to the Senate finalising its act. The legislation will not be proclaimed until the Senate finalises things. That gives rise to the issue of the tax package itself.

As I said, this is a generational reform. As I am sure the Leader of the Opposition will know, it is something this country has not seen for a long time. It is unfortunate that by their continual opposition to the package the opposition and the Labor Party in the Senate are not supporting the will of the people. I am not sure whether the opposition will oppose this bill when it goes through the Senate. It is also designed to protect public interest in recognition of a more transparent tax package for the community as a whole. Suffice it to say the Labor Party continues to be out of step with the vast majority of Australians who have now over many years — —

The SPEAKER — Order! I do not think that is an explanation of the bill.

Mr KENNETT — It is all to do with the bill, which is trying to put an end to the exploitation by some people of the benefits of the legislation that will bring about substantial tax reductions and deliver a more transparent taxation system.

I do not know if that gives the Leader of the Opposition sufficient information. If not, I can continue to explain it to him. I know he wears two hats and therefore cannot do either job justice but I am prepared to make my offices available to him in the next week if he would like further advice to help prepare him for what I am sure will be a scintillating contribution.

Motion agreed to.

Read first time.

LOCAL GOVERNMENT (MELBOURNE CITY COUNCIL RATES) BILL

Introduction and first reading

Mr MACLELLAN (Minister for Planning and Local Government) introduced a bill to amend the Local Government Act 1989 to permit the Melbourne City Council to continue to apply differential rates and for other purposes.

Read first time.

POLICE REGULATION AND FIREARMS (AMENDMENT) BILL

Introduction and first reading

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I move:

That I have leave to bring in a bill to amend the Police Regulation Act 1958 and the Firearms Act 1996 and for other purposes.

Mr HAERMEYER (Yan Yean) — I ask the minister to provide the house with a brief explanation of the bill.

Mr W. D. McGRATH (Minister for Police and Emergency Services) (*By leave*) — The bill makes minor adjustments to the acts. The principal one is the chief commissioner's confidence provision.

The amendment to the Firearms Act provides that anybody suffering from a mental illness who has been detained at the Governor's pleasure will be included on the prohibited persons list and therefore prohibited from gaining a firearm licence. Some other small amendments are made.

Motion agreed to.

Read first time.

SHRINE OF REMEMBRANCE (AMENDMENT) BILL

Introduction and first reading

Mrs TEHAN (Minister for Conservation and Land Management) introduced a bill to amend the Shrine of Remembrance Act 1978 and for other purposes.

Read first time.

GUARDIANSHIP AND ADMINISTRATION (AMENDMENT) BILL

Introduction and first reading

Mrs WADE (Attorney-General) — I move:

That I have leave to bring in a bill to amend the Guardianship and Administration Act 1986 and the Mental Health Act 1986 and for other purposes.

Mr HULLS (Niddrie) — I seek a brief explanation of the bill.

Mrs WADE (Attorney-General) (*By leave*) — I thank the honourable member for Niddrie for giving me the opportunity to foreshadow the provisions of the bill. It provides a system for medical practitioners to obtain consent from a responsible person when they wish to go ahead with medical treatment for a person who, by reason of intellectual disability or mental health problems, is unable to consent on his or her own behalf. The bill also provides for the future by appointing an enduring guardian who will be able to make decisions about financial and lifestyle matters and medical treatment.

Motion agreed to.

Read first time.

FINANCIAL SECTOR REFORM (VICTORIA) BILL

Introduction and first reading

Mrs WADE (Minister for Fair Trading) introduced a bill to make provision for the reform of the financial sector, to amend and repeal the Financial Institutions (Victoria) Act 1992 and the Friendly Societies (Victoria) Act 1996 and to amend the Cooperative Housing Societies Act 1958 and certain other acts and for other purposes.

Read first time.

MENTAL HEALTH (AMENDMENT) BILL

Introduction and first reading

Dr NAPTHINE (Minister for Youth and Community Services) introduced a bill to amend the Mental Health Act 1986 in respect of community support services, to establish a quality assurance committee and for other purposes.

Read first time.

DENTAL PRACTICE BILL

Introduction and first reading

Dr NAPTHINE (Minister for Youth and Community Services) introduced a bill to make further provision for the registration of dental care providers and investigations into the professional conduct and fitness to practise of registered dental care providers, to regulate dental care services, to establish a Dental Practice Board of Victoria and a Dental Practice Board Fund, to repeal the Dentists Act 1972 and the Dental Technicians Act 1972 and for other purposes.

Read first time.

STAMPS (AMENDMENT) BILL

Introduction and first reading

Mr STOCKDALE (Treasurer) introduced a bill to make miscellaneous amendments to the Stamps Act 1958 and for other purposes.

Read first time.

WATER ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 25 March; motion of Mr COOPER (Minister for Transport).

The SPEAKER — Order! Before calling the honourable member for Rodney, I remind the house that I am of the opinion that this bill requires to be passed by an absolute majority.

Mr MAUGHAN (Rodney) — In my remarks last night I referred to the vital importance of irrigation to northern Victoria, and said that this narrow bill deals specifically with the First Mildura Irrigation Trust. The objectives of the bill are set out on page 2. Essentially the bill provides for the modification of existing bulk entitlements on conversion into new entitlements, which are essentially individual water rights.

It also protects an authority from liability for restricting water supply, where there is contamination of the water supply system not caused by intentional neglect. The provision is essentially concerned with protecting an authority from liability if it ceases the supply of water because of blue-green algae or other means of chemical contamination in the supply.

The amendments flow from earlier water industry reforms that were steered through Parliament by a former minister, the honourable member for Bennettswood. I pay tribute to the honourable member for introducing significant reforms which have resulted in enormous benefits to the water industry and the residents of northern Victoria.

In essence the reforms provide water authorities with greater autonomy to manage their business affairs, to be responsible for their actions, and to allow them to be self-funding. The provisions break the nexus between land and water. That has created enormous possibilities for irrigators in all parts of the state, but particularly in northern Victoria where water trading is now an established part of the irrigation industry, with permanent transfers of water selling for up to $1000 per megalitre this season. Temporary transfers were made earlier in the season for about $100 per megalitre, but the price has since dropped to about $20 per megalitre as the need for water has become less urgent.

The reforms that we are dealing with today essentially flow from the document, *Sharing the Murray*, for which the honourable member for Swan Hill was primarily responsible, because he chaired a committee of more than 30 people over two and a half years.

Mr Hamilton — Look what it did to him!

Mr MAUGHAN — It was an amazing job, given that he had to reconcile the interests of a very diverse group of people — from those in the catchment area, to the irrigators of the Goulburn and Murray Valley regions and the residents of Sunraysia. He also introduced into the process the Murray–Darling Basin cap, which not too many people understand. The group chaired by the honourable member certainly involved a wide range of interests, including the Victorian Farmers Federation, the United Dairyfarmers of Victoria, catchment management authorities and so on. A number of information meetings were held across the state, one of which I clearly remember at Echuca. It was an interesting meeting because all of the disparate groups, with very separate interests, attended.

We quickly appreciated that the *Sharing the Murray* document was a very fair way of dividing the limited resource. The document provided interested parties with important resource material to better understand the difficulties faced in reconciling those conflicting objectives.

The rationale for the cap is that Murray River water resources have been overcommitted. The introduction of capping provides sustained usage and security of supply for our irrigation system. The reforms flow from water trading, which enables water to flow to or be used for the higher value industries. The horticultural industry, which includes cherries, apples, potatoes and carrots, can use water far more efficiently than some broadacre grazing industries. Significant areas of wine grapes are grown in the Echuca–Moama region, Swan Hill, Kerang, Wentworth and Sunraysia. The dairy industry is also expanding and utilising this important water resource.

This bill will allow the irrigation-based investment in the Sunraysia to proceed even further. As the honourable member for Swan Hill has pointed out on numerous occasions, north-western Victoria has ample resources of land, water and infrastructure, and the climate and soil are right. There are tremendous opportunities for increasing agricultural throughput in that region. The bill will help to achieve the government's objective of tripling the value of farm exports by 2001. We are well on the way to achieving that target, and we have an even more ambitious target of doubling that figure by 2010. This measure is a further extension of the government's water reforms. Significant progress has been made. The government is now working towards a conclusion as it facilitates the development of irrigated agriculture in northern Victoria.

Irrigation is very important to the Rodney electorate, which I represent, because it probably has a larger dairy presence than any other area in Australia. We have all of the major food processing plants in the area. Bonlac, Murray Goulburn, Nestlé, Kraft, Heinz and Cedenco are all based on irrigated agriculture, and flowing from that are the associated industries, the transport industries, the service industries, and so on. The bill will further assist the realisation of the enormous potential of northern Victoria to increase food production along the length of the Murray River.

I strongly support the bill. It will change the requirements in the First Mildura Irrigation Trust, and convert those water entitlements — complicated and difficult though they are — to the counterpart of water rights, and facilitate development in that very important part of Victoria. This is an important bill, and I wish it a speedy passage.

Mr HAMILTON (Morwell) — I will make a short contribution to the debate on this important bill. I pay tribute to the honourable member for Swan Hill for his contribution yesterday. He demonstrated a great understanding of the bill and, more importantly, the water industry along the Murray River and the problems, developments and challenges that exist. I commend him on that. It is not always that I commend members of the government, I can assure you. In fact it was such a good contribution that he had better come to Gippsland so he can sort out the water problems south of the Great Divide. We would welcome him down our way, without, of course, casting aspersions on the existing members in that part of the world. Gippsland certainly needs to address a large number of similar problems in managing this extremely important industry for country Victoria.

The contribution by the honourable member for Swan Hill was extremely valuable and I have now scanned the document he tabled. The honourable member was wrong in saying that it could be 10 years before anything else is done. Developments in the management of the water industry and its effect on the environment will occur far sooner than that. The document sets out the serious challenges facing the industry, but highlights the major advances that can be made through the introduction of new technology, particularly with irrigation water.

We have come a long way since the time my father-in-law helped build irrigation channels around Echuca with a horse-drawn scoop. We have not evaluated sufficiently the damage done to the environment through the increase in salinity because of poor irrigation practices. The changes made to address

the salinity problems are a credit to all involved in the various programs, and I include the honourable member for Swan Hill, who is personally involved in a number of salinity projects. Salinity problems exist in South Gippsland and the issues must be tackled.

A dispute has occurred among irrigators in the Macalister irrigation district about the changes made to water treatment and rights from the Glenmaggie Weir, which particularly affects people in the Nambrok and Denison region, which has a significant dairy industry. The latest agreement will increase the likelihood that every three years the Glenmaggie Weir will run dry during February. The farmers relying on the autumn water for their pasture and their economic wellbeing will suffer losses up to $3 million.

Mr Coleman — How can you say that?

Mr HAMILTON — The honourable member for Bennettswood should speak to some of the knowledgable people in the area. He knows John O'Brien of Cowwarr, who believes a similar approach should be used to resolve the water entitlements in that region as have been used to resolve the problems Murray River irrigators have. Southern Water is in bed with Melbourne Water and it is not prepared to resolve issues affecting the Thomson River.

Mr Coleman interjected.

The SPEAKER — Order! I ask the honourable member for Bennettswood to desist from interjecting across the chamber. He will have his opportunity to contribute to the debate when he next gets the call.

Mr HAMILTON — The Minister for Agriculture and Resources has some problems to resolve and I urge him to work with Southern Water to solve the serious problems that must be addressed to ensure confidence in the industry.

The honourable member for Swan Hill referred to the importance the managing of water resources had for the environment and to the interrelationship between catchment management authorities and irrigation and the sale of irrigation water. I endorse the honourable member's remarks. The management of the whole of the catchment involves the wise use of water and the environmental health of surrounding areas, as well as the economic health of farmers who use the water. The opposition does not have a problem with catchment management authorities as such, but it has a problem with the way a poll tax is being imposed on rural Victoria when it is the responsibility of all Victorians to support country Victoria and the environment.

There is some confusion about the management of the Snowy River. The honourable member for Swan Hill said that 55 per cent of the original flow of the Snowy River now reaches the sea. People throughout Victoria and not just those living in East Gippsland are concerned about the future of the Snowy River, partly because it is a river that characterises our heritage. People ask why, if 55 per cent of the river flows into the sea, the stream bed is dry during periods of the year. It is not the quantity of the flow that is important, it is the summer flows that come from the melting snow in the mountains that have been diverted elsewhere. I hope the government addresses the problem to ensure that one of the most important rivers in Victoria, and probably the best known river in Australia, given Banjo Paterson's contribution, is addressed urgently so that the health and environment of the Snowy River is returned to its original beauty.

Irrigation has been both a boon and a challenge to Victoria and to many areas of New South Wales. Significant damage has been done by poor irrigation practices that irrigators believed were correct at the time. We must maintain a continuing audit on irrigation practices and the way water is used. All of us are wise in hindsight, but we need to have greater foresight to ensure that not only is past damage corrected but also that future damage is prevented to ensure the better health of country Victoria, which we all rely on in some way.

Mr COLEMAN (Bennettswood) — The honourable member for Morwell said the government is responsible for what has happened in the Macalister irrigation district. The arrangements for the different allocations from the Thomson Dam were negotiated by then Minister Crabb and the government of which he was a member.

Mr Hamilton — Is this a history lesson?

Mr COLEMAN — It is a history lesson that is required because the honourable member for Morwell was hypocritical in not acknowledging that those problems occurred during the administration of the former Labor government. The issues to which he refers involved fixed benefits flowing to the government from the sale of that reservoir to the then Melbourne and Metropolitan Board of Works. Suffice it to say that the people who suffered from the transaction were the irrigators of the Macalister district. The matter has still not been resolved.

The honourable member for Mildura acknowledges the tremendous involvement of the First Murray Irrigation Trust in the development of Mildura. Notwithstanding

that fact, however, he has taken no part in the development of the proposed legislation, which assures each of the land-holders in the FMIT district an entitlement to water.

The Honourable Barry Bishop, an honourable member for North Western Province in another place, has been very forthright in his advocacy of the FMIT. When one considers the contribution made here yesterday by the honourable member for Mildura, one can understand why he did everything other than discuss the content of the bill. The ratepayers of the FMIT should be cognisant of the fact that what has been achieved by the coalition government is not the achievement of their Independent local member.

The bill deals succinctly with the changes in administration of water for the FMIT district. As has been explained, the changes arise out of the negotiations leading to the *Sharing the Murray* report. The honourable member for Swan Hill graciously accepted the job of advancing those negotiations after I offered it to him. It was a chalice he was rather loath to sip from at first, but fortunately he did accept it.

The delivery of the reform occurred after I left the ministry. I wish to place on the record the fact that the honourable member was able to negotiate an outcome of some substance that arose out of the interim cap placed on the Murray–Darling Basin. The cap has proved its worth. So far as Victoria is concerned, the decision to divide up water has been well and truly vindicated.

At the turn of the century the then chairman of the State Rivers and Water Supply Commission, Mr Stuart Murray, was involved with the government of the day in determining a future for Mildura. The Chaffeys had been declared bankrupt, and the settlers in the district sought government assistance. The FMIT was formed on a representative basis by the irrigators of the district.

The ethos that underlay the Chaffey settlement extended further into virtually all the settlements in northern Victoria. When Elwood Mead became chairman of the commission in 1907 he built on that small settlement base. It was he who maintained two important principles: firstly, that there be a link between land and water — and during the development of irrigation that was probably a sound policy; and secondly, that irrigation development should be based on permanent planting from the beginning so that some regional development could be built up.

Since then we have seen development based on those two central tenets. An example is the development of areas such as those represented by the honourable member for Rodney — that is, very substantial irrigation districts with considerable tangential industry relying on the product coming off the irrigation area.

Of necessity there has been some shift in agricultural production that might be attributable to irrigation. That is best instanced by the sort of farming now seen by anybody driving along the Murray. As a result of the different water-sharing system now in place because of water trading, substantial increases in productivity and greater security of food production have been achieved in some of the previously unirrigated areas. Lamattinas in the Robinvale area, which grows carrots under contract for Safeway, is a substantial enterprise that must have a secure water supply to exist.

I noted recently that an olive plantation is to be established at Boundary Bend. To establish the first 200 hectares of that plantation project requires capital of $6 million, made up of $325 000 for land, $1.6 million for a water licence and $4.075 million for grove development. It is envisaged that it will become a substantial plantation, eventually spreading over 1000 hectares with 420 000 trees.

Those examples show that two outcomes have been achieved from breaking the nexus between land and water — substantial developments in new irrigation districts and an improvement in some of the environmental aspects of land that previously had low production such as the Tragowel Plains and other areas that were subject to poor drainage. The movement of water within Victoria's share of the Murray is contributing significantly to a substantial change in our productive capacity. Only continuing good can come from that.

An important aspect of the bill is that it provides specifically for authorities to withdraw supply in the event of an algal bloom. The work done on the 1991 algal bloom on the Darling River that affected more than 1000 kilometres of the river has clearly shown that the slower the flow, the greater the deposition. The clearer the water becomes and the more intense the sun's access to the deposition, the more blooms develop.

There is a need to ensure that there is sufficient movement in the waterways to sustain the flow. The problem with the Darling River was that the flow stopped and settlement occurred. In Victoria, particularly at Lake Mokoan, blooms occur regularly, resulting in water being withdrawn from irrigators.

Catchment management authorities are now coming to grips with some of those issues. Each of the algal blooms notified to the Department of Natural Resources and Environment is listed on the back cover of the annual report of the catchment management authorities, which was tabled in the house yesterday. Most of the blooms in 1997–98 occurred in still water. Few blooms occur where there is moving water. That factor was recognised in the *Sharing the Murray* report, which was produced by a bipartisan committee. An environmental flow regime has been put in place to ensure the continual movement of water. As a result of that recognition water quality in the Murray–Darling Basin will continually improve.

At present Lake Eppalock is at 31 per cent of its capacity and Lake Eildon is at only 24 per cent of its capacity, which is the second-lowest level in its history. The supply of irrigation water is critical. I hope there will be a substantial inflow of water for the irrigators, who are heading towards a new season in August. If it does not occur northern district irrigators will be in a diabolical situation.

The honourable member for Morwell raised an issue concerning southern Victoria. He asked why the sharing of rivers should not occur in those areas as it does in Murray River areas. I envisage that as the catchment management authorities become stronger they will embark on that process, because each of them is required to develop a strategy to maintain the supply of water and the enhancement of water quality in its catchment. In order to achieve that there will need to be a continuing review of the quality of the water extracted from those rivers. I am sure the catchment management authorities will see to that in the future, if for no other reason than to meet the requirements and strategies they have developed.

The contribution made by the honourable member for Bendigo West highlighted the issue of algal blooms. The bulk entitlement process has now been applied to each of the major systems in northern Victoria and the greater part of southern Victoria. The ownership and sharing of water is much clearer. With the north-flowing streams, particularly the Loddon and the Avoca rivers, I hope the sharing of water and the understanding of the catchment management authorities of the relationship between the upper and lower catchments can lead to far better use of resources.

The bill is a tribute to the negotiations with the First Mildura Irrigation Trust, with which I had a substantial number of meetings in an attempt to resolve the ownership issue. The original Queen Victoria grant is unspecified. At the time the grant was made the Murray River had no storage capacity so there was no cost associated with the management of the resource. One of the issues that led to the Chaffeys' bankruptcy was trading in land outside the allocated area of the grant to try to enhance the value of water that was not available through their system. The irrigators in that area have had a sustained battle to get a guaranteed stable volume, and the bill addresses that matter well.

As the honourable member for Swan Hill has said, the FMIT now comes within the water industry, and that is an outcome of which those associated with it should be proud. It will provide the smaller holdings in the FMIT area with the same capacity to trade as holdings in outside areas. As a result some rationalisation will occur within the area, which has holdings as small as 10 acres compared to holdings of more than 1000 acres outside the area. The disproportionate income-generation capacity is substantial. I would expect that as time goes by Mildura will continue to grow and will progressively take more land from the FMIT area, releasing some additional water. More importantly, however, some of the families that have been constrained by the size of their holdings will be able to take the value of their water to larger holdings and thus increase their productive capacity.

The bill is welcome. It continues the improvements to water legislation in Victoria.

Mr BRUMBY (Broadmeadows) — The opposition does not oppose the bill. The debate on Victoria's water policy has been wide ranging and constructive, and I shall continue in that vein. I have a general interest in water as my grandfather was the chief engineer of the then State Rivers and Water Supply Commission in the 1950s.

How Victoria manages its water resources and balances the competing demands of various environmental issues will be increasingly important to its economic development. The honourable member for Bennettswood gave an example of an olive grove development worth $5 million or $6 million, of which the largest single part of the capital investment was the purchase of a water licence and the equipment needed to distribute the water.

Last year I was the first leader of the Labor Party to address the annual general meeting of the Boort branch of the Victorian Farmers Federation (VFF), whose members were both appreciative and gracious. I spent the next morning studying industry in the area, from the lucerne mill to the latest tomato-growing enterprises. The tomato-growing enterprises in Boort use the latest underground and computer-controlled irrigation

systems from around the world, and they are achieving the highest yields anywhere in the world. A combination of hard work, intellectual capacity, technology and water resources is bringing it all together, and Victoria can be proud of that achievement.

Water will be important to the growth in Victoria's horticulture industry in the coming years. The availability of high-quality and competitively priced water supplies is the key to Victoria's potential to produce, market and export its products.

Water is the key to food and vegetable production. Last year I addressed the newly formed branch of the Australian Labor Party at Yarrawonga, which several members of the local community attended. One of them is a vegetable grower who supplies vegetables to Woolworths and other supermarkets, and to do so his trucks leave his property at 2 o'clock every morning. Among other things he supports the building of a railway line running through the centre of Australia, through Queensland and on to Darwin, because it would enable him to get his product into export markets more efficiently. He must do the hard work, have the intellectual capacity and have access to the transport networks, but he must also have water to grow his vegetables.

The Victorian dairy industry — the state's largest single exporter — exports processed dairy product worth $1.5 billion a year. The continuing improvements in productivity and value adding have resulted in large part from improvements in pasture management and irrigation. Victoria must be careful of the way it manages its water. There are difficult challenges to be faced in deciding how best to balance the various economic and environmental considerations.

Earlier speakers referred to the consequences of the environmental issues associated with water not being properly managed, and reference was made to algal blooms. I have been sent an unsolicited petition which, assuming it is in order, I will table tomorrow. The petition, which is about blue-green algae in the Gippsland Lakes, states in part:

1. We draw to the attention of the honourable members our great concern at the current state of the water systems comprising the Gippsland Lakes where the present out-of-control growth of the blue-green algae throughout all of the lakes is, in our opinion, a major ecological disaster. The stench from rotting algae is now so powerful and all pervasive in many areas that it is akin to living in an abattoirs. Its effect on surrounding areas is of great concern.

2. Because the Gippsland Lakes are part of our national and international heritage and have a well-recognised recreational potential its marine environment must be of great concern to all citizens in the state of Victoria.

3. Tourism to this area will be adversely affected if this modern ...

The SPEAKER — Order! The honourable member for Broadmeadows is drawing a long bow referring to a petition about the Gippsland Lakes when the bill deals principally with the Murray–Darling basin. A passing reference to the subject of algal bloom is appropriate, but I ask the honourable member to return to the bill. The debate is wide ranging but in giving details of a petition about the Gippsland Lakes the honourable member is straying too far from the bill.

Mr BRUMBY — Thank you for your guidance, Mr Speaker. You were not in the Chair last night when the parliamentary secretary, the honourable member for Swan Hill, spoke at length about the Snowy River, which is nowhere near Mildura. I am not making political points — —

The SPEAKER — Order! It might be said, however, that the Snowy River contributes to the Murray–Darling flows. The amount taken from the Snowy and redirected into the Murray is directly related to the flow downstream.

Mr BRUMBY — That is right, but that is not the context. I am happy to read to the house the comments of the honourable member for Swan Hill, which were more general. As earlier speakers have done, I highlight the fact that if our water resources are not managed properly the environmental consequences will include more outbreaks of blue-green algae. The honourable member for Bennettswood spoke of 1000-mile algal blooms along the Darling River. The bill provides mechanisms for the termination of the water supply if algal bloom occurs.

Another issue is how those resources are managed, and that raises the question of the catchment management authorities. The opposition has never had a problem with CMAs in the context of them being the appropriate management mechanism to properly consider the competing interests of environmental, management and economic issues as they affect water. The opposition does have a problem with the way the CMAs have been implemented, how they are structured and the extent to which they become obsessed with, in effect, taxation issues rather than management issues. I am well aware of the issue because I have been to many public meetings. Earlier this year I attended a public meeting in Geelong organised by Ian Trezise, Labor's candidate for a Geelong electorate in the coming election. The meeting was attended by some

500 people, who expressed their hostility to the catchment management tax.

Some weeks ago the honourable member for Warrnambool was reported on the front page of his excellent local paper, the *Standard*, as calling for the catchment management authority tax to be scrapped. On 1 April an article headed 'Libs break ranks to oppose levy' appeared in the *Hamilton Spectator*. It states:

> Pressure continues to build on the state government with at least two Liberal Party branches in the Hamilton region now vigorously opposing the $32 catchment management tax.
>
> As well, a former Liberal Party minister Digby Crozier has come out against the tax saying such catchment works should be financed from government revenue.

Hear, hear to that! Mr Crozier is absolutely right — and he has endorsed Labor's position. Everything that has been said in the debate about problems with water — algal blooms in the Gippsland Lakes and the Darling River, the general competitive environmental and economic interests in water — requires a statewide and national budgetary focus. The management tool may be based on the catchment, but increased support is needed from state and national governments working together through those catchments to address the problems. Mr Crozier has endorsed the view that I expressed during my term as Leader of the Opposition that the catchment works should be financed from government revenue.

The article in the *Hamilton Spectator* continues:

> The rising Liberal opposition follows similar moves by the National Party's Portland and Warrnambool assembly electorate district councils. They will attempt to have the tax dumped at the party's state conference at Mount Buller from April 16 to 18. The ALP already supports scrapping the tax.

An honourable member interjected.

Mr BRUMBY — I hear an honourable member say by interjection that they did not.

An absurd press release that was sneaked out last night at around 6.30 p.m. by the Minister for Agriculture and Resources states:

> McNamara approves CMA levy decrease
>
> Property owners in the north-central Corangamite and Glenelg–Hopkins catchment management authorities will pay a flat CMA rate of $20 per property in 1999–2000 as compared to $32.

What a joke! What an appalling piece of public policy in response to the sustained pressure that the opposition and breakaway National Party members of Parliament have placed on the government — —

Mr Kilgour — On a point of order, Mr Acting Speaker, again the honourable member for Broadmeadows is straying far from the bill. It has nothing to do with CMAs or tariffs. It is all about the First Mildura Irrigation Trust (FMIT) and sharing the Murray River. I ask that you bring the honourable member for Broadmeadows back to the bill.

Mr BRUMBY — On the point of order, Mr Acting Speaker, I am not straying from the bill. I have been guided by the comments made by other speakers in the debate. I again refer to comments that were made about CMAs last night by the honourable member for Swan Hill, who was obviously speaking on behalf of the government. His comments are reported at page 45 of yesterday's *Daily Hansard*:

> The main task of the CMAs is to set the priorities and strategies for each of the catchments they represent, not to raise money or do works.

I am simply referring to a point that was made by the honourable member for Swan Hill. As the lead speaker for the government on this issue he said that the priority of CMAs is to set strategies for each of the catchments, not to raise money or do works. My comments are simply endorsing his, albeit in greater detail.

Mr A. F. Plowman — On the point of order, Mr Acting Speaker, the honourable member for Swan Hill referred to the CMAs and other issues only by way of passing comment. I have been listening to the honourable member for Broadmeadows for 15 minutes and I suggest he has hardly touched on the fact that the bill relates to the FMIT. I support the point of order. The honourable member has been shown a lot of tolerance in the debate so far and you should ask him to move away from the area he is debating and come back to the bill.

The ACTING SPEAKER (Mr Andrianopoulos) — Order! I have heard enough on the point of order. I do not uphold the point of order, but I ask the honourable member for Broadmeadows to ensure that his remarks about taxes and such matters relate to the content of the bill.

Mr BRUMBY — Thank you for your guidance, Mr Acting Speaker. I conclude my remarks about CMAs by saying that we now have the worst of both worlds because what has been done is no solution to the problem. Cutting a rate from $32 to $20 is just nonsense. I see that one government member can hardly contain his mirth. The levy should be scrapped

altogether. The absurd situation now exists where the minister says the changes mean that all up regional Victorians will be paying for only 10 per cent of catchment capital works with government providing the remaining 90 per cent.

Why in earth's name would anyone want to establish a separate bureaucracy, administration and tax-collecting agency to gather just $1 in $10? Any management consultant's advice would be that the current proposal is laughable — and that is why the opposition opposes the bill. The opposition believes the works should be funded statewide with the support of the budget, government departments and the federal government. A third level of taxation should not be built around a separate bureaucracy and administration with a doubling of additional red tape and costs. If the rate can be cut from $32 to $20, it can be cut from $20 to zero, and that is what Labor will do.

The debate has been wide ranging. More time should be spent in the Parliament debating water. There is agreement across the chamber that whatever our views on the taxation of water and entitlements to it the issue of how we manage water, how it is priced, how competing interests are balanced, how we allocate it and how we sell it will be an increasing challenge for future governments of all political persuasions. The question is how we should add value to it in an environmentally sustainable way. How do we use it to add maximum value in a way that sustains and improves our environment? The bill goes some way towards doing that.

One has to laugh at the way the minister last night reduced the levy from $32 to $20. It now raises just $1 in $10. It is an admission of failure. If it can be cut from $32 to $20 it should be scrapped altogether.

Mr A. F. PLOWMAN (Benambra) — I am pleased to follow the honourable members for Bennettswood and Swan Hill on behalf of the government. Having listened to both speakers, one realises that both members have a complete understanding of the water industry. Their understanding is sufficient to have assisted in the implementation of the bill to make sure it meets the objectives of the First Mildura Irrigation Trust.

I am also pleased to speak on the bill because it recognises the extraordinary works undertaken by people associated with the water industry in the 1880s. Until this debate I knew very little about it. I was delighted to listen to the honourable member for Bennettswood talking about the Chaffey brothers. I was not aware that they became bankrupt, nor was I aware that their initial development was fostered by Alfred Deakin, who was a minister of the state government before he went on to become Prime Minister at the turn of the century. As a state minister he visited California to see in action the concept the Chaffey brothers called the mutual water company. He was so impressed that he further discussed this with the two Chaffey brothers, George and Ben, and reached an agreement that they come to Australia and introduce the irrigation system into the area we now know as the FMIT.

Obviously they were greatly assisted at that time by Stuart Murray, the first chairman of the former State Rivers and Water Supply Commission. It must have been pretty unpleasant when the Chaffey brothers went bankrupt. This debate is a great opportunity to recognise that in those days people with vision and an extraordinary amount of endeavour worked to help make the water industry what it is today.

I was also delighted to listen to the honourable member for Rodney explain how important the irrigation industry is in his electorate, as it is in the electorates of Swan Hill and Mildura. The importance of the irrigation industry throughout that area is indicated by the fact that the prime export out of the port of Melbourne is dairy produce which is largely produced and processed in northern Victoria under irrigation. It contributes an enormous amount to the economy of Victoria. One has to refer to our history to realise the value in today's terms of the people who made all this possible.

In the development of the irrigation works that were then granted freehold, in 1895 the Chaffey brothers were allowed to sell those irrigation areas with water right easements which, as I understand it, were quite low. Some people contend that those old easements still exist, despite the fact that in 1989 the Water Act replaced the water easements with water rights. It is due to that uncertainty that the bill has been introduced.

The bill certainly introduces a degree of certainty. It determines, clarifies and legalises the individual water rights that are totally tradeable. Those water rights will be attached to the trust's district and kept under a register of the FMIT. The trust determination is based on the original amount of 9.144 megalitres per hectare, although there is scope for that amount to be increased where crops with higher water usage are involved.

I am delighted that the bill provides for the security of water rights. I am particularly pleased that the measure brings about a legalisation of water rights that formerly were insecure because the people using that water had no security or legal assurances.

That brings to mind the vexed question of the ownership of water in other circumstances. I am most concerned about the ownership of sales water, a topic that has been debated at length in recent times. Given the fact that I have researched the subject extensively, I can see little or no evidence to support the claim that sales water is owned by the irrigators who have access to it. Although I fully support the view that access to sales water must be maintained because of the productivity so aptly described by the honourable members for Swan Hill and Rodney, I do not believe any evidence exists to support the claim that sales water is owned by the irrigators.

In the context of security of water title it would be sad to see the rights to sales water converted to medium security and gifted to irrigators who currently have access to it. I support the continuation of access but I strongly oppose the concept of gifting sales water. I fully appreciate that this vexed question will continue to be debated for some time.

In conclusion, I fully support all aspects of the bill. I commend the work done by the honourable member for Swan Hill in bringing together the members of the committee that came up with the document *Sharing the Murray*. It is an excellent blueprint on how the water industry can be properly managed and available water shared. I am concerned that in the process of determining that, insufficient emphasis was placed on the rights of catchment farmers. The document clearly showed that the pain of establishing the water cap was shared among all aspects of the industry. However, I believe the document has not fully addressed the issues of existing rights and, more importantly, the future rights of the catchment areas. I would like to see that issue debated further so that the interests of the farmers in those catchment areas are properly determined.

Clearly, there must be security for those who rely on irrigation water through the gravity irrigation areas. Equally, however, there must be a degree of equity among all those involved in the industry.

Mr KILGOUR (Shepparton) — Irrigation water is absolutely vital to my electorate and to the electorates of other honourable members. The Goulburn Valley area that I represent is the food bowl of Australia. Many people are now beginning to understand the importance of that resource, particularly after the low rainfall in the catchment area of the Goulburn River last year. Although the Murray River was able to produce more than 100 per cent of water rights, the Goulburn River produced only 100 per cent.

At some stage it looked as though some farmers would get only 60 to 70 per cent of their water rights. Some farmers have been used to receiving their complete water rights plus up to 60, 80 or 90 per cent and have been regularly using that amount of water in the past. However, over the years irrigation practice has changed a great deal. The innovation of spray irrigation, which allows the water to be directed at the roots of trees rather than simply flooding them, has made a big difference to agriculture in the Goulburn Valley. Many orchardists are now using less of their water rights than in the past when they used much more than their water rights. Fortunately the microjet irrigation system used by orchardists has brought about an excellent fruit season in the Goulburn Valley this year. The fruit has matured and been picked.

It has been necessary to provide bulk entitlements to irrigators along the Goulburn–Murray system, just as bulk entitlements were provided to the Goulburn Valley and other water authorities along the rivers. My electorate is solely reliant on water from the Goulburn River, which feeds into the River Murray. The River Murray flows towards Mildura, which is now involved in the bulk water entitlements.

Bulk water entitlements on the Goulburn River were sorted out three or four years ago. The 35-member committee met to decide on bulk water entitlements for the River Murray. It produced the book *Sharing the Murray*, which is an excellent reference for people wanting information about the water industry. The proposed legislation contains enabling provisions for the River Murray bulk entitlement scheme for both rural and urban water authorities. That will give certainty to towns such as Mildura and will encourage economic development as well as ensuring that the water is used in the best possible way.

I will not repeat what earlier speakers have said about operations in the Mildura area except to say that one of the important aspects of the bill is to ensure that the contaminated water issue is dealt with. By law, water authorities have to provide water to irrigators. In the past, if an authority decided not to provide water because of quality problems the authority could be sued. The proposed legislation will allow authorities to restrict irrigation water supplies because of contamination.

We have all heard of the blue-green algae problem in my area. The Broken River runs just to the north of my house. I regularly walk across the bridge to examine the quality of the water that flows downstream into the Goulburn and then the Murray. Sometimes it worries me, though it does not surprise me, because shallow

lakes such as Lake Mokoan sometimes produce blue-green algae. The algae flows down the Broken River and irrigation has to be restricted. The bill allows authorities such as the Goulburn–Murray Rural Water Authority to restrict the supply of water if it is judged to be contaminated, thereby freeing it from any liability. Without the no-liability provision irrigation authorities would be in a corner. They could be sued if they failed to supply water and sued if they supplied contaminated water. They were in a catch-22 situation. I am therefore very pleased to see a clause in the bill that deals with that.

However, the no-liability provision does not apply if the authority is in any way responsible for the contamination. If the responsible authority contaminates the water by keeping it in a lake or allows contaminated water to flow into the system, the no-liability clause will not come into effect. Therefore, irrigators are afforded a certain amount of protection and authorities are also protected by being able to advise irrigators that they will not be able to receive contaminated water from the system.

It is good to see a bill that will allow the catchment management authorities to withhold water, particularly if it is of poor quality or is contaminated. The Goulburn–Murray Rural Water Authority is pleased to see the bill being introduced because it needs access to the provisions as soon as possible. The First Mildura Irrigation Trust area has also been looking forward to the bill. It has taken time to reach this stage, and I look forward to the bill's speedy passage, which will bring my area up to date and allow the bulk entitlements on the Murray to come to fruition. That will provide the irrigation water needed further down the river by farmers who want to increase their activity along the Murray.

Those of us who live along the rivers understand the vital importance of irrigation water and the need to ensure that technology keeps up with the needs of the farmers. We now have a greater expectation of the water that will be provided. We also understand the concern irrigators obviously live with each day because of the lack of rain in the catchments last year. If they are not able to get at least their water rights and we have a dry summer and do not get the rainfall we would normally expect in the Goulburn irrigation area, the irrigators in the Shepparton area will be sorely pressed to provide the economic activity needed to ensure that we grow the fruit and provide the dairy products for the future.

I look forward to a continuation of our wonderful irrigation area in this great state of Victoria.

Mr JASPER (Murray Valley) — I support the bill and acknowledge the comments made by the previous speakers, particularly the honourable member for Swan Hill, supported by other honourable members from northern Victoria, especially those representing irrigation areas. I also concur with the comments made by the honourable members for Rodney and Shepparton about the importance of water to the whole of Victoria, especially those in the north of the state who are reliant on irrigation for the successful production of a great range of crops. The enormous productivity of the Murray–Darling Basin benefits not only Victoria but also Australia and its export markets.

The changes made by the bill have been mentioned by a number of people, in particular the changes relating to the First Mildura Irrigation Trust. Reference has been made to the Chaffey brothers and their development of irrigation in the Mildura area more than 100 years ago. As has been said, it is important to bring that development into line with the Water Act to ensure the water entitlements of people in the Mildura area.

It is also important that we recognise the difficulties that have been experienced by people in the irrigation areas over the past season. The honourable member for Shepparton referred to the reduction in water allocation for people in the Goulburn area, but irrigators on the River Murray retained not only 100 per cent of their water rights but 100 per cent of their overentitlements. Therefore, although it looked to be a poor season for irrigators, it ended up being a successful one for most of the people right through the irrigation areas.

However, we must also look to future seasons. As other honourable members have said, there will be difficulties in the coming irrigation season if we do not get appropriate rains through the winter period. I am hopeful that we will get those rains so that we can replenish the water storages and ensure full allocation of water throughout the irrigation districts.

It is important that we realise that there is a great debate going on about the allocation of water and water usage. Many honourable members who have been in Parliament for a long time and those who have been involved in agriculture have seen the changes in water usage that have taken place in recent times. In years gone by there was enormous wastage of water in irrigation areas. Irrigators were not responsible about using water, but the publications that have been produced in recent years, particularly the Murray–Darling Basin Commission review of the cap implementation in 1996–97, clearly recognise the limited amount of water available in the Murray–Darling Basin.

We need to be more efficient in our use of water. Irrigators have changed in recent years, acknowledging that they must be more efficient in their use of water, not only because of the cost of the water and the cost of distributing it to farms but also because of the limited amount of water available in the Murray–Darling Basin. I strongly support the actions taken by the Murray–Darling Basin Commission and the other authorities that supply water to towns, as well as the catchment management authorities. We need to be efficient in our handling of water and its usage generally. I acknowledge the *Sharing the Murray* document, for which the honourable member for Swan Hill was largely responsible. It details what we need to do to improve water usage.

The other changes we need to acknowledge include the introduction of water sales, which will enable property owners not only to sell their water rights but also to accept their overentitlements. That will lead to greater efficiency in water use and improved production.

Reference was made to claims before the Victorian Civil and Administrative Tribunal. Problems occurred in the metropolitan area of Melbourne, but there will also be problems in country Victoria relating to the delivery of water and the methods farmers and others adopt to protect their properties.

In many cases farmers are not only looking to get the maximum water they can, they are trying to protect their properties from flood damage while retaining water where they can. Levee banks are being built in many areas. The difficulty arises when a particular landowner who decides he wants to protect his property builds a levee bank without obtaining permission from the authorities or any consideration of other people's needs. Property owners must recognise their responsibilities and bear in mind the damage they may cause to others. In recent times people who have wanted to protect their properties have constructed levee banks or other systems without getting appropriate planning approvals for the work that has been undertaken.

I am aware of many examples in my electorate where difficulties have occurred in removing levee banks. The honourable member for Bennettswood is aware of my representations to him when he was Minister for Natural Resources. I made representations to the municipality, the catchment management authority, Goulburn–Murray Water and to the then minister to protect property owners from the effects of illegal levee banks. The minister said the only action that could be taken by landowners adversely affected by the levee banks was to take the issue to court. At that time the landowners confirmed the difficulties they had in financing a claim against another property owner. One property owner has told me he is repairing the damage done to a levee bank, but is not raising the height of the bank.

The legislation provides for claimants to apply to the Victorian Civil and Administration Tribunal to resolve issues affecting landowners who wish to protect their property from the adverse action taken by their neighbours or others. Unfortunately, many people cannot afford to be represented by solicitors or barristers and unless they have legal representation they will be disadvantaged.

I support the legislation and believe the amendments will improve the efficiency of the water industry to the advantage of all Victorians, not just those living in irrigation districts and those who use the water to produce their agricultural production. This measure will improve the economy of Victoria and Australia.

Mr McNAMARA (Minister for Agriculture and Resources) — I thank the honourable members for Murray Valley, Morwell, Swan Hill, Mildura, Rodney, Bundoora, Bendigo West, Bennettswood, Shepparton, Benambra and Broadmeadows for their contributions to the debate and their support for the legislation. An important part of the bill is that for the first time it clarifies the ownership of water rights under the control of the First Mildura Irrigation Trust (FMIT). It is worth reinforcing that the government has strongly promoted the development of a water market, which has been good in transferring water from lower value areas of produce to higher value areas of produce. That has been operating for four or five years and is probably having the most dramatic effect in the Murray Valley region from Echuca to Mildura. The amount of new investment in horticulture in that region is extraordinary. I do not think the pace of development would have occurred if there had not been deregulation, which has meant that water rights are now separated from the title and traded separately.

The First Mildura Irrigation Trust controls the water rights in that area, not individual landowners. The bill enables the trust water rights to be tradeable and will ensure further development of cross-border trade. I take the opportunity of complimenting the work of the honourable member for Bennettswood who, as a former Minister for Natural Resources, started much of the reform of the water industry. We can all look back with some excitement at the developments that have occurred since those early changes came about. I can recall an auction of water in the mechanics hall in Nagambie. People bought thousands of megalitres of

water at prices ranging from $150 a megalitre upwards. At the time they were told they were mad to pay that price, but recently water was traded on a seasonal basis, leased for a year, at $200 a megalitre. Water sold on permanent transfer has reached prices up to $1000 a megalitre and beyond. If people had the foresight to realise what the changes would lead to and purchased water four or five years ago they would have done better than any investment on the share market.

Mr Batchelor — Did you get any?

Mr McNAMARA — I wish I did. Unfortunately, I did not. It has been exciting to see the new investment, particularly in viticulture in areas as diverse as the Strathbogie Ranges, Pyalong, Nyah and Mildura. New irrigation areas are opening up in various parts of the state. With the honourable member for Swan Hill I visited Robinvale to inspect a new operation developed from efficiency savings in the system. For the first time irrigation authorities have financial incentives to invest in water savings because they have the opportunity of recouping the cost of their investment through the sale of surplus water.

The program to pipe the Wimmera–Murray channel system, an open earth channel that has existed for decades, involves some 50 000 megalitres of water, of which 90 per cent is lost through seepage and evaporation. When that pipe system is completed, Victoria will have a highly efficient system that will deliver water to farms and isolated townships throughout the Wimmera and the Mallee. Rather than using 50 000 megalitres they will use 5000 megalitres. The 45 000 megalitres that will be saved is worth some $45 million on the water market, a significant return from a government capital investment of $20 million.

There are huge benefits to be gained: additional water will be available for irrigation, and the environment will benefit from the overall reduced use of water. Water was being drawn from many streams and rivers at an unsustainable rate, so the reduced water demand will reinvigorate the rivers and streams throughout the state.

That has come about as a result of the introduction of a water pricing market. Honourable members are aware that numerous farmers who formerly used flood irrigation systems to irrigate vineyards or orchards are now moving to drip or microjet irrigation. They are irrigating 3 or 4 hectares with the same amount of water they formerly used for 1 hectare.

This is an efficient system. The government is encouraging the greater use of recycled waste water from our urban systems. Melbourne Water and other water authorities can play a part in making water from Melbourne available for irrigation purposes. In Ararat and eastern and northern Victoria urban waste water is being recycled. In fact, it could be said that enriched water is being used for irrigation.

I congratulate the honourable member for Swan Hill on his work on the production of *Sharing the Murray* which, for the first time, outlines the benefits of the Victorian irrigation system. As the document shows, Victoria has supplied full water rates to irrigators for 97 of the past 100 years. For those less familiar with water issues, we refer to that as 97 per cent water rights security.

The situation across the border in New South Wales is in stark contrast to that. That state has been able to supply water rights in only 43 of the past 100 years. A property owner with an irrigation licence for a 1000 megalitre water right in Victoria is guaranteed 970 megalitres in the worst possible season. Across the border, however, a 1000 megalitre right, in the worst possible season or in fact in many seasons, will get you about 420 to 430 megalitres of the water.

The dependability of water entitlement in Victoria has led to a lot of investment in planting, including investment in viticulture and orchard production. There has also been a lot of investment in the dairy industry, which requires guaranteed water over the whole year. You cannot suddenly shut down half a herd and close half a dairy. Dairy farmers need a guarantee of water rights year in and year out. The proposed legislation will bring the FMIT area into line with the rest of the state by allowing irrigators in that area to have the same water-trading privileges as people in other parts of Victoria.

The original indenture given to the Chaffeys was a very interesting legal agreement between the Chaffey brothers and Queen Victoria. It did not specify an amount of water but said the family would have 'the right to sufficient water'. That meant in effect that they had open slather on how much water they could draw on land given to them as a perpetual easement.

The proposed legislation has been welcomed by the FMIT board. Its chairman, Mr Owen Lloyd, has made the point that it provides flexibility in securing water needed for businesses and enables users to sell unused water entitlements on a temporary or permanent basis. That will bring them into line with the rest of Victoria.

I wish this bill a speedy passage and thank all honourable members on both sides of the house for their support.

The ACTING SPEAKER (Mr Andrianopoulos) — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 and there are fewer than 45 members present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time; by leave, proceeded to third reading.

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

EDUCATION ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 25 March; motion of Mr GUDE (Minister for Education).

Ms DELAHUNTY (Northcote) — It gives me pleasure to lead the debate on the Education Acts (Amendment) Bill on behalf of the opposition. This is an omnibus bill, and in many senses it is housekeeping legislation. It has, however, a sting in its tail, and I propose to spend most of my time in this debate on that matter.

The purposes of the bill are threefold. In the first place it updates the Education Act to clarify the rural areas in which non-government primary schools with fewer than 20 pupils can be registered. At present the act provides that primary schools in urban areas need 20 pupils to be registered and schools in rural areas need 11.

In light of the substantial changes recently made to the names and boundaries of municipal councils the references listed in schedule 5 to the Public Service Act seem to be well and truly out of date. Most honourable members would be aware that the changes to local councils have been extensive and have had a vast impact on the way people relate to local councils and the way non-government primary schools are registered.

The bill makes a great deal of sense, and the opposition supports it. It is intended to remove anomalies that have arisen largely from the changes to local councils. If a school in a reasonably remote area is affected by the extension of the boundaries — for example the boundaries that run around rural cities such as Warrnambool and Mildura — that school may now find that it falls within a designated urban area. Non-government primary schools in those areas may be disadvantaged if they have to provide for 20 pupils.

I thank the Minister for Education for providing a briefing on the bill. At that briefing the opposition was assured by the government that no existing school will be disadvantaged in any way by the changes. The opposition accepts that assurance because the point was made firmly. However, a serious issue arises as to whether providing dispensation for non-government primary schools in remote locations will affect existing government schools in those areas.

The minister's second-reading speech and the provisions of the bill highlight the fact that the Victorian government has no strategy for planned educational provision. Let me explain what I mean. Planned educational provision ensures that public dollars spent on education, which is the largest state budget item, are carefully targeted to go where they are most needed. Despite the fact that existing non-government primary schools will not be disadvantaged, independent schools with as few as 11 pupils could be set up in remote locations right next door to struggling rural state schools. That would lead to competition within a tiny enrolment pool.

The opposition believes regard must be had for existing educational provisions when granting permission to register a new school, whether it be a government or non-government school. The opposition would support a policy of planned educational provision so that in registering new schools, whether government or non-government, regard must be given to the existing education provision to ensure that resources are not poured into, for instance, two tiny rural schools that are competing for a diminishing pool of students.

Upon reading the minister's second-reading speech I noted in passing that the Registered School Board, which registers teachers, has no teacher representatives. That is in contrast to the Labor Party's policy. Under the Labor Party's New Solutions there is a proposal to establish an institute of teaching, which will be independent but representative. It will be a body that will register teachers and raise standards. It is important to teacher professionalism that Victoria have an independent institute of teaching with teacher

representation. The government's Registered School Board has no teacher representation, and that is a diminution of the professionalism of the teaching service. I will return to that point later in the debate.

The second component of the bill concerns technical housekeeping issues. It amends the Education Act so that section 84 will apply to ministerial orders made under section 15T. That appears to be a sensible step towards bringing all ministerial orders into line. Section 15T concerns ministerial orders relating to employment and terms and conditions. Bearing in mind the Schools of the Future program and the power that is increasingly being given to school councils to hire and fire, it is appropriate that ministerial orders under section 15T be applied under section 84. The opposition does not oppose those provisions.

Part 3 is the meat of the bill and the opposition believes most of the discussion should be centred there. Clause 7 amends the Teaching Service Act by providing that all appointments to the teaching service are to be made solely on the grounds of relative efficiency.

The Teaching Service Act is the template for the employment of professional teachers. It is the structure on which Victoria's education system is built, providing quality teachers for the quality education of students.

'Relative efficiency' or 'efficiency' as defined in the bill means special qualifications and aptitude to perform the task. I should have thought that was implicit. Why not say 'teacher qualifications' rather than 'special qualifications'? Are we not saying that we want our students to have well-motivated, well-educated and well-trained professional teachers who are well resourced to do the best they can for students?

The notion of efficiency relates not only to the permanent employment of teachers under the Teaching Service Act but also to the employment of temporary teachers. According to both the briefing and the second-reading speech the amendments are designed to remove the priority in filling vacancies given to officers already in the service over teachers outside the service.

The change encourages talent in the large and growing number of teachers who are trained but have no job or are employed on short-term contracts. Both those groups are disadvantaged in applying for more permanent positions as officers in the teaching service. The change is appropriate and is supported by the opposition. Well-educated, well-trained and, I hope, well-motivated teachers are disadvantaged by the priority currently given to teachers in the service.

Teachers on contract employment who are doing well in their schools should have a permanent career structure in both the Department of Education and in teaching children. Opportunities should be open to all teachers with merit regardless of whether they are already in the service, outside the service, trained at taxpayers' expense but unable to find jobs or on short-term contracts. Unfortunately the latter form of employment is increasing.

Teachers and the way they are employed lies at the heart of education. We have heard much about computers in schools. The minister announced that every student in government schools will have his or her own email address. Although I welcome that initiative it must be remembered that email is not an excuse for education. Computers are a tool, an add-on. The love of learning and the ability to learn are ignited by talented, well-educated and well-resourced teachers. That has struck a chord on the other side.

Despite a budget surplus of $1.8 million Victoria is the meanest state in Australia regarding education. It spends less per student than any other state or territory.

Honourable members interjecting.

Ms DELAHUNTY — It is true. Victoria is the meanest state in the country. It has no money to spend on schools. The bill raises central philosophical differences between the government and the opposition. Clause 7 relates to the appointment of teachers on the basis of efficiency. To discuss what is meant by efficiency one must look at what is meant by employing quality teachers.

Honourable members interjecting.

Ms DELAHUNTY — I am delighted with the interest displayed by honourable members on the other side. The opposition believes that education is a sound investment in a shared, prosperous future. In a civilised and productive community all children need a quality education regardless of whether they attend rural, metropolitan, independent or government schools.

Mrs Peulich interjected.

Ms DELAHUNTY — I hope the honourable member for Bentleigh will not play politics with our children.

Honourable members interjecting.

Ms DELAHUNTY — I trust those honourable members do not intend to play politics with my children, either.

I return to the central philosophical difference that is exciting honourable members opposite. Education is a sound, excellent investment in a shared prosperous future, but it can only be a shared future if quality education is provided for all students. The provision of quality education requires professionally qualified and well-resourced and motivated teachers.

Government members interjecting.

Ms DELAHUNTY — Let me remind honourable members what the government has done by removing professionally qualified and well-resourced and motivated teachers.

Since 1992 the government has ripped approximately 8000 teachers out of Victorian schools. If the government is concerned about efficiency how much harder has its actions made life for the teachers who are left and who have to fill the gaps? How efficient are teachers now that there are fewer of them dealing with larger classes? Class sizes have exploded. In 1992 the average primary class size was 23.4 students; last year 62 per cent of primary classes had more than 25 students. As a result of a successful freedom of information application the opposition has dragged out details that reveal there are many primary schools with class sizes of more than 30.

What effect do class sizes of up to 30 have on the education qualified teachers can give to students in the early years from prep to grade 2 given the view of experts that crowded classrooms diminish the ability of students to learn? The ability to learn is particularly relevant for numeracy and literacy and is also critical for the intangibles of education, such as the development of socialisation skills that are important to children entering school in the prep year, the love of learning, and self-esteem. If teachers have crowded, stressed and unresponsive classes it is difficult for them to impart what they need to impart to young children in the early years between prep and grade 2.

Efficiency and quality education — —

Mrs Peulich interjected.

Ms DELAHUNTY — I will come to retention rates.

The ACTING SPEAKER (Mr Andrianopoulos) — Order! The honourable member for Bentleigh has been especially loud. I ask her to cease interjecting.

Ms DELAHUNTY — It is no surprise that after listening to both parents and teachers and reading the research the opposition has made an important pledge in education — that is, it will fully fund prep to grade 2 class sizes of 21 or fewer. I remind honourable members of the figures: currently 62 per cent of primary classes have well over 25 students and a handful have more than 30. Labor will put in 650 extra teachers to provide class sizes of 21 or fewer in those early bedrock years. That is a substantial commitment. It is certainly attractive and leaves the minister's whoosh well behind. The minister said something to the effect that he would like schools to reduce their class sizes to 28, yet a lot of research, particularly from overseas, has shown that children cannot effectively learn the basics in classes of 30 or more.

Mr Richardson — On a point of order, Mr Acting Speaker, I draw your attention to the fact that this is a narrow bill that deals with the registration and deregistration of certain types of schools, ministerial orders, relative efficiencies and appointments of people of various classes. It does not deal with the wide variety of issues that are being canvassed by the honourable member for Northcote. While it is customary to allow the lead speaker for the opposition to range with some freedom that does not allow the honourable member for Northcote to range far and wide over every educational issue. I ask you to bring her back to the matter before the house.

Ms DELAHUNTY — On the point of order, Mr Acting Speaker, I accept the goodwill of the honourable member for Forest Hill. I assume that he is devoting his remarks to the first two components of the bill that mention rural schools, registration, government and non-government schools and ministerial orders. Ministerial orders cover terms and conditions of appointment by school councils — that is, who they appoint and on what grounds. That is all about efficiency. Teachers are being appointed because a certain number is needed to reduce the large class sizes. The meat of the bill, which is what I am addressing most of my remarks to, refers to the way in which teachers will be appointed and consequences of those forms of appointment.

Mr Brumby — On the point of order, Mr Acting Speaker, the honourable member for Northcote is speaking in a manner that is entirely consistent with the amendments that are proposed to the principal act. The principal amendment in the bill deals with appointments to the teaching service. Underwriting and

underlaying the bill is the looming teacher crisis in the state education system. The bill changes the basis on which teachers can be appointed to the system. The reason the legislation is being enacted is to enable the government to change the way in which teachers are appointed and to enable future governments to appoint teachers from outside the service, from interstate or from overseas, to overcome what has been a gross mismanagement of the education system.

Any debate about the number of teachers, teacher supply, teacher demand, temporary teachers, contract teachers or permanent teachers is absolutely and totally consistent with the bill and the amendment. The bill will give the minister increased latitude in the future to appoint teachers from outside the teaching service to overcome the looming teacher shortage, which will impact on matters such as class sizes, which is exactly what the honourable member is saying today.

The ACTING SPEAKER (Mr Andrianopoulos) — Order! I am not prepared to uphold the point of order at this stage. I remind the house that it is customary for lead speakers on bills to be able to canvass some of the wider issues, in this case within education. However, I ask the honourable member for Northcote to ensure that she relates those wider concerns to the bill.

Ms DELAHUNTY — Thank you, Mr Acting Speaker. In the spirit of the ruling I will deal with proposed new section 9. I am sure government members will be aware of my comments on this provision. Proposed new section 9 refers to the employment of temporary teachers and is problematic. Currently the section refers to employing persons:

> best qualified for such work having regard to qualifications.

A professional teaching service that provides students with quality education would require a person to have a professional teaching qualification as the very minimum standard. It is of some concern that those words are to be removed by the bill and replaced with:

> regard to the relative efficiency of any two or more applicants.

Mr Elder interjected.

Ms DELAHUNTY — It is not defined as merit. It is a definition of efficiency. If one was really interested in professionally qualified teachers, why would one remove the word 'qualifications'. Surely that is intrinsic to anybody putting their hand up to become a teacher and to perform those duties in the classroom. For that reason I propose to move a reasoned amendment. As I said, the essence of a quality education is a well-educated, well-trained, well-motivated teaching profession. It also goes to the heart of making — —

Mrs Peulich — On a point of order, Mr Acting Speaker, I understand the orders of the house require the amendment to be circulated to other members.

The ACTING SPEAKER (Mr Andrianopoulos) — Order! I ask the Clerk to circulate the reasoned amendment.

Ms DELAHUNTY — Accordingly, I move:

> That all the words after 'That' be omitted with the view of inserting in place thereof the words 'this house refuses to read this bill a second time until such time as the government provides a guarantee that a professional teaching qualification is the central criterion in assessing the efficiency of all applicants for teaching positions in all schools'.

I cannot imagine anyone not voting for that.

Mr Finn — You will have to!

Ms DELAHUNTY — I cannot imagine anyone, even the honourable member for Tullamarine, being so crass as to suggest he could not vote for an amendment that says a professional teaching qualification is the central criterion in assessing the efficiency — —

The ACTING SPEAKER (Mr McArthur) — Order! I remind the honourable member and all subsequent speakers that they are now speaking to the bill and the reasoned amendment.

Ms DELAHUNTY — Mr Acting Speaker, why has the opposition moved an amendment? In 1999 in the Victorian Parliament why would one need to move an amendment to ask the government to guarantee that a professional teaching qualification would be the central criterion in assessing the relative efficiency of all applicants for all positions in schools? I will tell you why. Clearly, it is because of a looming teacher shortage — and I want to speak about that in some detail; because we have an increasing number of instructors being employed in our schools — and I want to speak to that as well; and because the average age of teachers in Victoria is 44 years.

We are facing a crisis among teachers in secondary schools, according to the Australian Council of Deans of Education report. The report said we will face severe shortages in secondary schools next year. What is the answer to that? The government suggests that the answer is to bring in unqualified teachers, teachers who perhaps — —

Honourable members interjecting.

The ACTING SPEAKER (Mr McArthur) — Order! The honourable member for Northcote, without assistance.

Mr Finn — By God she needs it.

Ms DELAHUNTY — I thank the honourable member for Tullamarine, who I presume will support the amendment on the basis of that. I refer to a concern held by country people. I know this goes a bit further than the honourable member for Tullamarine's ambit, but country Victoria has been hit by a shortage of qualified teachers and many schools in country areas are being forced to hire instructors to take classes. That is an illustration of the teacher shortage already facing Victorian primary schools. As the education deans' report pointed out very clearly, the problem will be exacerbated in secondary schools.

If the house does not accept the reasoned amendment and if the bill is passed, the words in the Teaching Service Act 'having regard to qualifications' will be removed. That will occur at a time of increasing demand for permanent and temporary teachers. I believe the bill opens the door to untrained, unqualified teachers who will fill the gaps that are already opening up.

There are some startling figures on the instructor class, to which I will refer in a moment. According to Peter Allen, Deputy Secretary (Schools), the instructor class was introduced in October 1997 to provide flexibility to employ people with professional expertise for fixed periods of up to five years in circumstances where a qualified teacher was not available. Why are no qualified teachers available?

The ACTING SPEAKER (Mr McArthur) — Order! I understand the member is quoting from a document. If that is so, it and the author should be identified.

Ms DELAHUNTY — It is executive memorandum no. 97/045 and it is addressed to all principals, schools and school council presidents. It is from the Deputy Secretary (Schools), Peter Allen. He said instructors will provide professional expertise in particular areas of the curriculum but will not be expected to undertake the full responsibilities expected of teachers.

If it is suggested that instructors can be employed when no qualified teachers are available, and if schools, particularly those in country Victoria, are already telling us they are having difficulty attracting trained teachers, the provision for instructors opens the door to unqualified persons being brought into Victorian schools. The figures are very interesting because they have gone up; 175 individuals now act as instructors in Victorian schools — mostly secondary schools.

An honourable member interjected.

Ms DELAHUNTY — That is exactly what opposition members would like to know. In which areas of the curriculum are they purporting to teach? We understand the instructor class was introduced in particular to assist teaching in the area of instrumental music, where arrangements are mostly one-on-one for a person with musical qualifications but no teaching qualifications. Instructors are also used in vocational education and training (VET) where those with trade credentials can assist. As a result there has been an exponential increase in the number of instructors but there are no answers about the curriculum areas in which they are involved. I would like to hear the Minister for Education detail precisely where those instructors are being used, particularly in the secondary schools where most of them are employed.

I return to the notion that Victoria faces shortages. The education deans reassert the fact that Victorian secondary schools will face an education-teacher crisis next year. In addition, Victorian schools will lose a large number of teachers. Given their average age, they will move out of the education profession in perhaps five years. Therefore the problem will increase for secondary schools next year and will continue to increase as the years roll on.

Why are teachers not taking up the opportunities? Many are trained, but they are not accepting the opportunities that have been offered or should be offered in our education system. Teachers are professionals. What are the components of a professional employment situation? Teachers want to be valued as professionals. At the moment they are employed in a very conservative and hierarchical management system that works very much on the old public service model. They are not allowed to openly discuss issues as are other professionals. They are not allowed to enjoy the conditions that most other professionals would and should expect. Contract teachers have short-term contracts and in many cases no career prospects at all. At present about 11 or 12 per cent of Victorian teachers are on contracts. It is interesting that it is necessary to look at individual schools now to find the ratio. In some schools the number of contract teachers is as high as 30 per cent.

The government's policies have resulted in the casualisation of the teaching profession. The lack of a career structure, attractive conditions and secure employment demeans the notion of a profession.

Victoria is out of step, not because it will face teacher shortages but because it does not offer attractive conditions to teachers, and that brings me right back to the bill. If one argues that the employment of teachers in schools is based solely on the notion of efficiency and that that notion of efficiency spells out but does not include a professional teacher qualification as a central criteria in assessing that efficiency, one is saying to potential teachers that Victoria does not want their qualifications and does not want or value their professionalism. In addition, Victoria faces competition from other states.

How do we solve the problem? There is a teacher shortage and a contract teaching arrangement that is not attractive to the best and the brightest. Those who are on contract in the Victorian education system may not get bank loans. They may not find that they have sufficient continuity of employment to even warrant bank loans! What a huge disincentive to teach in Victorian schools.

I refer to a point made by Associate Professor Tony Townsend from the education faculty of Monash University. He said that when the Victorian government introduced Schools of the Future in 1993, we were told that it was one of the best ways of improving the quality of education for all Victorian students. It was one of the best ways to employ teachers and improve quality education for all our students. He states:

> It is true that the Schools of the Future has not been an unmitigated success. ... The 1997 survey (Education Victoria, 1998) indicates that principals were ... less confident in 1997 of achieving improved student learning than previously.

There has been a drop in confidence.

The ACTING SPEAKER (Mr McArthur) — Order! Will the honourable member explain to the Chair how this matter relates to the bill?

Ms DELAHUNTY — It relates to the professionalisation of teachers — whether teachers are perceived to be professional and, as a result of being seen to be professional, how they are employed and whether they have professional qualifications.

According to Professor Townsend, there has also been a drop in confidence and recognition by principals that principals and teachers are seen as true professionals. True professionalism relates to the way we employ our teachers and whether we expect them to have professional qualifications, or whether, under the bill without the reasoned amendment, we can slide unqualified people into our classes. Professor Townsend concludes by saying:

> Schools of the Future only delivered on a few of its promises, but created a number of problems for schools in doing so.

One of those was the way we try to keep our teachers. Consistent with Victoria's downgrading of teachers in our schools, let me refer to the Senate Employment, Education and Training References Committee report of 1998, entitled *A Class Act*:

> In the school sector also Victoria has the dubious distinction of leading the trend to casualisation, with predictable consequences for teacher morale. Indeed, with the passage of the Public Sector Management Act in 1993, permanency was effectively abolished for all new teachers ... The most damaging consequences of the move away from permanency of employment are on the most vulnerable teachers — those beginning in the profession ... Increasing reliance on casual teaching staff is detrimental to the interests of both teachers and students. Both suffer because they cannot establish the relationships on which good teaching and learning depend.

According to the department's guidelines, until recently the department wanted 70 per cent ongoing teachers and 30 per cent on contract. Despite the fact the Senate committee has said that has a detrimental effect on both teachers and students, the Kennett government is persisting with the casualisation of teachers by including and insisting upon contracts for most appointments.

As a result of Labor's education policy, which states that to attract the best and brightest into our schools you need to have a permanent career structure and that teachers would be employed on contract only in exceptional short-term circumstances, the Minister for Education has backed down on his proposal that 30 per cent of teachers should be on fixed terms. The minister has now invited schools to make decisions about the staffing profile in each school.

It is 30 years since the commencement of the Victorian campaign to ensure that only qualified teachers were in front of students in class. We thought we had achieved that; we thought that all Victorians would want qualified teachers in front of students. But now, at the end of the 20th century, the bill refers to efficiency and does not describe the central criterion of efficiency as a professional teaching qualification.

I call on the Minister for Education to declare in this house that people without professional teaching qualifications will not be permitted to stand before our children and take classes in our schools; that temporary teachers, those in the instructor class, are not there to fill the void; and that instructors and unqualified teachers are not the solution to the teacher shortage now

facing Victoria. Country schools in particular — although next year our secondary schools will face similar problems — are finding that to be the case.

I call on the minister to advise the house that our fears can be allayed, that despite the fact this bill removes from section 9 the word 'qualifications' and replaces it with the word 'efficiency', the notion of efficiency must incorporate professional teaching qualifications. We need a new vision for education in this state. I do not believe placing unqualified teachers in our schools is where any Victorian wants us to head. We need a new vision for education that encourages opportunity, fairness and, most importantly, quality.

A sound investment in education is an investment in a shared and prosperous future. A shared and prosperous future means we should offer educational quality to every child in this state regardless of whether they attend a tiny rural school of only 11 pupils or a vast metropolitan school of several hundred.

The opposition has moved the reasoned amendment because it wants to ensure that efficiency — which opens up the service to teachers both on contract and outside the service, which the opposition supports — does not mean opening the floodgates to instructors who are not professionally qualified. We must support the profession of teachers and not destroy it. Victorians want to put resources and respect back into education.

Mr ELDER (Ripon) — It gives me great pleasure to speak on the bill and to respond to some of the claims made by the honourable member for Northcote, the shadow Minister for Education. I congratulate the honourable member on her appointment to that position, and I hope that she will make informed comment in this place over the coming years, unlike some of her predecessors.

It disappoints me that just when one starts to educate the shadow ministers, they go missing. The former honourable member for Carrum, Mal Sandon, ran many lines similar to the ones the honourable member for Northcote has been running tonight. One of my responsibilities was to correct the former education spokesman so that the facts and not the fantasy generated by the opposition were on the record. I hope the honourable member for Northcote is far more successful than the honourable member for Carrum, who actually lost his seat at the last election, running on policy that the Labor Party believes will win it the next election.

Then the honourable member for Footscray stepped into the breach. He too was found to be falling short of the mark so Labor moved him to a more junior shadow portfolio. I was hoping that the new shadow minister would forget about all the lines and allegiances to the Australian Education Union and debate matters of fact rather than fantasy.

I shall comment on some of the points the honourable member raised in her contribution. She referred to the appointment of people who were not teachers to positions on the Registered Schools Board. Every member of the Registered Schools Board has at one time been a teacher, and has had the expertise.

Ms Delahunty — They are not now!

Mr ELDER — They are not now! Once you know how to ride a bike, you just pick it up and can still ride it. Once a teacher, always a teacher.

Ms Delahunty — What are they now?

Mr ELDER — Once a TV presenter — perhaps you are not a TV presenter when you lose your good looks and start going senile!

Ms Delahunty — On a point of order, Mr Acting Speaker, I object to the word 'senility'.

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

Mr ELDER — Every member of the Registered Schools Board is a former teacher. The honourable member for Northcote implied that the board will be responsible only for government schools. That is not the case. It will also be responsible for non-government schools.

The honourable member made a number of claims and I will respond to some of them. The contributions of opposition members, particularly the shadow Minister for Education, should contain facts. Honourable members should be well informed to keep the government on its toes. Opposition members should debate the bill and the real issues in education rather than refer to the ideological nonsense they often talk about. The honourable member for Northcote said that the incoming Kennett government sacked 10 000 teachers.

Ms Delahunty interjected.

Mr ELDER — The honourable member says the government removed 8000 from the system. The figures vary from one opposition member to another. The former honourable member for Carrum said that 10 000 teachers were removed from the system. The

honourable member for Footscray referred to 8000 teachers being removed from the system. In fact, 6579 teachers were removed from the system.

In 1992 41 481 teachers were employed in the education system, including 2400 staff who had no salary cover and were unfunded and 5000 teachers on leave who could have returned to the system. In June 1998 there were 34 902 teachers, a net reduction of 6579. The government is spending $500 million more in June 1998 than the former Labor government spent in 1992. That is a 4 per cent increase in real terms.

Why did the Kennett government need to replace teachers? Because 2400 teachers who were employed in June 1992 were not covered by budget funds. The education budget had a shortfall of $78 million because there were 2400 more teachers than the then Minister for Education had planned. The shortfall had to be covered by loans which were repaid with interest by the incoming Kennett government. In the 1992–93 financial year no funds were available to pay the salaries of those additional teachers. When a teacher went on long service leave, maternity leave or leave without pay, he or she was replaced with a full-time teacher. In other words, there were two full-time teachers for the one position. The Kennett government could not allow that to continue.

Permanent teachers were employed to cover the more than 5000 teachers on unpaid leave. Approximately 8700 teachers were on approved leave without pay and 5700 were on approved family leave for up to seven years. For each of those positions permanent teachers were appointed. Teachers on family leave had the automatic right to return to teaching whenever they wanted.

The Kennett government had to take over an unfunded liability of $200 million — 5000 teachers at an average salary of $40 000 — to cover those teachers in excess. The government was forced to ask teachers to leave the system. It never sacked them. They received a golden parachute. Many teachers wanted to leave the education system because of family circumstances or opportunities available elsewhere in the work force.

Mr Brumby interjected.

Mr ELDER — Teachers were not targeted. Teachers put up their hands to take packages to leave the work force and go into other paid employment.

Honourable members interjecting.

Mr ELDER — Honourable members opposite do not want the facts. They should have the facts so they can contribute to the education debate. Between 1981 and 1992 student enrolments in Victorian government schools declined by 60 000 students or 10 per cent. I do not like doing this, but I want a good debate on education issues. I believe in good education for all Victorian children and a sound debate on education issues. We do not need to hear the same old rubbish that was dragged up by the honourable member for Footscray. Although I miss the honourable member for Footscray, it is deja vu because although the mouthpiece is different the rhetoric is the same.

Honourable members interjecting.

The ACTING SPEAKER (Mr McArthur) — Order! I remind honourable members that interjections are disorderly. The honourable member for Ripon should know that he does the Chair no favour by eliciting interjections.

Mr ELDER — Despite the declining enrolments 4000 teachers were retained in excess of what the system needed. It put enormous pressures on the budget. It was the reason why the education portfolio spent $78 million more a year than was budgeted.

The honourable member for Northcote said that some teachers in Victorian government schools were not qualified. That is incorrect. Teaching service order 154 states that teachers must have a four-year minimum qualification. When that order was introduced the education system was under enormous pressure, especially from some rural schools that had three-year trained teachers, in some cases as head teachers. The government told those teachers they would not be promoted unless they were four-year trained and obtained the further qualification.

Victoria led Australia in having a minimum teaching qualification. The government wanted the best qualified teachers in Victorian schools. It wanted the smartest, brightest and happiest teachers. I wanted the best teachers in government schools because my children were attending state schools. The government understands that many teachers had difficulty improving their qualifications, but teachers have been progressively upgrading their skills and qualifications. New graduates are four-year trained and the recent report about a shortage of teachers will not stand the test of time. We believe that in nearly every curriculum area of both primary and secondary education we will have the required numbers of teachers.

Some remote parts of the state, of course, will always have a problem. The previous Labor government had the problem, as did the Hamer and Thompson

governments. At some points around the state, predominantly remote points, there are always shortages in particular curriculum areas, commonly including science and physics and even physical education and languages other than English (LOTE). What the government has done about that, however, is to recognise that we have those shortages and advance a number of strategies to get more teachers qualified to take up those positions. Under the Schools of the Future policy it has allowed remote schools to go out and recruit teachers to fill vacant positions.

It mandated the teaching of LOTE in primary schools, thereby immediately creating hundreds of new LOTE teaching positions in primary schools. The demand had not been there before, so initially we had a shortage. Now, however, teachers are upgrading their qualifications to be able to teach LOTE and the government has created strategies to support them, including new curriculum materials such as Sals and Pals, for example, through which my own children learn Indonesian at Learmonth Primary School.

Shortages will always occur. They have been happening since Adam was a boy. The government has provided for a minimum four-year qualification — that is, four years of approved tertiary study including an approved course of teacher training or an approved certificate of proficiency in a trade. I suspect the honourable member for Northcote was not talking about trades, however. There are some instructors around the state, so the honourable member was partly correct. Victorian schools employ 105 instructors, nearly all of whom are instrumental music teachers, most of whom teach an instrument to students on a one-to-one basis at a school.

The government does not allow unqualified teachers to teach if they fail to meet its minimum qualifications. The only exception is when a fully qualified teacher is also in the room and is in effective control of the class.

You will have an opportunity later on to withdraw the reasoned amendment. What you are actually doing, and I support you in it, is — —

The ACTING SPEAKER (Mr McArthur) — Order! I remind the honourable member that he should address his remarks through the Chair.

Mr ELDER — Yes, Mr Acting Speaker.

I thank the opposition for supporting something the coalition government established more than five years ago.

Ms Delahunty interjected.

Mr ELDER — It is a question of who is supporting whom. I think you are supporting us, given that we did it five years ago.

Ms Delahunty interjected.

Mr ELDER — The reasoned amendment is not necessary because what you are proposing we have already established.

An honourable member interjected.

Mr ELDER — It is the central criterion, and it is already contained in the Teaching Service Act.

The bill refers to teaching service order 154, which establishes a minimum qualification. Opposition members grandstanding about education in this place should know what they are talking about. I know news travels slowly in the Labor Party, but Labor Party members are giving their unqualified support for something this government established more than five years ago. I thank them for that support, nevertheless!

The shadow Minister for Education also alleged that the government spends less money on education than was spent by the former Labor government. The government is spending 4 per cent more in real terms than was spent by the Labor government — and it is not blowing its budget like that government did. It is not spending $78 million more than Treasury allows it to.

When honourable members opposite compare Victoria's education expenditure with that of other states they are not comparing apples with apples. The Commonwealth Grants Commission, which sets benchmarks for what states should be spending in certain areas, has informed the Victorian government that it should be spending a couple of hundred million dollars less on education than it is spending at present. That is because the cost of the provision of education in Victoria is substantially less than it is in other states.

Let me give you a simple understanding of that.

Ms Delahunty interjected.

Mr ELDER — I will get on to class sizes, since you raised the matter.

The cost of providing education in the Northern Territory and Tasmania, because of great distances and remote populations with lower school numbers, is very high. Similarly, statistics provided by the commonwealth government indicate that the cost of doing business in Victoria is substantially less than the

cost in some of the other major states. For example, people in Victoria can do business for about 8 per cent less than people in New South Wales. That is because of lower land purchase costs, better proximity to facilities, lower rates and a whole swathe of other factors. The point is that we can provide education more cheaply in Victoria because our state is small and compact, and we can maintain higher school numbers.

Another point raised by the shadow Minister for Education was that the government should not allow new non-government schools to set up in remote locations. The honourable member should go back and have another look at what she said. If I am not hard of hearing I heard her say the government should not allow the registration of schools in remote rural locations where a state school already operates. As a parent I find that view extremely difficult to understand. The opposition appears to be advocating monopoly providers, which would mean that parents would not have a choice about the schools their children attend.

If the government followed the suggestion put forward by the new shadow Minister for Education there would not be a non-government school anywhere in Victoria. State schools will be established in low population areas and the establishment of non-government schools will follow. Competition is good, because it enables parents to choose which school they want their children to attend. Parents should have a choice as taxpayers about whether they send their children to government or non-government schools.

The bottom line is that non-government schools are not set up in remote locations because they need a higher number of enrolments to meet their costs. Only in rare cases will non-government schools be established out the back of Bourke. The government has worked cooperatively with the non-government sector and has set up shared facilities in a number of locations. The government does not pull down the shutters on the non-government sector, but tries to work cooperatively with it. In Bellarine and Eltham art, drama, library and physical education facilities are shared between government and non-government schools to get maximum use. That is a sensible way to go.

You also talked about how the government has wasted money on education.

The ACTING SPEAKER (Mr McArthur) — Order! I remind the honourable member for Ripon that every time he says 'you' he is referring to the Chair.

Mr ELDER — Sorry, Mr Acting Speaker.

The opposition said the government has wasted money and used funds inefficiently. I will provide some examples of how the government did not use funds inefficiently, and I will compare those examples with what the Labor Party did when it was in office. The government has saved some $50 million on school cleaning. When it came to office it found that government school cleaning costs in Victoria were twice those of New South Wales and almost twice those of South Australia.

Mr Brumby — Victoria must have dirtier children.

Mr ELDER — Victoria's children are not dirtier than children in other states. The featherbedding of cleaners in schools under Labor was outrageous. The government imposed the cost structure that existed in other states and immediately saved some $50 million. It was able to put that $50 million saving back into schools for children at the chalkface.

The government also overhauled the school-based management of casual relief staff. When the government came to office it found that most teachers, who have 10 days sick leave on top of their annual leave, took those sick days whether or not they were sick. Anecdotal evidence that came to me and other honourable members showed that — —

Mr Hamilton interjected.

Mr ELDER — The honourable member for Morwell should have a look at the facts. The government reduced the cost of school-based management of casual relief teachers from $60 million to $26 million. Under the government's initiatives a person who is sick can take a day off work, but cannot take a day off work merely to play golf when he or she feels like it.

The government eliminated the unfair overstaffing that existed under the Labor government. Some of the schools in Labor-held electorates in western suburbs were overstaffed to the tune of some 30 teachers. A system was in place whereby the Labor Party threw largesse to its mates in the western suburbs. When schools said they did not want to move teachers to the schools that needed them the Labor Party said, 'Keep them, and the state will pay'. Some schools employed 30 teachers more than they were entitled to employ. What happened then to the fairness and equity the Labor Party continually talks about? The Labor Party talks about social justice, equity and fairness, but when in government it abused the system shockingly.

The coalition government also reduced the funding gap between primary and secondary education. It targeted

funds at the early years of education and at literacy because they are the priorities. The government wants to raise Victorian standards.

The government has also reduced staffing overheads and has achieved Workcover cost reductions. Workcover was at the centre of the abuse of the education system by the former Labor government. In 1986–87 the former Labor government met the cost of some 425 224 working days lost as a result of teachers being on Workcover. That cost is the equivalent of some 2084 teachers being absent on Workcover for the entire school year. That is in contrast to the 1996 figure, when the government met the cost of some 9535 working days lost as a result of teachers being on Workcover, which is the equivalent of 47 teachers being absent on Workcover for the school year. Forty-seven teachers compared to 2084 teachers! In 1988 Workcover premiums reached $53 million. Today Workcover premiums are only $25 million. Another $27 million to $28 million has been put back into schools for the benefit of students.

The ACTING SPEAKER (Mr McArthur) — Order! The honourable member for Ripon is entitled to respond to the issues raised by the previous speaker, but he is now going beyond those issues. I ask him to return to the bill.

Mr ELDER — Mr Acting Speaker today's debate is important because matters will be put on the table that will set the direction of future debates in this place. I believe in education. As an educator I want the best available system that Victoria can afford for both my children and everybody else's children.

I am sure all honourable members have seen *Yes, Minister*. The opposition uses inputs rather than outputs as the basis for judging how the government spends its money, which is typical of the educational thinking of the 1970s. No other country, whether it be England, USA or the Middle East, which I visited last year, measures its education system by how much money is spent on it. The Labor Party is not New Labor but old Labor. The important questions include: is there accountability in the way money is spent in schools; is the money being used efficiently to enable students to learn; and are there remedial programs in place to assist students who are not learning?

The student-teaching ratio in Victorian government schools is better than the average. The government spends more money on education than the Labor government spent in 1991. We are delivering a first-class education system that allows local communities to decide on the quality and type of education their students receive.

The government has empowered local school communities, principals and teachers to deliver what I believe is not only the best education system in Australia but one of the best in the world. It is the reason why other governments wish to talk to the Victorian government about its experiences and why other states are implementing the Victorian system. It is incumbent on every government to use its money wisely.

Mr BRUMBY (Broadmeadows) — It is extraordinary that the honourable member for Ripon made no reference to the central element of the bill, which is the change to the Teaching Service Act by the insertion of the words 'relative efficiency'. Not once did he refer to the underlying issue of the looming teacher crisis in Victoria. There is already a shortage of teachers in maths and science — and in parts of rural Victoria — the effects of which will become more manifest in coming years.

Courtesy of the honourable member for Ripon, a ministerial aspirant, honourable members have just listened to a one-sided account of the history of education in Victoria over the past 15 years. Not once did he refer to the real basis of the legislation, what has driven it, or how the challenges facing the future education system will be met.

The shadow Minister for Education spoke about the future, not the past, and how those challenges will be met to create a quality education system. She did not speak about today, but about a year, 5 years and 10 years ahead, in the hope that whatever side of politics they follow Victorians can say they have the best education system.

I listened closely to the honourable member for Ripon, but not once — and I am happy to be corrected — did I hear him speak about the future. The only time he came close to doing so was when he spoke about inputs and outputs. I am not obsessed by inputs. The Labor Party's recently endorsed New Solutions policy is about outputs. If I were a government member I would not brag about the outputs of the Victorian education system. Literacy and numeracy outputs have plummeted in parts of the state.

Surely one test of the effectiveness of the education system — —

Honourable members interjecting.

Mr BRUMBY — Australia is enjoying its lowest interest rates in 50 years and the longest sustained period of economic growth in the world, so one would hope there would be jobs. However, in areas such as Gippsland, where retention rates are plummeting and youth unemployment rates have at times exceeded 50 per cent, it is hardly accurate to say students are leaving school to obtain jobs. The minister's assertion does not do him justice; he is brighter than that. In some parts of the state students drop out of school early and are unable to obtain jobs. Surely one output by which a system can be judged is its provision of quality education and a high retention rate followed by jobs for young people.

Similarly, achievement levels in subjects such as Victorian certificate of education English are low. Analyses done by researchers such as Janet McCalman of the *Age* show that many students at good private schools such as Methodist Ladies College are high achievers in VCE English. If I remember correctly, in 1998 MLC produced 100 high achievers in English. Only 5 of the 20 000 students in the 40 non-specialist government schools north and west of the Yarra were high achievers.

Mr Elder — What about value adding?

Mr BRUMBY — I do not see much assessment of any value adding in the state education system. More of that is needed. I spoke recently about how value is added and how regional differences in education should be addressed.

Although there have been some changes in the education system, while there are massive differences in outputs and outcomes between the regions, between postcode areas and between government and non-government schools one cannot talk about the past six years and say the result is fantastic. Retention rates are declining and there are major concerns about numeracy and literacy standards at the primary level. Those views have been expressed not only by the opposition but by the federal Liberal government and others.

During a speech I made six months ago the honourable member for Doncaster interjected and said that numeracy and literacy did not matter to the extent I said they did.

Mr Perton interjected.

Mr BRUMBY — You did — you were talking about computers. Numeracy and literacy matter more than ever.

Mr Perton — You are lying!

Mr BRUMBY — I am not.

The ACTING SPEAKER (Mr McArthur) — Order! The honourable member for Doncaster is interjecting and is disorderly. I ask him to desist.

Mr BRUMBY — He has also used unparliamentary language. I ask him to withdraw.

Mr Perton — I did not say that you were a liar, I said that you were lying.

The ACTING SPEAKER (Mr McArthur) — Order! The honourable member for Doncaster is not assisting in this matter. Does the honourable member for Broadmeadows wish to pursue this further?

Mr BRUMBY — It is a matter for the honourable member for Doncaster. He has breached the parliamentary standards. It is a question of his own standards and ethics. If he has none and if he can simply sit there, that is fine.

The ACTING SPEAKER (Mr McArthur) — Order! That word is not one of those on the list of unparliamentary expressions. However, if the honourable member for Broadmeadows wishes to take the matter up through another avenue, I will list it.

Mr BRUMBY — As I have said, it is a matter for the honourable member for Doncaster. If he is happy to be on the record using that language, that is a matter for him.

The honourable member for Ripon made a number of assertions. He lauded the so-called achievement of the government in increasing spending on education and said spending had increased by 4 per cent since 1992. As was pointed out in a budget debate in 1994, and again in 1995, the rules have changed. The current state education budget contains provision for superannuation, capital costs and depreciation. Those items have been loaded into the recurrent budget and will show up as an increase in expenditure. However, it is not comparing apples with apples because it is a totally different accounting system.

The real issues that remain unresolved are whether there are more or fewer teachers in the system today, whether they are teaching in better conditions and whether they are achieving better outcomes, and whether children are being better educated and are getting more jobs. The government fails on those criteria.

The honourable member for Northcote was right when she said that 9000 teachers have been taken out of the system. Over the past six years while 9000 teachers have taken packages there has been some employment growth, resulting in a net loss figure in the vicinity of 6500 — a massive loss of teachers. Some schools, including some in my electorate — schools in struggling areas that need teachers to help students who need support in literacy, numeracy, language and other areas — have lost between 1 in 3 and 1 in 4 teachers. I spoke earlier about Gippsland and the Latrobe Valley. The retention rate in that area has plummeted and 50 per cent of young people are unemployed, yet no additional teachers or programs have been provided to boost outcomes and support for the children there.

Mrs Peulich interjected.

Mr BRUMBY — After six years! You don't think the damage has been done?

The ACTING SPEAKER (Mr McArthur) — Order! The honourable member for Bentleigh will get the call at a later stage.

Mr BRUMBY — The other point made by the honourable member for Ripon concerned the reasoned amendment. He said there was no need for it because the Teaching Service Act already required that teachers have four years of training. Section 5 of the act deals with appointments and states that a person cannot be appointed unless:

> (a) the Chief General Manager is satisfied after he has undergone a medical examination approved by the Chief General Manager as to his health and physical fitness;
>
> (b) the Chief General Manager is satisfied that he is a fit and proper person to be an officer of the teaching service; and
>
> (c) the Chief General Manager is satisfied that he has fulfilled such qualification requirements as are in effect at the time.

There is nothing in the act about four-year qualifications. That is a requirement under the regulations, which the minister effectively has a discretion to alter from time to time. That is the basis of the opposition's reasoned amendment.

The honourable member for Ripon tried to get around the debate by saying glibly of the deans' report that he did not think what it predicted would eventuate. He said that the deans' report did not stand up and that the government can, and I quote 'meet all of the curriculum areas required'. I do not believe that is so. I have a great deal of confidence in the deans' report.

There are problems with the supply of teachers in other states and elsewhere in the world. The teacher shortage is not unique to Victoria, although because of the extent of teacher cutbacks over the past few years Victoria has a greater problem in addressing the imbalance between the demand and supply of teachers.

The reasoned amendment expresses the opposition's desire to lock into the legislation a guarantee that the professional teaching qualification will be the central criterion in assessing the efficiency of applicants for teaching positions in all schools. No honourable member should object to that. Government members are objecting only because the reasoned amendment was moved by the opposition, and more particularly by the honourable member for Northcote.

The opposition wants that guarantee written into the legislation so that we do not return to the dim, dark years of the 1970s, when we were bringing in teachers from Canada, America and New Zealand, in fact, from all around the world.

The ACTING SPEAKER (Mr McArthur) — Order! The time has arrived for the house to meet with the Legislative Council in this chamber for the purpose of electing members of Parliament to the Victorian Health Promotion Foundation.

Debate interrupted.

Sitting suspended 6.00 p.m. until 8.03 p.m.

EDUCATION ACTS (AMENDMENT) BILL

Second reading

Debate resumed.

Mr BRUMBY (Broadmeadows) — Before the suspension of the sitting the chamber was having a wide-ranging debate about what has been happening to education in Victoria and about the intent of the government's amendment to appoint all teachers on the basis of relative efficiency. We were also debating outcomes from the education system.

To summarise the points I was making, the relationship between the inputs and outcomes shows that many thousands of teachers have been cut from the system. The Victorian government spends less on schools than any government in any other state. Average class sizes have increased by 10 per cent. More than 560 schools have classes of 30 or more students. The proportion of students completing year 12 has plummeted from 78 per cent to 69 per cent. So-called voluntary schools fees and fundraising now amount to more than $2 million a year and require parents to raise an average

of $388 per student per year. We have seen continuing backlogs in the school maintenance budgets.

What does the legislation do to address that? What does it do to improve educational standards in this state? The answer is that it does absolutely nothing. It does not address the looming teacher shortage, class sizes or the maintenance backlog. The bill does away with standards and quality and relegates the state education system to a second-rate system.

When looking to the future — which is what this debate ought to be about — the challenge is to decide how we can get more, and better, teachers into the system. As I said, this challenge also faces other states and nations. I shall refer to some of the initiatives taken overseas. The Clinton administration has put something like 22 000 extra personnel into education right across the United States of America. It has provided scholarships, made commitments to dramatically reduce class sizes and put in place dynamic programs. Some $10 billion has been allocated to address problems in schools that are not performing. Radical steps have been taken to do that. They are some of the things we in Victoria ought to be examining.

In the time available I will deal with the issue at the heart of the reasoned amendment moved by the shadow minister, the honourable member for Northcote. It concerns teacher quality and teacher qualifications. I will refer to a number of articles about education. The first is from the *Age* of 2 February. It was written by Carolyn Jones and headed 'Class acts'. The article is a commentary on the action being taken to address teacher supply. It refers to Professor Richard Bates of Deakin University and states:

> Bates welcomes the state government's strategy to recruit more school leavers into teaching, but is concerned that not enough is being done to address the deans' projections of a severe teacher shortage by 2004.
>
> Their latest teacher supply and demand figures reveal that Victorian schools are heading for a primary and secondary teacher supply crisis, with universities expected to produce fewer than half the number of qualified teacher graduates needed by the year 2004.

The article further states:

> Bates fears the contract teaching system is discouraging school leavers from choosing teaching as a career.

He goes on to say about contract teachers:

> These people have spent four years of their time and a large proportion of their own money to train, so some kind of stability is employment is important. ... One young teacher I know had five short-term contracts, one after the other at a school. How can you develop a teaching career when you are treated like that?

An article from the *Australian* of 1 February headed 'Help needed — have we got a job for you', by Sharan Burrow from the National Australian Education Union states:

> Australia is facing a dramatic teacher shortage and salaries are an important part of the solution.
>
> Unless we can attract new graduates to the profession and retain experienced teachers in our schools, then by 2004 we will be able to meet only 61 per cent of the demand for secondary teachers and 81 per cent for primary teachers.
>
> ... Australia's teacher population is further threatened by the aggressive recruitment tactics of other OECD countries, which also face serious teacher shortages.
>
> In the US, many states are offering 'golden hellos', with salaries of $US50 000 ($79 000) plus relocation grants.
>
> Likewise, in Britain, incentives of pound stg. 5000 ($13 100) are being paid in addition to top salaries to attract new teachers in areas of shortfall.

I am sure honourable members are aware of some of the initiatives put in place in Singapore to improve the quality and lift the status of the teaching profession to attract the best graduates from schools and universities into teaching.

An article in the *Herald Sun* of June 1998 by Kate Hannon states:

> Shortages of high school maths and science teachers could worsen over the next five years as teachers opt to leave the profession.

She is referring to the federal government report entitled *Supply and Demand for Scientists and Engineers*, which warns that the situation needs careful monitoring because many of the 20 per cent of teachers now over the age of 50 are likely to retire.

I can produce many articles in the same vein. Another one from the Sunday *Herald Sun* of 12 April is by Felicity Dargan, and it is an excellent article. She interviews Nicole Robinson and Shelley Jenkins, two teachers on contract. Nicole Robinson is now a personal care attendant in a hostel for elderly people and Ms Jenkins is a sales assistant at Strathfield Car Radio. Those women were both secondary teachers, trained at a cost to the taxpayer, but they have left because of the contract teaching situation.

The parliamentary secretary on education was talking earlier about the previous Labor government and what he believed to be some of the poorly directed policies of that government. He would do better to acknowledge that some of this government's policies — and contract

teaching is a classic example — have meant that many of our best, brightest, keenest and most enthusiastic young teachers have left the system.

We have all heard stories of young teachers who have had four or five contract positions in three or four years. The taxpayers invest something like $25 000 in the education of a teacher, and the young teachers have a HECS bill of about $24 000 each. They want to teach, but they do not want to be pushed from class to class and school to school. They want a career, but they are not finding it, and therefore they are dropping out of the system.

That was one of the findings of the Senate inquiry to which the honourable member for Northcote referred. That Senate inquiry concluded that poor pay, low status and a lack of career paths made teaching one of the most unattractive professions in Australia. It said that radical new steps were needed to attract good teachers back into the profession.

The real damage in this state is not being done now, it was done in the first term of the Kennett government when teacher numbers were slashed dramatically, morale hit rock bottom and as a consequence young people were not enrolling in education courses. The figures confirm that. An article in the *Herald Sun* of 14 April 1998 under the heading 'More get in on the action' states:

> By 1995, several years into the Kennett government's program of school closures and teacher cut-backs, when employment prospects for new teachers looked grim, enrolment slumped to 2921.

That is one of the lowest figures of all time, and we all remember that period. There were very low TER scores and teachers were not being attracted to the profession because there was no career structure.

We have also heard the views of the federal government. Professor David Kemp produced a federal report entitled *Preparing a Profession* and recommended that trainee teachers:

> ... study for at least four years, with a two-year teaching course; complete at least two years of professional development; finish a minimum 100 days of teaching experience, and understand information technology and indigenous affairs.

Those are important recommendations, but the issue in this bill is that Victorians want positive measures put in place to address the problems in our schools and the looming teacher shortage. None of that is happening in this bill. All we are seeing is a change in employment requirements from the present definition to one that will be expressed as 'relative efficiency'.

That does not go far enough. Earlier this year when I was Leader of the Opposition the honourable member for Footscray and I announced a series of initiatives to improve the quality of teaching and to attract more teachers to the profession. We announced the introduction of a scholarship scheme to attract high-achieving secondary school and university graduates to Bachelor of Education and Diploma of Education courses.

We announced that in government Labor would abolish the use of short-term contracts except in exceptional circumstances. We announced new initiatives to boost professional development for established teachers to upgrade their skills, and we announced the establishment of a Victorian Institute of Teaching. At that time Professor Richard Bates, chair of the Victorian Council of Deans of Education released a statement about our initiatives saying:

> Scholarships
>
> Scholarships for school leavers would be particularly welcomed as recruitment into teacher education from schools has not significantly increased despite the efforts of the Minister for Education. I would particularly welcome a scholarship scheme that offered a teaching scholarship to the top scoring graduate of each state secondary school who enrolled in a teacher education program.
>
> Such a scheme would draw the attention of students in all schools to the importance of teaching as a profession and provide welcome publicity for the profession amongst those most likely to commit themselves to a valuable and rewarding career.

He talked about the quality and number of recruits:

> The past two years has seen a significant increase in the numbers of well qualified non-school leavers applying for entry to teacher education courses as well as a considerable increase in the cut-off scores for entry to education courses. In 1999 this has partly been due to what appears to be a 20 per cent reduction in the total number of places in teacher education offered by Victorian universities. This reduction is partly a result of commonwealth cuts to load and funding in Victorian universities over the past three years.
>
> However, such cuts will compound the shortage of graduates available for teaching in 2003. Previous predictions of a 50 per cent shortfall of graduates in 2003 may need to be revised to take account of these cuts to entry numbers. If they are confirmed in the March census then it would appear that Victorian universities may be able to provide only 40 per cent of the graduates required by Victorian schools in 2003.

He goes on to deal with guaranteed jobs and contract teaching. He talks about how contracts are discouraging teachers and then discusses Labor's commitment to a Victorian Institute of Teaching and says it is a worthwhile initiative.

On the projections it would appear that Victorian universities may be able to provide only 40 per cent of the teachers required by Victorian schools in 2003, and that would be a tragedy.

Despite more than a decade of sustained economic growth, unemployment across Victoria is still running at 7.5–8 per cent. Many young people still cannot get jobs when they want them. Many young people would like to go into teaching, but because of the mismanagement of the state education system and of teacher supply and demand the deans of education are saying that without a policy change we will be able to provide only 4 out of every 10 teachers required in this state.

That is why the opposition has moved the reasoned amendment. There is no doubt that the real basis of the bill is to open the floodgates to teachers who do not have qualifications at a sufficient level, and therefore in 2001, 2002 and 2003 when the teacher shortages start running through the system the legislation will enable less than properly qualified teachers from interstate and overseas to come into the Victorian education system and teach our kids.

The opposition does not want that. In this house we all share aspirations for the best education system possible, and the essential prerequisite for that is quality teachers. We all know from our own time at school and from our children's experiences that the most important thing in our children's education, apart from their family environment and upbringing, is the quality of the teachers at their local schools. Therefore we must pledge to do everything we can to improve the quality of teachers. The bill does not do that. It is second-rate legislation, and it is a backdoor attempt to allow underqualified teachers to enter the system in the future.

That is why the opposition has moved the reasoned amendment, and I implore government members to support it. It gives an ongoing commitment to quality teachers and a quality profession in our state education system.

Mrs PEULICH (Bentleigh) — I support the Education Acts (Amendment) Bill. Given the wide-ranging nature of the debate I will respond to the Pandora's box education issues opened by the honourable member for Northcote and reiterated by the honourable member for Broadmeadows. A colleague of the honourable member for Northcote said she needed a more sympathetic producer and a good script, certainly a better script than the one provided by the Australian Education Union. The contribution by the honourable member for Broadmeadows demonstrates why he was discarded as Leader of the Opposition. I feel for him because I believe he has grown immensely from when he first entered this place, when he could barely string together a contribution and can now make a 45-minute speech off the cuff.

Honourable members interjecting.

Mrs PEULICH — I do not wish to patronise the honourable member, but his problem as Leader of the Opposition was how to balance the negatives and the positives. He found it difficult to say anything positive or commend the government for its good achievements.

Mr Mildenhall interjected.

Mrs PEULICH — Unfortunately, the electorate does not agree with you. Many of the government's achievements, particularly in education, are accepted by the electorate. The introduction of Schools of the Future and the way in which the government has implemented a system for ongoing improvement has been applauded by the electorate at large, parents and local school communities. If honourable members look at the subtext of what the honourable members for Footscray and Broadmeadows said and what the new shadow Minister for Education said, one finds they accept many of the government's education reforms and that in the unlikely event that a Labor Party government were elected, those reforms would continue well into the future.

Let there not be any misunderstanding about some of the generational changes driven on many occasions by this reforming government but also by outside forces such as the changes in information technology and the higher expectations in society and in the workplace.

The reasoned amendment is a furphy. The honourable member for Broadmeadows knows it and if he had sufficient intellectual integrity he would say so. It would not hurt for opposition members to say that they agree with the majority of the amendments put forward in this bill. The honourable member for Broadmeadows would retain more credibility, and so would the Labor Party, which would be able to demonstrate that it is capable of rebuilding and putting itself forward as an alternative government.

The notion that this bill is a guise or a ruse for allowing underqualified or not sufficiently qualified teachers into the education system through the back door is a nonsense. The honourable member for Broadmeadows knows it. He knows the reasoned amendment is unnecessary. I welcome the opportunity to engage in an education debate and welcome some of the suggestions put forward by honourable members. The house should

be clear about what the government and the opposition agree with. Some of the issues raised by the honourable member for Broadmeadows are perennial issues with which all education systems need to contend.

Mr Mildenhall interjected.

Mrs PEULICH — The government has addressed many more issues both systemically and in terms of education than the former Labor administration ever did. I was a teacher for 14 years, much of it under a Labor administration. I was a faculty coordinator and I had to attempt to attract and encourage good quality teachers to join the faculty and retain them. I had to fight to improve outcomes against a system that discouraged achievement and excellence. I was frustrated, which was one of the reasons I decided to leave education. At that stage morale was lower than a snake's belly. We are talking about many perennial issues, so we should agree that the answers to these issues are not easy to find.

The honourable member for Ripon clearly rebutted the concerns expressed about unqualified teachers entering the education system. The Teachers Registration Board will not give unqualified teachers a job unless they are registered. Section 3.1.2 of teaching service order 154 states:

> To be eligible for employment or appointment as a teacher, a person must be four-year trained.

It then sets out a list specifying all the scenarios under which the person can acquire registration and employment. The honourable member for Ripon picked up a point that deserves closer scrutiny and analysis. I would be concerned if I were involved in the independent or Catholic school systems. The honourable member for Northcote may have been ill-informed or lacking in insight, but she said a future Labor government would closely scrutinise the establishment of future schools in the independent systems, giving the impression that they may be closely centralised or perhaps rigorously discouraged as a way of giving government schools an advantage or a leg up.

Mr Mildenhall interjected.

Mrs PEULICH — No, it is not. The honourable member for Footscray should read what the honourable member for Northcote said. If I were involved in the Catholic or independent school systems her words would ring loud bells of alarm in my ears.

The honourable members for Northcote and Broadmeadows said a lot about teachers but little about students. Ultimately, schools are about educating students so they can take their place in the community and in the workplace. A good teacher is more than a qualified teacher. I have seen many qualified teachers and some of them make fairly poor teachers, although there are many outstanding ones.

Mr Hamilton interjected.

Mrs PEULICH — Absolutely. A good teacher is one who cares about his or her students; about their education, their experiences, their outcomes and the improvement in their skills. A good teacher perseveres and insists that learning takes place. If one method of teaching or learning does not work, the teacher tries another or another, perhaps a tested teaching method or even something experimental. A good teacher continues to find whatever means is necessary to ensure that a child makes progress, and achieves the skills or outcomes that are necessary. A good teacher inspires and delivers outcomes and improvements that are recognisable, can be identified and monitored and, more importantly, can be reported upon and shared with the students and their parents.

The honourable member for Broadmeadows said the education system had lost the best and brightest teachers. Some teachers are in Parliament. It would be interesting to tally the numbers. Good teachers have good transferable skills and can enter different professions, and even Parliament. That has always been the case and is not a new dilemma. One way of retaining or attracting the best and brightest teachers is through the professional recognition program. The starting salary for a new graduate is about $36 000 or $37 000 a year. There are not too many professions where graduates can start on that salary. Many science graduates barely make $23 000 and we wonder why students are not entering science courses at university.

It is very hard for them to get a break. Perhaps some of the brighter science students might consider doing a diploma of education and going into the teaching profession. They could enhance our system with their skills and commitment.

The bill does some finetuning; it takes a step towards allowing new, bright young teachers an equal footing in the competition for employment. We refer to that concept as relative efficiency. All the arguments thrown at us by the honourable member for Broadmeadows counter his case. If he really believed in giving bright young people an equal footing he would support the bill, because it treats young teachers fairly and requires the establishment of transparent and fair employment processes.

One of the very important issues, and I agree here with the honourable member for Broadmeadows, is the quality of teaching. A good teacher delivers good learning programs to ensure that the learning experience is a quality experience. A good teacher uses a variety of learning experiences and teaching methods to ensure that learning occurs.

Many methods that in my experience are effective have been ditched for other, less challenging methods — group work, for example, and independent study sessions, or long projects to be undertaken outside school. Students are being asked through activities like these to demonstrate skills they have not been taught or had demonstrated to them. Demonstration by skilled practitioners, modelling and other associated methods improve the quality of learning and teaching and achieve effectiveness and efficiency.

The honourable member for Doncaster has a strong commitment to literacy and numeracy, as I have found in my many discussions with him on those matters. The honourable member for Broadmeadows states unfairly, and perhaps incorrectly, that the honourable member for Doncaster does not value literacy and numeracy. No members on this side of the house, and few on the other side, do not believe in the importance of literacy and numeracy. It would be nice to hear Labor Party members admit that, rather than attempting to score cheap political points.

The bill is one further small step towards an education system that delivers greater effectiveness, greater efficiencies and more responsiveness to global, national and state imperatives. Flexibility enables resources to be efficiently deployed, and unnecessary waste cannot be justified if we are to maximise opportunities and outcomes for our students.

The nonsense about education in Victoria being underfunded has already been rebutted. We all know that every sphere of social life has been subjected to increased expectations. The more sophisticated and discerning members of the community know that, in whatever sphere of life they find themselves, including education, the expectations of parents, other stakeholders and the community as a whole are rising and will continue to do so. We all expect better facilities, better resources — especially information technology resources — and better student outcomes. All of that costs money, so the pressure on educational budgets will continue to mount. The coalition government is, however, in a good position to deliver all of the variables contributing to positive learning experiences.

The former Labor government ploughed all its money into teachers, and an oversupply of 8000 to 9000 teachers resulted. On the other hand, all the other areas of education were compromised, particularly the maintenance of school buildings. In the 1991–92 Labor budget the allocation to education was $3.32 billion, whereas in its 1997–98 budget the coalition government delivered $4.03 billion to education. In real terms that is an 11.5 per cent increase in funding.

The issue of class sizes is an area that attracts a lot of attention, with people who claim to know it all citing the most recent research and seeming to be in possession of the most profound insights.

Mr Mildenhall interjected.

Mrs PEULICH — Yes, class sizes have gone up marginally. I am sure, however, that the former shadow Minister for Education knows that the overwhelming body of research indicates that, all other variables being equal, class sizes over 15 are much of a muchness. Research shows that the quality of teaching is by far the most critical issue irrespective of whether the class size is 23, 25, 27 or 28.

Mr Mildenhall interjected.

Mrs PEULICH — No, it is not. The overwhelming body of research — —

Mr Mildenhall interjected.

Mrs PEULICH — You show me yours and I'll show you mine.

Good teachers have always overcome the challenges of the larger classroom. At the start of a school year you rub your hands with glee at the news that you have a class size of 23 or 24. You immediately start thinking of the wonderful things you can do. I once had a VCE class of 12 or 13 students. It was the most ineffective class I taught in the 14 years of my career in education. We could not generate a decent debate or even have a proper discussion. It was disappointing for me and for my students — although, fortunately, they were able to deliver some pleasing results.

Teachers and schools have always used small groups and one to one teaching to offer greater support and to improve learning opportunities for students who need it. That is the plain truth. You might have a large class, but skilled teachers create the learning setting for kids who may be having problems or difficulties with concepts or who may be at risk.

Mr Mildenhall interjected.

Mrs PEULICH — That is absolute garbage. It shows that the honourable member for Footscray has not been in classrooms as a practitioner.

It has been argued that Victoria spends less per student than other states. That suggestion was dispelled effectively and convincingly by the honourable member for Ripon, who pointed out that Victoria has low levels of out-of-school expenditure and that corporate overheads are the lowest in Australia. That reflects efficiencies other states can only be jealous of. It means that the vast majority of the budget can — —

An honourable member interjected.

Mrs PEULICH — There is no doubt that the system has been decentralised. Self-managing schools were an ideal of the former Labor government, but they are a reality under this government.

The introduction of school charters, the establishment of local goals and priorities, annual reviews and triennial reviews identify the areas that need to be improved. Those initiatives are what count, because they focus on ongoing improvements and quality. The savings that have been made by reducing the bureaucracy have been ploughed back into special initiatives — for instance, information technology.

Mr Mildenhall interjected.

Mrs PEULICH — Of course email will not replace teaching. Only a nincompoop who needs a better script, like the honourable member for Northcote, could possibly suggest that. It is absolutely outrageous nonsense.

Students in government schools must not be denied the advantages offered to students in private and independent schools, and that means gaining access to and experience in information technology. I commend the minister and the Premier for regarding information technology as a high priority in the education system.

Mr Mildenhall interjected.

The ACTING SPEAKER (Mr Perton) — Order! I am tolerant of amusing interjections or interjections designed to elicit a response from the honourable member for Bentleigh, but I think the honourable member for Footscray has gone too far. I ask him to restrain himself.

Mrs PEULICH — I do not need to quote the statistics on the funds that have been ploughed into computers and the expansion of literacy programs. All the programs have received appropriate funding to ensure that Victoria's education system continues to improve to better serve the community and its young people.

The honourable member for Broadmeadows spoke about the quality of teaching. Let me say that, having been an English faculty coordinator, it was always of concern to me when I was teaching that many English teachers found it quite difficult teaching the sorts of skills that young people need to acquire in the classroom. My son is in year 9 in a government school. He has not yet been taught how to write an essay or a short story. Those skills should never be taken granted; they should be taught, reaffirmed and emphasised year after year, irrespective of the levels of education or levels of skill reached by students.

The honourable member for Broadmeadows talked about his concerns about the retention rate of Victorian students. The most recent Australian Bureau of Statistics figures show that Victorian students have the highest retention rate in Australia. It may be that because the honourable member has been moved sideways he has not been as well briefed. The average retention rate for students in years 10 to 12 is 73.7 per cent, which is 4.3 per cent higher than the national average of 69.4 per cent. So, Victoria is not doing too badly on that front.

I do not need to remind honourable members about the many positive reforms to the education system that have been achieved by the government. One such reform is the development of the curriculum standards framework for students up to year 10, which is a first for Victoria. Prior to that initiative schools what they liked.

Other reforms include the introduction of global budgets and the development of the physical resources monitoring system, which is an impartial and fair means of dividing school maintenance funding and is also a first for Victoria. The system presented some initial challenges, but it is now operating well.

The government has also developed professional recognition programs and personal and professional teacher development programs. The computerised administrative systems environment for schools, known as CASES, has enabled schools to do their own financial accounting and administrative functions, including school records and asset management.

The government also developed the learning assessment project, and despite the fact that the opposition and the Australian Education Union

opposed that program for many years, the Victorian community, parents and schools have overwhelmingly approved it. Something of the order of 97 to 98 per cent of students sit for the LAP test. However, some schools will deliver results that are not up to scratch, and that is the reason for the introduction of the Schools of the Future charters, which allow schools to review their own performance, develop future priorities and ensure that resources are harnessed to achieve those priorities.

Education reform in Victoria has come under close scrutiny by Professor Allan Odden, who is the director of the Consortium for Policy Research in Education at the University of Wisconsin–Madison. He conducted a study of school-based management that covered three districts in the United States of America, the District of Edmonton in Canada, and Victoria. In the report prepared for the World Bank Professor Odden notes that the Victorian approach:

> ... currently represents one of the world's most comprehensive, well-designed, promising and perhaps even most professional approaches to decentralised management of schools.

Yet members of the Labor Party continue to carp and criticise. Why will they not say, 'Hey, you have done that well. However, an area we need to improve on is this or that.'?

The reasoned amendment is an absolute furphy. The bill merely finetunes a system that is exceptionally well conceived and delivers better outcomes to our students. The outcomes may not be perfect, but the system is in place to allow for ongoing improvement.

The bill has the capacity to deliver a much better quality of education than anything the former Labor government has conceived, and I fully support it.

Mr ROBINSON (Mitcham) — I draw honourable members' attention to deficiencies in clause 7 of part 3, which attempts to define 'efficiency'. What price does the government put on experience in the teaching service? The government's education policies over the past five or six years have seen a monumental exodus of experienced teachers from the service. The majority of the many thousands who have left had more than 20, 25 or 30 years of teaching experience. Those teachers took packages and their numbers collectively add up to many thousands of years of experience that is no longer available to Victoria's teaching service.

Far be it from me to rely on anything the honourable member for Bentleigh says. Although she had great difficulty she was endeavouring to say that an inherent advantage of teachers in the teaching service is their experience. In many circumstances an experienced teacher is more valuable than an inexperienced teacher.

Why does clause 7, which defines efficiency, make no mention of experience? According to proposed section 2(1) 'efficiency' is defined as:

> (a) special qualifications and aptitude for the discharge of the duties of the office to be filled together with merit diligence and good conduct.

According to the government, efficiency equals special qualifications plus aptitude plus merit diligence — whatever that means — plus good conduct. That test will be applied in determining the best person to fill a position. There is not one mention of experience.

Given the contributions of honourable members opposite I should have thought the government would want experience as a factor in determining the appropriate persons to fill positions in the teaching service. However, the definition of 'efficiency' offered in clause 7 shows that that is not the case.

I conclude that some mad, young Einstein or perhaps a mad, young Liberal dreamt up that formula. It is a formula that the colonel who gave us the secret recipe would be pleased with. The clause reminds me of a secret recipe; special qualifications plus aptitude, plus merit diligence, plus good conduct, with no mention of experience.

Either the Minister for Education, if he bothers to participate in the debate, or the parliamentary secretary should assure honourable members that experience will be considered as part of the government's efficiency test that applies to the filling of future vacancies. Honourable members should be given assurances about how that test will apply and what weight experience will be given when filling those vacancies.

If the minister fails to do so honourable members are left to conclude that the bill might well be a measure designed to eliminate experience as a ground for comparing applications for positions. That would permit the government to replace experienced teachers with inexperienced teachers that would further push down the labour costs of the teaching service.

I believe the bill is deficient because of the inadequacy of the definition of 'efficiency'. I support the reasoned amendment of the honourable member for Northcote.

Mr WELLS (Wantirna) — The Education Acts (Amendment) Bill has three main purposes, which have been adequately canvassed by former speakers. Firstly, it updates the Education Act so as to clarify the rural areas in which primary non-government schools can be

registered with less than 20 pupils. Secondly, it amends the Education Act so that section 84 will apply to ministerial orders; and thirdly, it amends the Teaching Service Act to provide that all appointments to the teaching service are to be made solely on the grounds of relative efficiency. I will cover that area later.

The bill defines relative efficiency as having special qualifications and aptitude for the discharge of the duties of the office to be filled together with merit diligence and good conduct. Rather than employing teachers from the pool, as has happened over the past few years, teachers on contracts will be given the opportunity to compete equally.

It is interesting to observe the history of the pool's formation. During the 1980s when the Labor Party was in power the education department appointed teachers to replace those taking long service leave, sick leave or family leave.

When a teacher returned from family leave, long-service leave or extended sick leave there were two teachers for one position. That process put strain on the budget and many teachers were not gainfully or effectively employed.

It is an indication of how strong the teacher unions were during Labor's 10 years in office that they sat at the cabinet table and wrote the education policy. They ensured there were so many teachers in the education system that later it became evident that between 6000 and 7000 teachers were not effectively employed.

Unlike some honourable members, I have two sons in the public education system. I get great pleasure from taking them to and collecting them from school because it gives me an opportunity to talk to teachers and parents about their views on the system. The honourable member for Northcote said that when the ALP is returned to government — I am not sure whether I will still be alive — there will be 21 students in each prep, grade 1 and grade 2 class.

The principals in my electorate would like to know what will happen when the 22nd child arrives a fortnight after the commencement of the school year. They want to know whether they will need to create classes of 16 or new classes of 10. The proposal is unrealistic. Even principals who support Labor know that it will not work. If a grade 4 class started the year with 26 students and another 6 grade-4 students enrolled later the class size would increase to 32.

In earlier speeches it was pointed out that class sizes is an issue for schools. For example, the programs at the school attended by my sons — a great school with some 400 students — include a gifted program, music, physical education, numeracy remediation and literacy. Such programs enable students who are not in the mainstream learning curve to be treated with additional special emphasis. The learning opportunities offered in the school are extraordinary. The use of special classes means that the students who need help are pulled out from their usual classes and given one-on-one tutoring in numeracy, literacy and reading recovery, with phenomenal results. My sons are in classes of 28 and 30, but it is the extra classes they attend that are kicking them along.

The honourable member for Northcote also criticised the need for contract teachers. I am a big supporter of contract teachers. The days of supporting the employment of teachers from the day they come out of college to the grave have gone. It was made clear this afternoon that it is ALP policy that teachers should be employed from when they come out of college until they retire. That policy will come back to haunt the opposition.

The government's policy as expressed in the bill is that positions that are vacant because teachers have taken long-service leave or a year off will be filled by short-term contract teachers. The bill will help contract teachers because when positions become available they will be able to apply for them on equal footing with teachers from the excess pool. The bill will give contract teachers a good kick up.

Mr Dixon — A kick up to what?

Mr WELLS — A good kick up in achieving permanency in their positions.

The bill is clear on the requirement that to be registered schools must have no fewer than 20 pupils, unless they are in rural areas. It also strengthens the operation of ministerial orders by which the minister of the day can closely scrutinise schools in relation to payments for non-teaching staff and helps in the maintenance of proper standards.

I join with other coalition members in supporting the bill and wishing it a speedy passage.

Debate adjourned on motion of Mr E. R. SMITH (Glen Waverley).

Debate adjourned until later this day.

FAIR TRADING BILL

Government amendments circulated for Mrs WADE (Minister for Fair Trading) by Mr W. D. McGrath pursuant to sessional orders.

Second reading

Debate resumed from 25 March; motion of Mrs WADE (Minister for Fair Trading).

The ACTING SPEAKER (Mrs Peulich) — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 I am of the opinion that the second reading of the bill needs to be passed by an absolute majority.

Mr HULLS (Niddrie) — It is a pleasure to speak on the Fair Trading Bill. It is nice to see the Minister for Fair Trading turn up. The opposition will not oppose the bill for two reasons. Firstly, the opposition thinks it is appropriate legislation. Secondly, the opposition believes it is the fourth-last piece of legislation the minister will introduce. Opposition members know she will be leaving the house at the coming election. Some would say that is unfortunate and others would say it is a good thing. The minister will be missed by some government members but by none on this side of the house.

However, the opposition congratulates the minister on the Fair Trading Bill. It is a consolidation of a number of pieces of fair trading legislation, including the Fair Trading Act, the Consumer Affairs Act and the Ministry for Consumer Affairs Act. The bill also repeals the Market Court Act. As many honourable members know, fair trading legislation was introduced by the Victorian Labor government in 1985. The Minister for Consumer Affairs at the time was the Honourable Peter Spyker. In his second-reading speech the then minister detailed what I think is at the heart of Victorian Labor's vision for fair trading legislation. I notice the minister is smiling. I am pleased to see that she now shares Victorian Labor's vision for fair trading. The speech states:

> More importantly, the bill is a reflection of the government's commitment to the principles of social justice. Its provisions will increase the access of those people most disadvantaged in the marketplace to protection and compensation. It will ensure a fair deal, particularly for those in our society who are forced to count every cent in purchasing essential goods and services, and who cannot afford to be misled by deceptive business practices.
>
> It will enhance the reputation of honest businesses and will contribute towards the achievement of a fair market for all.

At the time the act was necessary because its predecessor, the Consumer Affairs Act, dealt only with misleading statements — that is, it really dealt only with advertising and did not focus on the key issues of misleading and deceptive conduct. From the outset the Fair Trading Act was based upon the provisions of the commonwealth Trade Practices Act. In fact, in the original second-reading speech Minister Spyker stated that the key advantages of such an approach were: firstly, the comprehensive nature of the Trade Practices Act on misleading and deceptive conduct; secondly, the large amount of case law on the operation of the act; and thirdly, the development of uniform law in the area.

Since that time the fair trading legislation has developed and has served as an important but imperfect tool for the protection of the rights of Victorian consumers. The intention of the legislation is to ensure that when consumers spend their scarce resources they are dealt with in a fair and equitable manner. For example, one of the more topical consumer issues that has arisen in recent times is plastic surgery. I do not know if any honourable members have had plastic surgery, but I can declare that some government members should. I have not had plastic surgery. However, many people in the community embark upon plastic surgery.

Mr Perton interjected.

Mr HULLS — The honourable member for Doncaster interjected and made one of his usual ineffectual quips. Perhaps he has had plastic surgery; many of his colleagues have suggested he perhaps should. If he intends to embark upon plastic surgery I hope he gets a decent surgeon because there are many shonks and charlatans in the industry. The industry has been in the media in recent times.

Mr E. R. Smith interjected.

Mr HULLS — As the honourable member for Glen Waverley has rightly pointed out, people can simply call themselves plastic surgeons and then embark on cutting people up. Victorians have been seeing disreputable plastic surgeons who call themselves cosmetic surgeons. It is interesting that the honourable member for Doncaster knows a bit about this. I hope when he makes his contribution he declares his interest in cosmetic surgery. In any event, a lot of the shonks and charlatans promise the world but deliver a nightmare. It is perhaps a perfect example of the misleading and deceptive conduct the Fair Trading Bill should outlaw.

Some plastic surgeons have operated on patients with mental illnesses and some have performed facelifts that have resulted in patients being unable to smile. Although the Minister for Fair Trading says she has not had plastic surgery, she finds it hard to smile from time to time. In any event, some people who have been to shonky plastic surgeons have come out of their operations unable to smile, others have been blinded during the performance of simple operations, and failed breast implant operations have scarred some women for life. The behaviour in question includes what could be called snake-oil practices, such as providing interest-free loans to persons who want cosmetic surgery, encouraging young people to have surgery, and promising unrealistic results.

A number of recent articles have pointed to case studies. An article by Simon Pristel in the *Herald Sun* of 17 April states:

> Victoria has one of the worst records for botched cosmetic surgery — and it's becoming worse.
>
> The state's industry watchdog, the Victorian Health Services Commission, has received 306 complaints about cosmetic surgery in the past 10 years.
>
> An extraordinary 97 complaints have been made against just four practitioners — two dermatologists, a plastic surgeon and a cosmetic surgeon.
>
> But the real number of complaints is likely to be much higher because many victims are too embarrassed to come forward.
>
> Among the more disturbing claims the commission has heard are:
>
> Operations on patients with mental illnesses.

These are matters I quoted earlier. It continues:

> The Royal Australasian College of Surgeons say some of these adverts 'look more like those for escort agencies than for surgery'.
>
> 'We seem to be heading back to where we were 150 years ago with the travelling snake oil salesman, where there were no real restrictions on who did what and certainly no restrictions on advertising', says Dr Cholm Williams of the Australian College of Plastic Surgeons.

There have been some shonks and charlatans. The article goes on to deal with some particular case studies, including a woman who had a facelift involving liposuction of the jowls, a jaw implant and fat inserted into the lips. It states:

> After the operation it hurt to smile. She had a big bulge under her left eye, twitching nerves, and severe pulling and tugging on the left side of her face.

The article goes on to mention persons who became blinded, infected, disfigured and scarred as a result of such operations.

As I said, there have been many examples of inappropriate plastic surgery resulting from the actions of people who not only fail to meet basic standards of medical practice but also engage in misleading and deceptive conduct. That is why the opposition welcomes the bill. Not only does it consolidate the legislative framework for fair trading but it also adds new protections for consumers.

Clause 7 prohibits unconscionable conduct, a legal term developed in equity to define certain conduct as being of a character that is unfair or unconscientious.

Mr Perton interjected.

Mr HULLS — The classic Australian case, as the honourable member interjects, is Amadio. Its full title is *Commonwealth Bank of Australia Ltd v. Amadio* (1983) 151 CLR at page 447. In that case an elderly migrant couple signed a guarantee for their son's loan that effectively signed away their right to their house if their son reneged on the loan. The High Court examined the manner in which the instrument was signed by the elderly couple. A majority of judges found that it was signed in circumstances where the bank's representative knew or ought to have known that the couple did not understand what they were signing and that therefore the conduct of the bank was unconscionable. Therefore the guarantee given by the elderly couple was unenforceable. In that decision Justice Mason stated that the doctrine of unconscionable dealing was:

> Whenever one party by reason of some condition or circumstance is placed at a special disadvantage vis-a-vis another and unfair or unconscientious advantage is then taken of the opportunity thereby created.

If that occurs the High Court found it should set aside the transaction because it would be clearly unfair for a party to take advantage of a special disadvantage of another party.

In Amadio, Justice Deane set out what constituted a special disadvantage in the case of the couple for the purpose of determining whether unconscionable conducted exists. His Honour stated:

> The results of the combination of their age, their limited grasp of written English, the circumstances in which the bank presented the document to them for their signature and, most importantly, their lack of knowledge and understanding of the contents of the document was that they lacked assistance and advice where assistance and advice were plainly necessary if

there were to be any reasonable degree of equality between themselves and the bank.

It is important for honourable members to understand that the prohibition of unconscionable conduct is about the prohibition of the unfair use of social inequality that results in an unfair contract. The bill proposes to legislate in the jurisdiction of Victoria to prohibit unconscionable dealing and makes such conduct an offence. Obviously the opposition fully supports that.

Clause 14 prohibits suppliers from using false testimonials. A testimonial is a representation that other customers have approved of goods or services. A false testimonial is obviously a false representation that customers are happy or content with the product in question.

Honourable members will be aware of the many representations made concerning everything from shampoo to cars where supposedly real-life customers are put forward as judges of particular products. Such advertising can be very effective. If it entices consumers to purchase products on the false assumption that the supposedly real-life people have tested the product and are satisfied with their performance the Fair Trading Act should deter such behaviour.

There is a growing trend in Victoria to use well-known people to promote particular products. Although it is outside the jurisdiction of this legislation, I know the casino uses many well-known sports people such as Sam Newman, Eddie McGuire and Robert Dipierdomenico in its promotions to entice people, particularly those who follow such sporting icons, to go to the casino. It wants people to associate themselves with the supposed winners, and as a result go to the casino to follow their example.

The same thing happens from time to time with a number of products. For instance, I notice Mark Waugh has been used to promote a product called Nizoral as an anti-dandruff shampoo. I have never used it because I do not suffer from dandruff the way some honourable members probably do.

Mr Perton interjected.

Mr HULLS — The honourable member asks how much it costs. I do not know but he ought to get some. People such as Greg Matthews promote products that will apparently stop baldness or receding hairlines. I do not know if they work. I have not tried them but perhaps the honourable member for Doncaster could try them and tell us whether they work.

I do not know whether those testimonials are true but a number of manufacturers and suppliers show a propensity to use famous people to promote their products. From time to time some of the claims made in relation to the products will be false, misleading and deceptive, and the proposed legislation attempts to deal with such testimonials.

I understand the Office of Fair Trading and Business Affairs has advised that prosecutions in the area of false testimonials have been made more difficult by the absence of specific provisions in the act. Under the old legislation false testimonials were always in a grey area. However, the proposed legislation makes it clear that false testimonials are inappropriate. If they were not in the past, from now on they will be in clear breach of fair trading legislation.

Another aspect of the proposed legislation is its prohibition on pyramid selling schemes. Honourable members are probably aware of how many pyramid schemes work. One good example is a scheme that operated in the Goulburn Valley, South Gippsland and Geelong areas in recent times. The scheme was known as the Concorde game. I refer honourable members to an article by Katy Ashley-Griffiths that appeared in the *Sunday Herald Sun* of 30 August 1998. The article, which is headed 'Pyramid scam fear', states:

> Millions of dollars are being poured into get-rich-quick schemes sweeping the bush.
>
> The schemes are rife in the Goulburn Valley, South Gippsland and Geelong regions.
>
> The office of Fair Trading has urged people to avoid them and is investigating complaints, but so far has taken no action against the schemes.
>
> One operator, who claims his scheme is legitimate, says more than $7 million has been invested in the Goulburn Valley in the past month.
>
> ... one known as the Concorde game involved people paying $2000 in a scheme in the hope of a $16 000 return.

For $2000 a person would buy a seat on an artificial plane. Although that sounds funny people were being ripped off by thousands of dollars.

When this artificial plane had eight passengers on board the person in the captain's seat would take the $16 000. A participant in the scheme said $45 million was spent on it. Of course, these schemes are nothing but rorts and get-rich-quick schemes that generally result in losses of hundreds of thousands of dollars by people who cannot afford it. The bill is designed to outlaw such schemes by penalising those who establish, promote or take part in them or induce any other person to do so.

The bill does, however, provide for the Governor in Council to gazette an authorised scheme, although it does not set out the conditions for such authorisation. I would be interested if in her summing up the Attorney-General could give an indication of the sorts of conditions that will be put in place for such an authorisation.

The bill also revamps the harassment and coercion provisions of the existing legislation. The provisions are designed to penalise any person who uses physical force, undue harassment or coercion in connection with the supply or possible supply of goods or services. The bill specifically lists a number of situations that will be deemed to be in breach of the legislation. It is again necessary to express the clear intention of Parliament to make certain practices illegal. They include impersonating a bailiff or a member of the police force. Even though there is a shortage of members of the police force in this state, to impersonate a member of the police force will be illegal, as will carrying a firearm, refusing to leave private premises when asked or using fake legal documentation. This list is not exhaustive, and the general test will still be applied; however, these are clear examples of undue harassment and coercion that need to be specifically detailed to leave no doubt as to Parliament's intent.

The bill also includes product safety information and standards provisions, which are one of the key aspects of fair trading legislation. Honourable members are well aware of how certain products can cause serious damage to people because they do not meet appropriate standards. Recently the fair trading office issued a warning about baby walkers. A Monash University accident research centre has found that injuries from baby walkers are four and a half times more likely than injuries from prams and strollers.

Fair trading legislation is all about warning consumers of increased risks and in certain circumstances moving to ban dangerous products. The bill, which repeals the Fair Trading Act, is modelled on the new provisions on the Trade Practices Act. It provides for a safety system which, if used properly, is both flexible and effective.

Clause 35 gives the minister the power to make an interim ban order covering a good or a service until certain conditions are met. The minister also has power to impose a permanent ban, if required. The supplier subject to a permanent ban still has a right to appeal, which is only fair and proper, and that appeal can take place under clause 57 of the bill.

The bill deals with contact sales and non-contact sales, and provides for a two-tiered classification of sales. A contact sale occurs when both parties are in the same premises or workplace which are not the premises of the supplier and the amount is in excess of $50. The bill regulates those sales by providing for a cooling-off period and requires notification of how the purchaser can return the goods. Failure to provide such notification will result in the cooling-off period extending for 30 days.

Non-contact sales basically relate to telephone, Internet or television sales. The controls are less strict and do not mandate a cooling-off period. I urge the minister and the fair trading office to monitor these sales closely to determine whether any further legislation is required and whether an appropriate cooling-off period is required. In respect of non-contact sales the bill requires the vendor to clearly set out the price and nature of the goods, and a failure to do so will make any contract unenforceable.

I also refer to the provisions of the bill dealing with lay-by sales. That form of sale is popular, particularly with people who do not have access to credit sufficient to pay for goods up front, which is why more disadvantaged members of the community use lay-by sales to purchase goods. When I say 'disadvantaged' I mean people who do not have access to normal credit arrangements — or to taxpayer-funded credit cards of the sort ministers have access to.

Many members of our community use lay-by sales, particularly around Christmas time. It is therefore extremely important that a person purchasing on lay-by is absolutely clear about the terms and conditions by which he or she is being bound. The bill provides for a lay-by statement that sets out the terms and conditions. Clause 83 deals with the statement of lay-by terms and sets out what that statement has to entail.

Clause 88 deals with the cancellation of a lay-by sale where a business closes. In recent times we have seen the closure of a number of businesses such as Georges, Brashs and so on. Many people have purchased goods on lay-by or have received gift vouchers, and as a result of a business closing those gift vouchers and in some circumstances lay-by sales have not been honoured. The bill deals with the cancellation of a lay-by purchase where the business closes. Clause 88 states that if a supplier under a lay-by agreement proposes to stop trading before the agreement is completed the supplier must give notice of the proposal to the purchaser and either allow the purchaser seven days within which to complete the agreement or cancel the lay-by.

Clause 89 deals with the effect of the cancellation of a lay-by. It includes the words 'If a supplier under a

lay-by agreement proposes to stop trading before the agreement is completed'. How one would prove in the case of Brashs or Georges or some smaller outlet that the business or the bank proposed to close down the business, and whether the bill should differentiate between the two to ensure that a person who has embarked on a lay-by sale can get his or her money back, is something the minister ought to look at and monitor to ensure that people are not disadvantaged.

It may not be the intention of a business to close down, but it may well be a proposal of a bank to shut down the business. I wonder how the legislation would deal with that circumstance and whether a person who had embarked on a lay-by sale would be adversely impacted upon. In any event, I am sure the Attorney-General will monitor the situation, and perhaps she will address that aspect in her summing up.

The opposition is concerned about the penalty clauses applying to lay-by sales on cancellation of a lay-by purchase because of a breach by the purchaser. The bill caps the charge by including a provision that ensures charges must be reasonable. I hope 'reasonable' does not mean the same charges that pawnbrokers are now charging. The Attorney-General is aware that a cap of 48 per cent previously applied to the interest pawnbrokers could charge. The Attorney-General, in her wisdom, decided that the industry should be deregulated and that the cap be lifted. The opposition opposed that measure when it was debated in this place. Perhaps the Attorney-General should make inquiries through the Office of Fair Trading and Business Affairs to discover what interest pawnbrokers are now charging. I know some are charging well above 48 per cent. I hope the word 'reasonable' in this legislation is read narrowly. A purchaser can cancel a lay-by purchased at any time.

Part 6 of the bill provides the minister with the power to prescribe codes of practice. Currently every other state in the country has such a power so this is a welcome and overdue initiative. Codes of practice are important to ensure industry focuses on the standards of service that the community expects. The bill also provides that the minister can make any breach of a code of practice an offence.

The bill provides for the vesting of jurisdiction over fair trading disputes in the Victorian Civil and Administrative Tribunal. The tribunal now has wide jurisdiction and is the appropriate body to consider the needs of consumers from all walks of life who are required to use the fair trading disputes system.

The bill provides the tribunal with a unique power. It empowers it to rewrite a contract in the interests of fairness if the amount in question is less than $10 000. That is not a power available in higher courts under common law. Of course, people will still have the right to litigate in higher courts, but if a party wishes the matter to go to the Victorian Civil and Administrative Tribunal, the court will be required to refer the matter unless there is manifest unfairness to a party by such referral.

With those few comments, I welcome the consolidation and upgrading of the legislation. The opposition looks forward to playing a continuing and constructive role in consumer protection. I congratulate the Attorney-General for introducing the legislation. I am more than happy to give congratulations when they are due. The legislation is sensible as it consolidates other fair trading legislation. I hope the Attorney-General takes into account the opposition's concern about certain aspects of the legislation. I hope those issues are monitored by the Attorney-General and the Office of Fair Trading and Business Affairs.

Mrs McGILL (Oakleigh) — I warmly welcome the opposition's support of the Fair Trading Bill, which has been introduced following a review of the legislative framework of fair trading and consumer affairs — a pre-election promise of the government in 1992. The government spent nearly four years considering submissions and conducting negotiations with the relevant bodies before proposing the legislation, which consolidates three core trading acts: the Consumer Affairs Act, the Ministry of Consumer Affairs Act and the Fair Trading Act. The bill repeals the Market Court Act. Honourable members agree that the three core acts required upgrading to ensure their relevance in today's marketplace.

The bill introduces new areas of regulations covering lay-by sales provisions and the powers to prescribe codes of practice. The Director of Fair Trading and Business Affairs is empowered to develop a code of practice by himself or in consultation with other interested parties to endorse a code of goods and services that would be agreed to by all concerned. Offences are involved for breaches of the code of practice.

Honourable members have already referred to non-contact sales, more commonly known as distance sales. Community sales are now occurring via the Internet, through television, the telephone and mail order catalogues, which are prolific. The bill develops voluntary and mandatory powers for the recall of

dangerous goods that are new to Victoria and are in line with all other Australian jurisdictions.

Part 11 sets out enforcement and remedy powers. Clause 146 sets out certain undertakings enabling the repeal of the Market Court Act. Part 2 deals with unconscionable conduct in commercial dealings, such as false testimonials. The honourable member for Niddrie referred to such matters. I was impressed by the Tony Lockett testimonial because it is different and highlights one product I would support.

Numerous magazines contain various testimonials attached to different products that often refer only to a name and a suburb. There is no way the consumer can check out the details, so the testimonials have to be taken on good faith. The provisions in this bill will help to overcome some of those deficiencies.

The bill introduces provisions for pyramid selling, harassment and door-to-door sales, which we now call contact sales. A conjoint bill will be introduced at a later stage that will relate to the powers of inspectors and consequential amendments. It will provide uniform inspectorial powers relating to powers previously set out in the Consumer Affairs Act and the Ministry of Consumer Affairs Act.

As I said, part 2 consolidates and re-enacts all unfair practice provisions from the Fair Trading Act and Consumer Affairs Act. It includes a new provision against unconscionable conduct in commercial dealings based on section 57AA of the Trade Practices Act. A new provision relates to the making of false testimonials about goods or services. The claims made about many goods or services are exaggerated and misleading.

The pyramid-selling provisions have been redrafted to make them more effective in procuring prosecutions. It is necessary to discourage the spate of schemes currently operating in Victoria that help to dupe people of hundreds of thousands of dollars a year. A recent example cited by the honourable member for Niddrie is the Concorde game, also known as Sea Quest, the plane game and Starlight Enterprises. Various games have been circulating through Bendigo, Shepparton, Gippsland and other country areas. It is clear the current provisions have not been successful in combating such schemes and do not cover chain letters involving money.

That reform has been promoted at the state and commonwealth levels. Victoria will once again be the first jurisdiction to introduce significantly improved provisions concerning pyramid selling. Once again Victoria is the frontrunner.

The bill includes provisions relating to the blower industry. I admit that the term 'blower industry' was new to me. Blowers are disreputable publishers who charge businesses for advertisements in their publications on the basis that they obtain consent to do so.

The ACTING SPEAKER (Mrs Peulich) — Order! The Attorney-General should know, given her many years in this chamber, that she is not to walk between the Chair and the honourable member speaking.

Mrs McGILL — I am sure it was inadvertent, Madam Acting Speaker. Blowers use excerpts from recorded telephone conversations as evidence of consent. Their publications are a sham because they have no genuine circulation. The blower industry costs Victorian small business millions of dollars. The bill will make it an offence for businesses to place advertisements as a result of an initial approach from a publisher unless that publisher has obtained written instructions.

The bill also regulates lay-by sales. Lay-by is a popular form of purchasing, especially among young families. Having four children of my own I have used lay-by many times. I often used to purchase by lay-by, particularly at Christmas time but also throughout the year. Lay-by is strongly supported by young families. At present there is no clear legislation controlling lay-by sales and purchasing. Consumers and traders are confused about exactly what their rights and responsibilities are, particularly when things go wrong. The proposed legislation will require the supplier to provide a lay-by statement setting out all the relevant details of the transaction including when payments are due. Any cancellation costs that might be payable must be shown clearly on the front of the statement.

The matter of lay-bys was covered quite fully by the honourable member for Niddrie. It was with some interest, however, that I heard him bring into the discussion of lay-by transactions the matter of businesses that may close down or go bust. He mentioned Georges and Brashs. He also referred to gift vouchers. It is not clear to me how gift vouchers would be provided for under the lay-by provisions of the bill. I would like the Attorney-General to look at that matter and clarify what actually happens to unredeemed gift vouchers when a business goes bust.

With those remarks I conclude my contribution to the debate. I give my full support to the bill. Considerable effort has obviously been put into its construction and consolidation. I repeat that I am happy that the bill has the support of members on the other side of the house.

Mr ROBINSON (Mitcham) — I will make only a few brief comments on the Fair Trading Bill in the time available to me. Generally I support the bill. My experience in this area informs me, however, that a legislative response alone will never be an adequate foil for those in the community who are predisposed to ripping off others. Those people have no respect for their fellow Victorians nor for the law.

That is a particular problem with itinerant traders who manage to dodge between jurisdictions, leaving law enforcement agencies and fair trading bodies behind them. They are incredibly difficult to catch up with. I have had some experience over a number of years with itinerant roof painters who operate up and down the east coast of Australia moving from caravan park to caravan park. They are difficult to catch and prosecute and usually have no respect for the law because the penalties applied are insignificant compared to the money they are making in their illegitimate practice. Bearing that in mind, I encourage the Attorney-General to be creative in stamping out such scams.

In my dealings with those operators, I have always found that the Australian Tax Office is an effective means of pursuing people who have earned income through some work, however illegitimate. No-one in this place would dare stand between the tax office and one cent of income that the tax office thought was owed to it lest he or she be trampled in the steamroller like performance of the tax office. In that respect the ATO is exceptionally efficient. The Attorney-General could bear that in mind in her efforts to bring to bear the powers of the state against people committed to ripping off others.

I am disappointed with the cooling-off period provisions of the bill. They appear to be weaker than the provisions originally proposed. I refer to an article in the *Herald Sun* of Tuesday, 6 April, entitled 'Marketers angered by fair trading bill'. The article quotes the Australian Direct Marketing Association's chief executive, Rob Edwards, as saying that he was gobsmacked by the new fair trading bill. I hope, insofar as he is referring to the Attorney-General, that he is talking figuratively and not literally.

In the article Mr Edwards makes the point that:

> The legislation is a softer option and will discourage compliance.

He is referring there to a code that had been drawn up. According to him:

> ... the Victorian government was a party to drawing it up.

The bill is a weaker version of that earlier code, and the Australian Direct Marketing Association is disappointed that the Victorian government did not bite the bullet on what the association believed was an appropriate cooling-off period. It is somewhat disappointing that the bill does not go as far as the Australian Direct Marketing Association would have wanted.

Clause 7 and associated provisions deal with unconscionable conduct. I welcome the inclusion of that new area of the law. The minister said in her second-reading speech that the bill mirrors the efforts made at the federal level. The difficulty has been that the Australian Competition and Consumer Commission has been biding its time to utilise the provisions under the Trade Practices Act that deal with unconscionable conduct.

Many people in the business community, particularly the small business community, are keen to see the unconscionable conduct provisions of the Trade Practices Act applied. The ACCC has been reluctant to commit the necessary funds to take landmark action against unconscionable conduct, although I understand it has finally decided that it will take action against an Adelaide shopping centre proprietor. The outcome of that litigation is awaited with bated breath. It is imperative that any Victorian cases on unconscionable conduct brought before the courts by the fair trading office or the government should stick. This powerful provision should be applied well, and it is incumbent upon the government to ensure that it is appropriately applied in the not-too-distant future.

The minister also referred to the distinction between the courts and the Victorian Civil and Administrative Tribunal. Her comments stem from a judgment by Deputy President McNamara stating that VCAT is a tribunal and not a court. At the time it caused considerable problems in the processing of retail tenancy cases. The opposition welcomes the clarification provided by the Attorney-General earlier in the debate, but some specific clarification about retail tenancy cases may be required. When the judgment was handed down in October 1998 it caused a flurry of activity because cases listed on VCAT's retail tenancy list suddenly disappeared and returned to the Federal Court list. The retail tenancy list was initially established to remove cases from the Federal Court and take them into a jurisdiction that could process them

more quickly and at a lower cost to participants. The Attorney-General may provide some clarification on that problem in due course.

The bill has merit, and the opposition does not oppose it. However, its effect would be stronger if it provided for a tougher cooling-off period, the unconscionable conduct provisions were used as soon as possible and the government performed some creative scrutiny of rip-off merchants. I have already referred to the use of the Australian Taxation Office in that regard.

Mr PERTON (Doncaster) — It is a great delight to speak on the bill, particularly because there is consensus that the bill should be supported. Opposition members have said they will support the bill because they believe the measures contained therein are appropriate.

The bill represents good policy. It has been some three years in the making, during which there was extensive consultation with industry, trade organisations, the Australian Consumer and Competition Commission and others. It is a tribute to the Attorney-General, her staff, the Director of the Office of Fair Trading and Business Affairs, Jan Reynolds, and the policy officer, Marita Ham, that they have produced a bill that deals with a wide range of fair trading problems and does so with the consent of the opposition and most of the industry.

It is exciting that the bill deals with unconscionable conduct in the same way the federal legislation deals with it. Other honourable members have spoken about the use of false and misleading testimonials. The honourable member for Oakleigh summed up the situation when she said that the challenges presented by the formation of new industries such as electronic commerce are increasing, and the use of testimonials on web sites will present a challenging fair trading issue in such areas as e-commerce. The bill, together with the Minister for Information Technology and Multimedia's electronic business framework legislation, helps to set up Victorian consumer affairs to meet the challenges of the new economy and the new millennium.

Among the visitors in the house tonight was Lindsay Cattermole, the managing director of Aspect Computing and the new chairman of Cinemedia, which together with NEC and the government is helping Victoria to move forward in electronic commerce and the electronic delivery of government services. The bill will allow Victoria to take advantage of new trading opportunities.

The second aspect of the bill that excites me is the code of practice provisions. Codes of practice may be prepared by the director or by the director in consultation with the suppliers of goods or services or other interested people.

The proposed codes of practice will be prescribed in regulations, which will subject them to the regulatory impact statement process and expose them to public scrutiny. Once the codes are prescribed, a breach of a code will be an offence.

Those are modern developments in the law. It is recognised that in today's society much of the expertise on trading legislation issues resides in the private sector and not necessarily in government. Codes of practice allow governments to capture the knowledge and energy of the private sector and encourage it to work with government and consumer groups to reach an interesting and strong position on consumer protection. There is no better example of that than in the insurance industry, where much of the dispute resolution takes place outside the court in an alternative dispute-resolution setting.

The Australian Direct Marketing Association has criticised the legislation. In that respect it is out of touch with the needs and desires of Victorian consumers and businesses. Because the Labor Party supports the legislation there is an element of bipartisanship on the issue. I encourage the Australian Direct Marketing Association to continue to keep to its code and build confidence in its industry. The association's negative response to the bill does not give me any confidence in its political skills, and it has not had an impact on the Liberal Party, the Labor Party, the National Party or the Independents.

I am excited about the provisions that extend the jurisdiction of the Victorian Civil and Administrative Tribunal. Clause 159 confers concurrent jurisdiction on VCAT to enable it to hear fair trading disputes and damages claims. To resolve such disputes and claims VCAT will have similar powers to the courts. Clause 159 states in part:

> (1) A person who suffers loss, injury or damage because of a contravention of a provision of this Act may recover the amount of the loss or damage or damages in respect of the injury by proceeding against any person involved in the contravention.
>
> (2) A proceeding under this section may be brought before the Tribunal or in any court of competent jurisdiction.

The Victorian Civil and Administrative Tribunal is a success story. Under the leadership of its excellent president, who is also a justice of the Supreme Court,

great efficiencies have been achieved. Those matters that require rulings of law are dealt with by a judge of the highest jurisdiction in the state. I say without fear of contradiction that honourable members on both sides have a good impression of the early workings of VCAT. Several parliamentary committees have such confidence in VCAT that their members have turned to it as an inexpensive venue for the resolution of disputes that arise in the community.

The bill, which deals with many of the problems honourable members come across, has bipartisan support. Among others the honourable member for Mildura would have come across the pyramid-selling activity known as the Concorde game. Some government members have had to deal with victims of the blower industry — publishers who sell false advertising by pressuring people and fabricating evidence. The honourable member for Narracan takes an active role on law reform on behalf of businesses in his electorate, and he has endeavoured to deal with that problem on behalf of his traders and consumers.

The bill is a terrific piece of legislation. The honourable member for Mitcham, who is a member of the Law Reform Committee, has spoken in support of the bill, as have a number of others. I commend the government on the introduction of a bill that will protect Victorians in the new millennium.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The DEPUTY SPEAKER — Order! Under sessional orders the time to interrupt business has arrived.

North Central Catchment Management Authority

Mr CAMERON (Bendigo West) — I refer the Minister for Conservation and Land Management to a matter concerning the North Central Catchment Management Authority. As honourable members will be aware, some of the environmental functions of the Department of Natural Resources and Environment were transferred to the catchment management authorities. In the last state budget $20 million was removed from the department's budget. As a result the government has imposed an anti-country catchment management tax on country residents.

The community and the Labor Party have forced the government into a humiliating partial backdown. It has announced that the tax in the north central catchment management area will be reduced to $20 a year. Mr Drew English, who is the chairperson of the North Central Catchment Management Authority, made it clear in a radio interview this morning that the body's income from the tariff would be reduced by some 50 per cent.

Mr English said in the interview:

> Obviously it will have an impact on programs.

He went on to say:

> It's a pretty silly way to introduce people to a new concept by sending them a tariff. We freely acknowledge, everybody in this freely acknowledges it was not very well done to say the least.

A question remains about what will happen to the environment works programs. I seek an assurance from the minister that the catchment management authorities will be fully funded for environmental works. I also ask whether he will take the next step, one that is sought by country residents, and abolish the tax and pay for catchment works directly from the state budget, as was formerly the case.

That course of action would save of a lot of administration expenses and there would be more funds available for catchment works. Given a reduction of $20 million in the department's budget, if that money were returned and the tax were fully abolished more money would be available for environmental works. That is what country people want. Country people object to the anti-country tax. I ask the minister for those assurances.

Disability services: Warragul

Mr ANDRIGHETTO (Narracan) — I refer the Minister for Youth and Community Services to disability services in the West Gippsland area, in particular in the township of Warragul.

Several years ago extensive consultations were conducted with carers around the district and services were implemented as a result of the recommendations that were made. Spending by the government has grown from some $270 million in 1994 to $478 million in 1998–99. During that same period commonwealth spending grew from $49 million to $73.6 million; and the commonwealth is providing a steadily decreasing share of the total outlays on vital services for people with disabilities and their families.

There appears to be a great amount of confusion as to what is occurring in West Gippsland. I call on the minister to clarify the situation surrounding the

construction of housing units in the Warragul district. Although six units are under construction it is unclear whether further units will be constructed for people with severe disabilities. The people concerned are on the urgent waiting list that is drawn up from the services needs register.

The executive director of the Victorian Advocacy League for Individuals with Disability, Kevin Stone, was quoted in the *Sunday Herald Sun* of 11 April as supporting the Minister for Youth and Community Services. The article states:

> ... the Kennett government was doing all it could and it was time the federal government increased its contribution.
>
> On this issue Dr Napthine is our champion ...

I am surprised at the attack that has been levelled at the government for its performance on this issue. I call on the minister to clarify the situation and to state which services are available, not only to the Spastic Society of Victoria but also to the Mawarra Centre and the Adult Services Centre in William Square. In particular I ask the minister to address the issue of the construction of the buildings in the Warragul district.

Victoria University of Technology: email

Ms KOSKY (Altona) — I ask the Minister for Tertiary Education and Training to take action to ensure that all academic staff at universities have access to email facilities.

My attention was drawn to a situation at the Victoria University of Technology in which email has been disconnected for one of the staff members who happens to be a staff representative on the university council. The representative used email to raise with other staff at the university concern about some $100 000 being spent by the university for a corporate box at the new Docklands stadium to entertain clients. The term 'clients' did not refer to students but to other people the university may wish to entertain.

At the same time the university was considering contracting out mail-room operations to save money. The concerns of staff in the mail room that they were facing the prospect of losing their jobs was one of the issues the staff representative raised with fellow staff members, seeking their advice and comments. Subsequently his email was disconnected. Not only is he now unable to communicate with other staff about council activities, he is also precluded from using email to perform his academic work. He may have been a bit overzealous or overenthusiastic in his use of language — —

An honourable member interjected.

Ms KOSKY — I suggest it was not rude. I am happy to share the contents of the email with honourable members. The disconnection of the email was a heavy-handed approach that will curtail the academic work of the individual concerned and prevent him from doing his job properly.

I ask the minister to examine the issue and take action to ensure that all academic staff have the use of email facilities to pursue their work within their institutions. It is necessary so that they can do their work properly and that university councils do not — —

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

Food: Yarra Ranges regulation

Mr LUPTON (Knox) — I raise a matter concerning the Food Act with the Minister for Youth and Community Services and ask him to direct it to the attention of the Minister for Health in another place. The government amended the Food Act to ensure that food being prepared in a number of organisations was safe.

My concern is for people who prepare food to be sold at stalls, particularly those stalls that operate in the Shire of Yarra Ranges to raise funds for the Angliss hospital. Because of the misinformation that has been peddled by members of the Labor Party, in particular by a couple of candidates, the auxiliaries that work for the Angliss hospital have had to increase their voluntary work to ensure additional money is raised. Unfortunately, the Shire of Yarra Ranges has issued a form that requires a number of questions to be answered. It says that food sold from temporary food premises for the purpose of fundraising for recognised charitable organisations and community groups is exempt from fees and the need for it to be prepared in registered kitchens. However, when you fill out the particular form, under section 3 the following question has to be answered:

> Do you prepare food for your temporary food premises/stall in any one of the following premises:
>
> (a) your own home kitchen.

Underneath the choices of premises it states:

> If you answered (a), your home kitchen is not registered with the council, and you may be required to make an application to register it.

The Shire of Yarra Ranges now requires every volunteer who works for the Angliss hospital auxiliary to have his or her kitchen registered. I do not believe

the Minister for Health meant that to happen across the board — that is, that it be mandatory for every kitchen in every household to be registered. I ask the minister to investigate how the Shire of Yarra Ranges is implementing the amendments to the Food Act and to ensure that volunteers do not have to register their kitchens because of some bureaucratic muck-up.

Roads: Docklands

Mr THWAITES (Albert Park) — I refer the Minister for Planning and Local Government to the Docklands road infrastructure, in particular the road that will go from the Charles Grimes Bridge and turn through the old casino car park and the north-south link on the eastern side of the Docklands stadium. Will the minister publicly indicate the cost of that road infrastructure and specifically say whether any studies have been undertaken on compensation payable to Transurban under the City Link contract? I ask the minister to also publicly indicate whether as a result of the building of the roads the government will be liable for any compensation. In particular, I ask the minister whether the Docklands Authority has prepared any documentation about such compensation, and, if so, whether the minister will release information that has been prepared by the authority?

The proposed roads are extremely expensive and in some senses will divide the Docklands from the rest of Melbourne, therefore reducing accessibility and also making the Docklands area an enclave, so it is not good planning. More than that, the roads will be a monumental waste of money. I would have thought honourable members in government-held seats such as Cranbourne and Berwick would be concerned about the government's spending $50 million to $100 million and possibly making itself liable for compensation payments when the same government is saying it does not have enough money for roads in Cranbourne or Berwick. There have been many public meetings in the suburbs of Melbourne calling on the government to spend money on their roads rather than spending it on monuments in the inner city.

Police: Bendigo

Mr JOHN (Bendigo East) — I refer the Minister for Police and Emergency Services to some police issues in O district which covers my electorate of Bendigo East. In recent times the honourable member for Bendigo West and other Labor MPs have made mischievous and misleading statements as they have been peddling the Victoria Police Association line on police numbers. The City of Greater Bendigo and the surrounding districts are well served by its police officers. The police do a great job in the City of Greater Bendigo and I am very proud of them.

However, they and the community are being let down by the honourable member for Bendigo West, who attacks their performance and morale, misleads the public with his mischievous statements, and has consistently criticised the government's excellent administration of justice in central Victoria. The honourable member's statements are not only mischievous and misleading, but they are also scaremongering and frightening elderly people in my electorate. I am most concerned about his actions. They are most irresponsible.

Bendigo today has never been a safer place. In our city there is a Bendigo Safe City Forum, a valuable community committee of which I am the chairman. This is well supported by the minister, police and the city council. We have in place the Bendigo liquor accord involving all the night clubs, hotels and restaurants of Bendigo, and security cameras in the CBD of the city of Bendigo, which helped in a recent drug bust. The government, the police and the community are doing great work. I ask the minister to detail to the house the steps he has taken since 1992 relating to police numbers in O district and other valuable initiatives he has instigated for the safety and security of people in my region.

Police: Mildura

Mr SAVAGE (Mildura) — I raise a matter for the attention of the Minister for Police and Emergency Services. I also raised this issue in January, long before the current controversy on police numbers, and predicted that if current trends continued with the downsizing of the Victoria Police some satellite stations in my area, such as Red Cliffs and Merbein, could ultimately become shopfronts and close.

I have some knowledge of policing in Victoria as I was a member of the force for 26 years. I spent the last five years as station commander of Mildura. The current shortage of staff and the state of morale and politicising of the force has never been worse. The rank and file of the police force also have some difficulty with the manner in which the Chief Commissioner of Police is managing the force.

I did not say at the time that there was a plan or documentation that would indicate this would happen other than the fact that district commanders were strapped for manpower. Ultimately, they will have to prioritise and take resources from elsewhere. That means to maintain the 24-hour function other stations

within a patrol distance may lose their staff either permanently or temporarily.

I seek some guarantees from the minister that the acute shortage of police in the Mallee will be addressed. The Mildura police station has five unfilled vacancies, three of which date back to 1998. As we are nearly into the fifth month of this year that is unacceptable. Thirty per cent of the time there are not sufficient personnel to run the second divisional van, and this acute shortage includes the use of support staff such as DFO, DISC and Files. As a consequence, there is sometimes only one divisional van for 30 000 people.

The police officer from Werrimull is spending up to three shifts a week at Merbein to cover a shortage of staff there. Swan Hill is so short it has a sergeant and two men to run the station. The station commander is absent on a course and a station cannot be run with a shift roster of that number. There is also a difficulty with prisoner transfers. The contractor does not deliver or supply effective transportation for the station and, therefore, is running up extra budgetary problems with laundry and meals.

The service should be on demand, but unfortunately that is not happening. I ask the minister to guarantee that the communication section remains at Mildura, that the contracting for prisoner collection is rectified and also that the acute police shortage is addressed.

Rosanna Fire Station Community House

Mr LANGDON (Ivanhoe) — I make an urgent request of the Minister for Youth and Community Services to assist the Rosanna Fire Station Community House, which has a class 2 restricted child-care centre. Under the new children's services regulations that came into effect last year all centres must go through a re-licensing process. The Rosanna community house licence renewal must be lodged by 11 May this year, but committee members have grave concerns about some anomalies in the process.

The committee is concerned about the definitions of 'nominee' and 'responsible person'. I believe all committee members have yet to indicate their willingness to be subjected to police checks, have their characters examined or their financial status checked. I will set out the questions to which they want the minister's response.

The regulation manual states on page 25 — I expect the minister will know this off the top of his head! — that staff members and volunteers engaged prior to 1 June 1998 do not need to produce police checks, yet all the relevant documents sent out with the renewal licence request police checks. Why? That is ambiguous.

There are no clear guidelines as to who retains the confidential information — for example, police checks, personal declarations et cetera. The relevant documentation suggests that all information is to be sent to the Department of Human Services, yet the manual suggests it will be retained in the workplace.

The committee is concerned about the legal liability of individuals who become 'responsible persons'. The concern about legal liability is probably the most important aspect. It is unclear who can be a nominee and who can be a responsible person.

Since the application for the licence renewal is due to be lodged on 11 May I ask that the date be deferred so that discussions can be held with the committee to solve the problems. The last thing we need is for the service to lose its licence or to be fined continually for not renewing it. The community house runs a very valuable community service in my electorate. It is also available to the electorate of Bundoora. I know the honourable member for Bundoora would also share my concerns. I ask the minister to respond to the community house so that the problems can be resolved and a valuable service is not lost.

Disaster plan

Ms BURKE (Prahran) — I raise for the attention of the Minister for Police and Emergency Services a number of telephone calls I have received from constituents regarding damage to their Sydney properties in the recent hailstorm.

As the Victorian public is well aware, considerable damage occurred to property in New South Wales, particularly to a number of homes and heritage buildings. It could have easily happened in Victoria, and we had a small example of what could happen in a hailstorm this morning. The damage in New South Wales was extensive, reaching from Newcastle to Wollongong. The hailstones varied from the size of golf balls to that of cricket balls. It was impossible to hire tarpaulins to protect properties. In the case of tenants the response was slow. Because landlords had to wait for quotes, tenants were left without protection. The situation was exploited by some because of a shortage of builders. That lead to abuse in respect of repairs and costs.

The cost to New South Wales is between $350 million and $1 billion. Animals, many of them domestic pets, have been injured. Cars were undrivable, public transport unusable and the storm considerably disrupted

not only the everyday lives of members of the Sydney community but also their economic viability.

I ask the minister to ensure that Victoria is prepared for such a disaster and that a disaster plan will be formulated to prevent the Victorian public suffering the same consequences. It is all very well for opposition members to laugh. However, it is only right and proper that we ensure that the people we serve have a plan in place to protect them and their properties. If the New South Wales government had prepared the way the government intends to, its community would not be suffering to such an extent. Not only has it caused economic damage it has been a catastrophe for those in need who are less fortunate than most of those in this chamber.

I ask the minister to ensure that Victoria is prepared for such a disaster and, in particular, to formulate a disaster plan that will protect the Victorian community from suffering the consequences that followed the hailstorm in New South Wales.

Westall Road: upgrade

Mr LIM (Clayton) — I ask the Minister for Conservation and Land Management to refer to the Minister for Roads and Ports in another place a stretch of Westall Road about 3 kilometres from Heatherton Road in the south to Centre Road in the north. Honourable members will recall that I have raised this issue many times during the past three years or so. Towards the middle of last year the minister allocated approximately $37 million to upgrade the road, which is in my electorate. However, since then there has been no activity. Nobody knows when construction of the road will commence.

Will the minister use his good offices to expedite the commencement of the upgrade work before the next state election? Why do I say before the next state election? There have been rumours that the government might recycle the issue as another election promise to make it look good in the eyes of the electorate of Clayton. There has been much speculation about the upgrade of Westall Road. The irony is that the whole of Westall Road is in the electorate of Clayton but just about every other member of Parliament with an electorate adjacent to Clayton has claimed the credit for obtaining funding. To give one cruel example, towards the end of last year the honourable member for Mordialloc made an announcement in the *Oakleigh–Springvale Times* that the work would commence in December. However, December was four months ago, last year, and the work has not commenced.

It is very important that that stretch of road be upgraded as a matter of urgency. A lot of people use it, particularly residents alongside it who have suffered so much and had so many accidents. Some people have been in comas and others have suffered damage to their vehicles. Any further delay would be a disaster and an insult to those people.

Responses

Dr NAPTHINE (Minister for Youth and Community Services) — The honourable member for Knox referred the Minister for Health to the implementation of the new Food Safety Act with regard to community based stall-holders fundraising on behalf of the Angliss hospital.

He asked me to convey to the Minister for Health the need to investigate how the Shire of Yarra Ranges is implementing and interpreting the Food Safety Act. I will convey that request to the minister, and I am sure he will investigate it because he is most concerned to ensure that what is a very good act will improve the health of Victorians by reducing the risk of exposure to contaminated food. But it must be implemented in a fair and reasonable way, and I will have it investigated.

The honourable member for Ivanhoe raised the issue of the Rosanna Fire Station Community House, particularly with regard to its child-care program and meeting the new children's services regulations. He advised me that the community house is due to be re-registered on 11 May and that people are concerned about the new regulations.

I have met representatives of that neighbourhood house on previous occasions and I am aware that it is a good example of the neighbourhood house programs operating throughout Victoria. They do a good job at the local level in a community development and individual development role and provide a real focus for their communities. I commend the management and people involved in the Rosanna Fire Station Community House for their neighbourhood house work.

The concept of the Children's Services Act and the regulations is about improving the health and safety of children under the age of six who are in child care. It is important that the regulations covering people charged with responsibility for the broader aspects of management and those charged with the day-to-day management of those children are adequate. If people are involved in the day-to-day program with the children, they must have adequate skills and experience and undergo appropriate checks, including a police

check. Most people would recognise that those working with children should have a police check.

However, the honourable member for Ivanhoe raised a number of issues, and the best way to deal with them satisfactorily is for me to ask representatives from the office of the northern region of the Department of Human Services to meet with representatives of the fire station community house to go over their concerns and assist them with their registration process.

The honourable member for Narracan raised the issue of accommodation places for people with disabilities in Victoria. In this state a number of people with intellectual disabilities require care and support, and many of them are currently living in the community with their parents. The parents are ageing, and the community has a real responsibility to respond in a positive way and provide the appropriate accommodation. Since the election of the Kennett government in 1992 we have had a strong commitment to improving the services available for people with disabilities, particularly accommodation services, and the government has funded an additional 1250 community-based accommodation places.

Indeed, during my term as minister since April 1996 we have implemented 503 additional community-based places and work is currently in progress to create another 226. In just those three years we have created 729 places, which is an enormous effort.

The Gippsland region has been the beneficiary of its fair proportion of the new places. In the area of concern to the honourable member for Narracan there are currently 46 community-based accommodation places, and work is in progress to increase that number. A five-bed cluster model in Stoffer Street is nearing completion and funding has been allocated for a further five-bedroom house for clients with high support needs for which an appropriate site is being sought. That represents an additional 10 accommodation places in the Warragul area.

The department will continue to work with families of people with intellectual disabilities to ensure that there are sufficient accommodation places. I endorse the views of the honourable member for Narracan, who stressed that the Victorian government has increased its efforts significantly in this area. Since 1992 funding for this area of disability services in Victoria has increased by more than 70 per cent, but the commonwealth has failed to keep pace with that increase.

In Victoria 87 per cent of the funding for accommodation and day programs comes from the state budget compared with only 13 per cent from the commonwealth, whereas across other Australian states the commonwealth supplies 19 to 20 per cent. Victoria is therefore receiving a disproportionately smaller share of commonwealth funding. There is certainly a need for the commonwealth to provide additional funding in this area, and a real requirement for it to address the issue of unmet need.

It is well recognised that people with disabilities require urgent accommodation and day programs, and it is beyond the capacity of a state or territory alone to increase funding sufficiently to meet that need. Additional significant support from the commonwealth is necessary. I concur with the honourable member for Narracan that the Victorian government is leading Australia in the provision of services for people with disabilities, but it needs further assistance from the commonwealth.

As a final example of how Victoria is doing its bit I point out that the expenditure on disability services in this state exceeds the expenditure of any other state or territory, including New South Wales, which has a much larger population. Productivity Commission figures show that funding for persons with severe or profound disabilities in Victoria is $4948 per head compared with the Labor states of New South Wales at $3295 and Queensland at $1848.

Victoria clearly has a good track record in this area, but the government will continue to look at how it can provide even more accommodation places. The Victorian government calls upon the commonwealth to do its share to assist Victoria in this important work.

Mr HONEYWOOD (Minister for Tertiary Education and Training) — In the first matter raised by the opposition on universities in three years we have discovered that the new shadow minister is actually capable of reading an *Age* newspaper article and regurgitating it in parrot fashion, word for word, in this house. She added no new information to that contained in the article today; it was a simple re-reading of an article.

If the new shadow minister were ever to aspire to be an actual minister she might have to learn to do some research herself, and if she bothered — —

Mr Thwaites interjected.

Mr HONEYWOOD — I defer to the honourable member for Albert Park as the doyen of all sartorial splendour in this Parliament. He knows what goes with what. Unfortunately, he cannot do his numbers in other areas.

If the honourable member for Altona had contacted the administration of the Victoria University of Technology, instead of repeating the comments in the *Age* article, she would have discovered that Professor Allan Patience, as a member of the governing council of the university, did not raise his objections to the Docklands stadium corporate box at a meeting of the governing council. He was silent on the issue, but later used colourful language to abuse the university administration.

Many honourable members have served on university governing councils. The analogy can relate to members of a political party. If the honourable member for Altona did not bother to raise an objection to a policy being debated in her party room, but later canned and abused the people who put up the policy, we all know what would happen to her and her email, particularly in the Labor Party — she would be sent to Coventry and then thrown out of the party.

Mr Thwaites interjected.

The DEPUTY SPEAKER — Order! The honourable member for Albert Park should cease interjecting. The honourable member may wish to go home now.

Mr HONEYWOOD — Mr Deputy Speaker, you have served on university governing councils and you are aware that whether one is a student member, a staff member or a member of the academic staff of the governing council, the opportunity to raise objections is at the meetings of the governing council. In this case, a full member of the governing council did not bother to raise objections about a crucial issue affecting the university, but proceeded to carry on about the issue over the email.

I am advised a temporary review of the individual's behaviour is being undertaken, particularly whether it was appropriate to use the email in that way given that it is meant to be used as a valuable tool of communication between academics. While the review is pending we will have to wait to see whether a code of practice is issued by the university regarding the appropriateness of using costly and valuable computer technology for nothing more than a chain mail campaign against the university's administration when the appropriate forum was never utilised.

Mr MACLELLAN (Minister for Planning and Local Government) — I am naturally grateful to the Deputy Leader of the Opposition for giving me the opportunity to correct some of the issues that he has made public and which he now invites me to correct.

On 20 April the honourable members for Albert Park and Footscray issued a press release in which they identified the cost of a road in Docklands. The honourable member for Albert Park now asks me how much will it cost? Yesterday he knew, but today he asks! I suppose it illustrates what is wrong with the honourable member — he shoots his mouth off first and asks for information second.

I am grateful that the adjournment debate gives honourable members the opportunity to refer to documents such as the honourable member's press release. The press release of 20 April states:

> The Kennett government was set to commit $52 million of taxpayers' money to a new road which would split Docklands off from the city, the state opposition said today.

The honourable member now asks: how much will it cost?

Mr Thwaites interjected.

Mr MACLELLAN — The Deputy Leader of the Opposition may shout as much as he likes, but he got it wrong. Not only did he get this wrong but he asked me how much it cost as well as a few other things. He asked whether this road, which is the north-south road, will be a barrier. It is parallel with the railway line at Spencer Street.

Mr Thwaites interjected.

Mr MACLELLAN — The honourable member had his chance and he now ought to listen to the response. The honourable member asked for information and I intend to give it to him. I imagine that the parliamentary staff may qualify for their allowances tonight, because I want to give the honourable member all the information he has asked for. In the press release the honourable member says that the new road will split Docklands from the city, but he now asks whether it will be a barrier. I advise him that the road is parallel to the railway line and, therefore, will not be a barrier. The railway line at Spencer Street station is already there. The advantage in having the road run parallel with the railway line is that the public will have access to the waterfront. In other words, the public will not be cut off from the waterfront because the road will be parallel with the railway line. That has escaped the opposition's attention.

The next accusation is in the title of the press release, which was so filled with mistakes that the press did not respond, which is why the honourable member raises the issue tonight, in a pretended way. The honourable member pretends to want information, but he has

already issued the press release which has been ignored by the media because it is so full of rubbish. One of the rubbish elements is the supposed waste of taxpayers' money. The Deputy Leader of the Opposition wants to know the cost and then says it is a waste of taxpayers' money.

Mr Thwaites interjected.

The DEPUTY SPEAKER — Order! The honourable members for Albert Park and Bendigo West are not helping the fluency of the adjournment debate by continually interjecting across the table and prompting or escalating the debate. Anybody who has been in this place for some time knows that the minister needs no assistance in responding to issues and should be heard in silence.

Mr MACLELLAN — I have taken my happy tablets. This is me at my kindest. The Deputy Leader of the Opposition asked what taxpayers are paying. This is not Vicroads money that is being spent, but developers' money. The road is being paid for by developers of the precincts of Docklands. I suppose under a Labor administration, especially under the Deputy Leader of the Opposition or the honourable member for Footscray, the government would be paying the developers of the precinct. The government asks the developers to contribute the money which is invested in the infrastructure in Docklands. That concept is totally foreign to the Deputy Leader of the Opposition and that is why he raises the issue of funds being made available in Berwick or Cranbourne. He wants the government to obtain money from the Docklands developers and spend it in government-represented electorates on the outskirts of Melbourne. I hesitate to allow that matter to spread.

Fortunately, the Minister for Roads and Ports is not in this house and his representative is not present. Imagine the scandal if the government accepted the idea proposed by the Deputy Leader of the Opposition! Hit the developers in Docklands for millions of dollars for infrastructure money and spend it in Liberal-held electorates on the outskirts of Melbourne — allocate the money to road projects in those electorates! The Deputy Leader of the Opposition asks how much. The honourable member does not need to know how much because it is in his press release — it is $52 million!

Mr Thwaites — On a point of order, Mr Deputy Speaker, it has been determined on numerous occasions that the adjournment debate should not be used simply as an opportunity for ministers to attack the opposition.

Honourable members interjecting.

Mr Thwaites — I am feeling brutalised by the attack. The purpose of this debate is to allow the minister to provide information about the matters raised. The minister, however, has spent the past 15 minutes or so simply attacking opposition members, including me. He has not yet provided any of the information sought. In particular, he has not told us whether any compensation will be payable to Transurban under the City Link agreement.

Mr MACLELLAN — On the point of order, Mr Deputy Speaker, I am systematically working my way through the matters raised by the Deputy Leader of the Opposition. I am aware that he does not like the information he is being given and that he is ashamed to have issued a press release of which I was able to obtain a copy tonight. He clearly did not intend the house to know anything about it. I am systematically working my way through the issues he has raised.

The DEPUTY SPEAKER — Order! The Deputy Leader of the Opposition is right in one part of his point of order. He said that the adjournment debate is not simply an opportunity for a minister to attack the opposition. If that was all the minister was doing, the Chair would certainly direct the minister back to the substance of the debate. In the observation of the Chair, however, the minister has been dealing with the issue in the way he has just explained in response to the point of order. I do not uphold the point of order.

However, I again point out to the Deputy Leader of the Opposition that if he continues to interject across the table it will be difficult for the Chair to expect the minister to come back to the substance of the debate. If the Deputy Leader of the Opposition can contain himself, the minister will take us to the end of the debate and we will be able to move to other answers and maybe get home before midnight.

Mr MACLELLAN — The Deputy Leader of the Opposition asked about material adverse effects. He did not use that phrase, but that is what he was asking. He asked whether the road would have any impact that could lead to a payment to the Transurban consortium in regard to the City Link project. I can answer in general terms that, since the contract has not been let, construction work has not started and the road has not been opened, it is a bit early to calculate in precise terms what material adverse effect such a project might have.

I am greatly aided by the press release issued yesterday by the Deputy Leader of the Opposition. He says in it — and I quote directly, so as to get it quite in order:

> Shadow planning minister John Thwaites said the contracts for the construction of the $52 million road are likely to be signed today —

he means yesterday —

> after the planning minister gave it the go-ahead at a meeting with the Docklands Authority.

That is the second paragraph of the press release. I will get to more of it later, perhaps.

He knew yesterday, apparently, that the contract was going to be signed. Well, it has not been signed. I have not approved of it. The Deputy Leader of the Opposition has got it wrong again. What he wants to know is whether there will be any material adverse effects from the contract which he thought was going to be signed but which has not been signed.

Mr Thwaites interjected.

Mr MACLELLAN — He is at it again, Mr Deputy Speaker. He is yacking away.

He wants to know whether the construction of a road under a contract he thinks is about to be signed but which has not been signed will have any material adverse effects. His problem is that he relies, unfortunately, on leaks instead of on good, solid information. His information is not well based. I will do my best to assist him to acquire more reliable information.

He seeks information about the material adverse effects of a possible contract that may or may not be entered into. The preliminary answer is that if the road is merely a substitution for Footscray Road and no wider than Footscray Road is proposed to be under the agreement, the new road will have no material adverse effects.

But, surprise, surprise! Both the Deputy Leader of the Opposition and the shadow minister for major projects are quoted in the press release as saying that:

> The proposal would create a seven-lane freeway running through the future city centre.

I have to say to the Deputy Leader of the Opposition that if he and his friend from Footscray think a seven-lane freeway may have more adverse effects on City Link traffic than a two-lane road, he may be right.

The contract the government proposes to enter into is not for a seven-lane freeway. The opposition brainstormer has got it wrong again. He has bombed out on the price, the signing of the contract and the taxpayers' money. He has bombed out time and again. I say to him with the greatest kindness that he should not trust leaks from the town hall.

The press release came to me accompanied by a memo signed by a senior town hall officer and was dated 10 March. That is the information opposition members relied on. Instead of using good, reliable and up-to-date information they chose to use something produced on 10 March. Someone resigned from the committee, walked out and slammed the metaphorical door and went to the opposition with information that opposition members thought could be relied upon. Out went the press release. But now, with stylish hypocrisy, having issued the press release yesterday, opposition members are asking the government for the information.

An honourable member interjected.

Mr MACLELLAN — No, the government is confident that the sort of contract it might enter into will not have the kind of material adverse effects that are associated with a seven-lane freeway. It believes there are excellent reasons for saying that the north–south road — —

Mr Thwaites interjected.

Mr MACLELLAN — As you can see, Mr Deputy Speaker, I have got under his skin again. He is at it again. He says he wants to know about the material adverse effects, and when I say that there is no contract he is a little nonplussed. He was told that it was going to be signed and that I had approved of it, but I have not.

I understand he wants information about whether the road is going to be a barrier. I have said that the road will be parallel with the railway lines. That may be where opposition members got it wrong. It may be that instead of a seven-lane freeway the honourable member for Footscray was talking about the railway lines. Perhaps he saw seven sets of railway lines on an aerial photograph and confused the Spencer Street railway yards with a freeway. That is the only explanation that can be given to the poor people in the press gallery who receive the sort of garbage I am holding in my hand from the Deputy Leader of the Opposition and the honourable member for Footscray.

Neither of them knows to ask for the facts first. The mouth is open before the information goes into the head. The ears are turned to the leaks, not to the facts. Open mouth, uninformed brain. I have tried to help the Deputy Leader of the Opposition.

Mr Dollis interjected.

Mr MACLELLAN — It would never have happened with his factional friend! It would never have happened with the honourable member for Richmond, who is on his way from the chamber — I choose my words carefully — because he would have asked first. He would have got a briefing and been up to date with the information. The press-release addict, the Deputy Leader of the Opposition, cannot wait for facts or information. He cannot wait for anything. He prefers to issue a press release first and ask questions later! The Deputy Leader of the Opposition has had his answers, and I hope he chokes on them!

Mr W. D. McGRATH (Minister for Police and Emergency Services) — The Minister for Planning and Local Government is some act to follow. I will not try to emulate his contribution to the debate!

The honourable member for Bendigo East raised a number of issues about law and order in the city of Bendigo. I am pleased to see that he is a chairman of the safe city forum. It is important that members of Parliament take a leadership role and set the example. When that happens, one invariably finds that it engenders cooperation and understanding in the community.

The honourable member also asked about police numbers in O district. I am pleased to report that there has been a significant increase in the number of police in O district since September 1992, when there were 374 members covering the two major regional centres — Bendigo and Shepparton — and the surrounding districts. In June 1996, there were 399 members in O district; in June 1997, there were 406 members; in June 1998, there were 426 members; and in April 1999, there were 450 members. That represents a 16.8 per cent increase in the number of members serving in O district since 1992. Those figures include the personnel attached to the uniformed group, the CIB, the traffic operations group, the community policing squads, Neighbourhood Watch, the prosecutions department, and divisional firearm officers.

I have been fortunate to have had a good council to work with in the municipality of Bendigo. The first security camera in a regional centre was installed in Bendigo about three or four years ago. In conjunction with the council, my ministry met half the cost. The honourable member for Bendigo East played an important role in ensuring that the installation of the security camera became a reality.

The honourable member reminds us of the big drug bust in that part of regional Victoria, which was well conducted by the police in the region, particularly the CIB. I would venture to say that police numbers in O district have been well maintained under the leadership of the district superintendent, Mr David Mansell, who sets a good example for police officers. I would also venture to say that policing and law and order is in good shape in that district.

The government has complimented the region by establishing a new $6 million police station at Shepparton and new police stations at Dunolly and Maldon. Funding of $170 million has also been allocated to install new technology at police stations across Victoria, which has been requested by the police force for some time.

No matter what part of Victoria one travels to appreciation is forthcoming for the funds provided for the rollout of the IT contract, which will see the computer linkage of all police stations across the state, and for the provision of laptops to police officers on patrol, which will lead to a greater degree of operational efficiency and effectiveness.

The honourable member for Mildura raised the issue of police numbers and claimed that vacancies exist for five police officers at the Mildura police station. It is interesting to note that the honourable member for Mildura was with me when I visited the region to open a new police station at Murrayville and a new police station and residence at Werrimull. He mentioned that a police officer from Werrimull now spends some of his time performing policing activities at Merbein. I do not see anything wrong with that. It is a good, sensible and positive use of police resources, because Werrimull is a small Mallee town and the presence of a one-man police station in that township is important. Spending some of his time in Merbein is a positive and effective way to go.

The honourable member for Mildura probably realises that it is difficult to fill many of the professional vacancies in remote outposts such as Mildura, Bairnsdale, Edenhope and Nhill. Doctors and teachers also make lifestyle choices. Upon completion of their training police recruits often choose to stay within a metropolitan or regional centre. However, if they relocate and settle into remote districts they quite often never move away because they appreciate the lifestyle. I suggest that the honourable member for Mildura, who should have some contacts from his years in the police force, should be proactive and contact some of the recruits and say, 'Look, how about coming to Mildura for 12 months or so'. He should encourage them to enjoy a good lifestyle at Mildura and join the local

football or cricket clubs where they can play important leadership roles.

The honourable member was also critical of the transport of prisoners from police cells. The new private contract will release some police resources. I thought the honourable member would appreciate police officers looking after police cells. When I was at the Melbourne Magistrates Court the magistrates told me that the new system is working well compared to the old system that involved sworn police officers in divvy vans. The privatisation of the service will be effective in freeing up police officer resources to be used to carry out the core police duties on patrol in divvy vans.

The honourable member for Prahran raised a question about emergency services and said that Victoria is fortunate to have the CFA and the SES. To appreciate the truth of that comment one need only look at how effective those services were during the recent floods in East Gippsland.

When the Victoria State Emergency Service received a call today from Major Hori Howard, the Director-General of the New South Wales SES, it responded immediately. More than 150 fully equipped Victorian SES volunteers from some 30 units across the state will travel to Sydney tomorrow to help the people of New South Wales overcome the difficult problems they are experiencing.

The New South Wales SES was swamped with more than 14 000 calls. The Victorian SES has assisted New South Wales in several emergencies. I recall the contribution made by the Victorian Country Fire Authority during the serious fires in Sydney during 1994. The SES also played a vital role at Thredbo after the landslip when a number of lives were tragically lost. Honourable members will recall that, remarkably, one person was rescued.

It reflects well on the capabilities of Victoria's State Emergency Service that it was asked to respond to the situation in New South Wales. The SES performs its work professionally and I hope its members will return home safely. All Victorians appreciate the contribution made by both volunteers and professional staff of the SES. I understand that eight members of the professional staff will travel with the volunteer group.

Mrs TEHAN (Minister for Conservation and Land Management) — The honourable member for Bendigo West referred to tariffs in the Bendigo area, which is covered by the North Central Catchment Management Authority. I place on record the invaluable work done by the various catchment management authorities, and the North Central Catchment Management Authority in particular.

The nine catchment management authorities across Victoria — at this stage excluding the kelp board in Port Phillip — have done remarkable work. They are leading the way with their focused direction and involvement in natural resource management. Victoria is the only state whose dedicated and skilled catchment management board members focus exclusively on improving the management of the land and water natural resource base.

I visited Bendigo last month and met with members of the North Central Catchment Management Authority. I heard about the issues being addressed and their efforts in examining the proper management of problems inherited because of inappropriate action. I advised them of the government's support for their work and acknowledged their efforts. I encouraged them in the important role of addressing catchment issues with such singular focus.

The tariff was introduced for the improvement of catchment waterways. In some catchments it was readily introduced by building on the old river improvement tariffs and in other areas the levy was specifically hypothesised for the improvement of waterway management.

The levy was introduced some time ago in the north-central area. The honourable member will know of the adjustments to the tariffs announced yesterday. It is certainly in Corangamite, Glenelg–Hopkins and now the north-central area. It will make the collection of the tariff easier and more acceptable to the general public. The tariff is being used for water and river management and supplements the funds provided to the catchment management authorities by the state and the commonwealth through the National Heritage Trust.

I hope the honourable member for Bendigo West realises the benefits that can be gained from the tariff and encourages full cooperation with the catchment management authorities not only on the tariff but also on a range of issues on which they are doing excellent work.

The honourable member for Clayton asked me to refer the closure of Westall Road to the Minister for Roads and Ports in the other place. I can answer that because I sought some input from his neighbouring member, the honourable member for Mordialloc, who is familiar with the matter.

I understand from what the honourable member for Clayton said and the information the honourable member for Mordialloc supplied that it refers to the completion of a road commenced when the Labor Party was in office. It allocated funds for the beginning and the end of the road but left a large unfunded 3 kilometres in the middle. In 1996 the honourable member for Clayton suggested a way of remedying the situation, and $17 million was allocated. However, the bridge could not be fixed, so it was not much of a solution.

The government has allocated $37 million to carry out works for which the previous ALP government did not allocate sufficient funds. The government has conferred with the council and residents to ensure that traffic flows in and near the major shopping mall have been taken into account and that people are satisfied with the proposal.

The honourable member wants to know whether construction will commence before the next election. Clearly it has been an effort primarily on the part of the honourable members for Mordialloc and Springvale and Mr Brideson in the other place who have worked at addressing the problem. Because of their efforts the construction of the road will commence. I suggest it will probably be completed before the next election. One is not sure when the election will be. If it is sooner, the works may not be completed, but certainly they will have commenced. If the government runs its full term and the election takes place some time next year there is a good chance the road will be completed.

Tenders have been called and a construction company is in a position to commence work in about June or very soon thereafter. It was a great effort on the part of the honourable members for Mordialloc and Springvale and Mr Brideson in the other place. It is a shame the honourable member for Clayton was not more involved, constructive or cooperative. I am told he probably spent more time branch stacking than bridge building! I assure him that construction of the road will commence before the next election.

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

House adjourned 11.20 p.m.

Joint Sitting of the Legislative Council and the Legislative Assembly

Wednesday, 21 April 1999

Victorian Health Promotion Foundation

Honourable members of both houses assembled at 6.01 p.m.

The CLERK — Before proceeding with the business of this joint sitting it will be necessary to appoint a President of the joint sitting.

Mr HONEYWOOD (Minister for Tertiary Education and Training) — I move:

> That the Honourable Bruce Anthony Chamberlain, MLC, President of the Legislative Council, be appointed President of this joint sitting.

Mr BRACKS (Leader of the Opposition) — I second the motion.

Motion agreed to.

The PRESIDENT — I thank honourable members for the confidence reposed in me. The first item of business is the procedure for the adoption of the rules of the sitting.

Mr HONEYWOOD (Minister for Tertiary Education and Training) — Mr President, I desire to submit the rules of procedure, which are in the hands of honourable members, and I accordingly move:

> That these rules be the rules of procedure for this joint sitting.

Mr BRACKS (Leader of the Opposition) — I second the motion.

Motion agreed to.

The PRESIDENT — The rules having been adopted, I am now prepared to receive nominations from honourable members with regard to two members to be elected to the Victorian Health Promotion Foundation for a three-year term commencing on 23 May 1999.

Mr HONEYWOOD (Minister for Tertiary Education and Training) — I propose:

> That the Honourable Gerald Barry Ashman, MLC, and Janet Tindale Calder Wilson, MLA, be recommended for election as members of the Victorian Health Promotion Foundation.

I understand they are willing and able to accept the appointments if chosen.

Mr BRACKS (Leader of the Opposition) — I second the proposal.

The PRESIDENT — Order! Are there any further nominations?

As there are only two nominations I declare that the Honourable Gerald Barry Ashman, MLC, and Janet Tindale Calder Wilson, MLA, have been elected as members of the Victorian Health Promotion Foundation for a three-year term commencing on 23 May 1999.

There being no further business I now declare the joint sitting closed.

Proceedings terminated 6.05 p.m.

Thursday, 22 April 1999

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

JOINT SITTING OF PARLIAMENT

Victorian Health Promotion Foundation

The SPEAKER — Order! I have to report that on 21 April 1999 the house met with the Legislative Council in the Assembly chamber for the purpose of sitting and voting together to elect members of the Parliament of Victoria to the Victorian Health Promotion Foundation. The Honourable Gerald Barry Ashman, JP, MLC, and Mrs Janet Tindale Calder Wilson, MP, were elected.

PETITIONS

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

Capital punishment

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

The humble petition of People against Lenient Sentencing and the undersigned citizens of the state of Victoria sheweth:

WHAT IS JUSTICE?

The judicial system of Victoria needs modifying. We, the people of Victoria, seek the power and the right to demand harsher penalties, including a referendum for the reintroduction of capital punishment for murders of the most brutal and atrocious nature where there is absolute proof of guilt.

Your petitioners therefore pray that the state government will let the people decide what is best for us, by allowing a referendum on capital punishment and by legislating according to the wishes of the majority.

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

By Mr McLELLAN (Frankston East) (51 645 signatures)

Spear thistle

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

The humble petition of certain citizens of the state of Victoria sheweth concerns over the uncontrolled rampant growth of the noxious weed spear thistle — Cirsium vulgare — over large areas in the Lang Lang–Caldermeade district.

Apart from the devastating effect on pasture growth on local farms, this situation affects all South Gippsland land-holders in two ways:

the huge volumes of seed are carried over much of South Gippsland by the westerly winds and establish on pasture;

the psychological effect of seeing such neglect every time we drive to Melbourne, knowing that we try so hard to eradicate weeds where we live.

Your petitioners therefore pray that the Minister for Agriculture and Resources makes the control of spear thistle in this area a government priority.

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

By Ms DAVIES (Gippsland West) (446 signatures)

Disability services: South Morang

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

The humble petition of the undersigned citizens of the state of Victoria sheweth that they oppose the construction of the intensive behaviour intervention service facility on the site of the old South Morang Primary School, 875 Old Plenty Road, South Morang, on account that:

1. the minister and the human services department have failed to consult with the local community regarding the facility's location and operations;

2. the minister and the human services department have failed to provide adequate responses to concerns raised by local residents as to their safety and that of their young children who attend and utilise the junior sporting club and school bus stop which are both within 500 metres of the proposed facility;

3. such a facility and its management that is to be put out to tender is the first of its kind and is therefore untested with respect to both its impact on the local community and residents of the facility.

Your petitioners therefore pray that members of the Legislative Assembly vote in support of the immediate cessation of all work on the proposed facility and that full and open consultation takes place with the local community regarding the operations and location of such a facility.

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

By Mr ANDRIANOPOULOS (Mill Park) (1487 signatures)

Ordered that petition presented by honourable member for Frankston East be considered next day on motion of Mr McLELLAN (Frankston East).

Ordered that petition presented by honourable member for Gippsland West be considered next day on motion of Ms DAVIES (Gippsland West).

Ordered that petition presented by honourable member for Mill Park be considered next day on motion of Mr ANDRIANOPOULOS (Mill Park).

Laid on table.

PAPERS

Laid on table by Clerk:

Constitution Act Amendment Act 1958 — Report on the Northcote District By-election, 15 August 1998

Crown Land (Reserves) Act 1978 — Section 17DA, Order granting under Section 17D a lease by the Greater Geelong City Council

Interpretation of Legislation Act 1984 — Notices under section 32(3)(a)(iii) in relation to Statutory Rule Nos 26, 29.

APPROPRIATION MESSAGES

Messages read recommending appropriations for:

The Constitution Act Amendment (Amendment) Bill
Rural Finance (Amendment) Bill
Fair Trading (Inspectors Powers and Other Amendments) Bill

BUSINESS OF THE HOUSE

Adjournment

Mr GUDE (Minister for Education) — I move:

That the house, at its rising, adjourn until Tuesday, 4 May.

Motion agreed to.

SURVEILLANCE DEVICES BILL

Second reading

Debate resumed from 25 March; motion of Mrs WADE (Attorney-General).

Mr HULLS (Niddrie) — This bill is important, particularly as we move into the 21st century, because it deals with listening and surveillance devices. As most honourable members will be aware, the improvement in technology over the years makes the present legislation, the Listening Devices Act, redundant.

That act, which was passed in 1968, deals with the regulation and, in some circumstances, prohibition of listening devices. It is relevant to refer to the second-reading speech on that legislation to get a feel for the philosophy behind its introduction in 1968.

The Listening Devices Bill, which was read a second time by the then Attorney-General, Mr G. O. Reid, states:

> The purpose of this bill is to regulate the use of any device which may be used to listen to or record a person's private conversation, and to impose a prohibition upon such use except in circumstances coming within certain defined categories.

The Attorney-General of the day referred to the underlying principles of the bill, which he said:

> ... is primarily actuated by the desire that the individual man or woman should be protected against persons who spy on his or her private conversations.

Then he said something that I am sure all honourable members agree with:

> All of us, I think, believe that we are entitled to talk with friends or associates in private, and we regard with abhorrence the possibility that inquisitive persons may be listening in to such conversations.

Whether the conversation takes place in an office, at home, in a hotel or a bar, most people would find abhorrent the prospect that a private conversation may ultimately become public. We live and learn. It is important for everybody to realise that what we think are private conversations are not necessarily private. We may be spied upon by either listening or optical devices, or we may be talking to some rat who reports the conversation to the media. Who knows what is happening? We should all learn by our mistakes and realise that often what we think are private conversations are not private at all.

The second-reading speech further states:

> The government —

he was trying to find a balance between protecting an individual's privacy and ensuring that the police were not hampered in tracking down criminals —

> has been faced with another problem, and that is in deciding whether police or other public officers charged with the enforcement of law should be able to use these devices in the carrying out of their duties.
>
> It is obvious that persons breaking the law will have access to the devices —

in those days he was referring to listening devices —

> which we seek to regulate by this bill, and that if an absolute prohibition is imposed which will cover all police officers and law enforcement officers we might well be giving those who break the law an advantage over those who enforce it. While, therefore, it is well to affirm a right of privacy as an incident of human freedom, it must be remembered that freedom is of little value in a society which is not orderly.

The speech further states:

> It was unfortunate that in the world today —

that was back in 1968, and I do not think much has changed since —

> crime is increasing and furthermore is becoming highly organised. It is considered, therefore, that in the public interest the police, subject to certain safeguards, should be permitted to use listening devices in the course of their duty of detecting and preventing crime. For similar reasons, customs officers are, subject to certain safeguards, exempted from the main prohibition of the bill.

The philosophy behind the introduction of the original Listening Devices Act was to achieve a correct balance. People are entitled to their freedom and privacy and to conduct conversations in private. Police are also entitled to be armed with the appropriate equipment and technology to stop crime taking place. That act is outdated. There have been few amendments to it since 1968 and surveillance mechanisms have been updated. Today it is not only listening devices that are being used. Criminals are using all sorts of surveillance devices, and it is important that law enforcement agencies be armed with the appropriate technology to at least match that being used by criminals.

There is a need to ensure that a person's freedom is not impinged on to the extent that that freedom is taken away. To a large degree the bill finds the right balance. Although the opposition does not oppose the bill it will raise its concerns for the Attorney-General's consideration in the hope that she will monitor the legislation and make appropriate amendments if it is found that the balance has tipped too far in favour of law enforcement officers and impinges on the freedom of individuals.

The bill applies to four types of surveillance — listening devices, optical surveillance devices, tracking devices and data surveillance devices — and the basic principle behind it is to apply Parliament's intention in passing the Listening Devices Act to new technology. The bill regulates the behaviour of the police and the public in the use of optical surveillance and tracking devices and provides a range of prohibitions in respect of those devices, but it regulates only police behaviour in the use of data surveillance devices. I expect that aspect of the bill will be monitored by the Attorney-General to determine whether it is appropriate to regulate the public.

The bill prohibits the recording of or listening to a private conversation except where the recorder of the conversation is a party to the conversation or in accordance with commonwealth legislation. The nature of the conversation is an important aspect of its relevance to the bill. The bill provides for blanket prohibition on listening devices but establishes a series of exceptions to enable the proper use of such devices.

The first exception is that individuals can record any conversation they are a part of. For instance, if I were receiving a briefing from the Attorney-General's department on a piece of legislation I would be a party to that conversation and it would be legal for me to record it. The restrictions applying to the manner in which that recording can be used are covered in the bill, and I will discuss that aspect later.

The second exception is that the device must be used in accordance with commonwealth law. That is an appropriate and obvious exception, as commonwealth agencies have historically had rights to install listening devices as part of police investigations and for the purposes of national security.

For the first time the bill comprehensively attempts to regulate optical surveillance, including the use of video devices, photography equipment, binoculars and the like. The bill prohibits the optical surveillance of a private activity inside a building. For instance, if the Attorney-General were involved in a private activity in her office in Parliament House or in her home it would be illegal for anyone to record that private activity with a video recorder. As it does in the case of the prohibition on the use of listening devices, the bill provides for certain exceptions, such as for persons who are involved in the activity and authorised surveillance. For example, there would be nothing to stop a person involved in a private activity such as a family barbecue or a dinner inside a home filming that activity with a video recorder; it would be inappropriate to ban such behaviour. The bill provides for occupiers of premises to request that the police film activities in those premises where there is a reasonable basis for believing that a criminal activity is occurring.

The bill also deals with tracking devices that are used to identify where a person or object is at a particular time. The use of such devices is prohibited unless the person being tracked has consented or a law enforcement agency has obtained a warrant to use such devices.

The bill regulates the taking of data by police as part of an investigation or for other purposes. It requires the necessary authorisation or warrant to be obtained for such an action. The bill does not regulate people other than police in this regard, nor does it seek to regulate any public software. It may be that this area will have to be revisited. However, I understand the difficulties in introducing legislation aimed at regulating such material at this time. I am sure all members of Parliament will vigilantly monitor this aspect of data surveillance.

The bill will restrict the publication of material collected as part of any legal surveillance. The use of material must have the consent of all parties who have been the subject of surveillance — for example, if I make a video of the birthday party of a family member it would be an offence under the act if I then put it on national television without the consent of the family member. This is an important step as many celebrities have been deeply hurt and humiliated by persons involved in producing videos and then passing them on or publishing them.

I refer to an insidious incident involving Debbie Byrne. I do not want to go into it in any detail because Ms Byrne has been humiliated enough. She was brave enough and showed enough courage to go public about the matter. As I recall, a former boyfriend was involved in videotaping an incident that occurred at Debbie Byrne's private premises. He then decided to make a buck and distribute the video. I do not seem to have the appropriate clipping, but I wanted to mention the former boyfriend's name because it is appropriate that somebody who embarked on such outrageous and inappropriate behaviour for nothing other than self-gratification and to make some profit should suffer the consequences of that totally inappropriate and unethical action.

All honourable members who have any idea of the trauma Debbie Byrne had to go through as a result of what can be described as only scumbag behaviour by that person would feel nothing but admiration for the way she handled the matter — and all credit to her. Unfortunately, I do not have the clipping and I am not sure what the person's name was, but his behaviour was unethical and inappropriate, and he will have to live with the consequences of his actions.

The bill will make what he did illegal. That person sold not just his soul but also Debbie Byrne's soul for profit, without her consent. I understand there was a burglary at Debbie Byrne's home and a videotape was stolen. I also understand the police got hold of the videotape and it may well be that the police made copies of the videotape and distributed it. If that occurred it is absolutely abhorrent. However, Ms Byrne's former boyfriend sold the story to a women's magazine for profit. As I said, that behaviour is reprehensible and totally inappropriate, and I am pleased the Attorney-General has taken steps to outlaw such inappropriate behaviour. I have taken a bit of a punt here because it may be that Debbie Byrne has reconciled with this bloke — I do not know. However, his actions were that of a scumbag.

Mrs Wade interjected.

Mr HULLS — The Attorney-General says it is a bit late to think of that. Whether they have reconciled or not, the actions were outrageous and were those of a real dirt bag. I hope he has suffered humiliation and vilification for such conduct. Again I congratulate the Attorney-General on introducing legislation that will outlaw such behaviour.

Honourable members interjecting.

Mr HULLS — Although honourable members are in a jovial mood, I indicate that I am supporting the bill not only because the legislation is appropriate but also because this is probably the third-last bill the Attorney-General will introduce before she retires. I notice the honourable member for Doncaster is sitting behind her smiling and sharpening the knife. We all know he has coveted the Attorney-General's position for some time, and we wish him luck in his future ambitions.

Mr Bracks — He would be a progressive attorney.

Mr HULLS — The honourable member would be progressive. He needs some reward for his failed attempt to grab the federal seat of Menzies where he got rolled by Kevin Andrews. To be rolled by Kevin Andrews is not something I would want on my epitaph! Nonetheless, the opposition wishes the honourable member well in his bid to take over when the Attorney-General retires at the next election.

Mr Bracks — He will be shadow Attorney-General.

Mr HULLS — Indeed, shadow Attorney-General after the next election.

I was dealing with the restriction on the publication of material and the Debbie Byrne matter. I want to deal with a matter that has come to light fairly recently and is not dealt with by the bill — that is, what could be described as private material. It appears that a person's telephone records — that is, a person's record of outgoing telephone calls — are able to be accessed almost at will by the police to track calls. There is some confusion about whether the police have the ability to do that. I urge the Attorney-General to look seriously at the matter because we are talking about surveillance and privacy.

As the Attorney-General may or may not know, the Police Ethical Standards Consultative Committee has been suspended. An article appeared in the *Age* of 5 April dealing with the suspension of the committee. What is alarming is not just the fact the committee has been suspended — in all likelihood abolished — but the reasons for its suspension.

The article states:

> The assistant commissioner for the ethical standards department, Graeme McDonald, and five other highly ranked police filed into the level one conference room at the World Trade Centre police headquarters on the morning of 29 January. With a range of topics to discuss there was no indication that this meeting of the Police Ethical Standards Consultative Committee would be any different.
>
> But unknown to the eight community representatives also in the room, this would turn out to be the last meeting in that form. A month later, letters would be sent to those members telling them that what had been seen as an important initiative allowing community input into police ethical procedures had been suspended.
>
> In the conference room sat Hass Dellal of the Australian Multicultural Foundation; Graham Guy from Education Victoria; a barrister representing Liberty Victoria, Jane Hendtlass; a Melbourne University lecturer, Dr Kim Sawyer, of Whistleblowers Australia; a representative of Neighbourhood Watch, David Lentin; Alan Howe, the editor of the *Sunday Herald Sun*; and a criminologist from Melbourne University, Steven James.
>
> A new member, Noyemzar Tasci, of the Youth Affairs Council of Victoria, was attending her first meeting. The 3LO radio broadcaster Terry Laidler and a co-director of Jesuit Social Services, Bernie Geary, had sent apologies.

The article goes on to talk about how the consultative committee was disbanded. The article goes on to say:

> According to the minutes of the meeting, a copy of which has been obtained by the *Age*, McDonald's resolution —

that is, a resolution — —

Mr Perton — On a point of order, Mr Acting Speaker, although the first speaker for the opposition has been given wide latitude, the bill relates to surveillance and listening devices. While comment and reference to supervision of the police force is appropriate, I submit that this goes well beyond the ambit of the bill. It is an interesting story that I am sure we all read in the *Age*, but it is outside the scope of the bill, and I ask you, Mr Acting Speaker, to rule that it is irrelevant and to bring the shadow Attorney-General back to the content of the bill.

Mr HULLS — On the point of order, Sir, in relation to the conduct of the police, I agree. I am touching on a side issue to get to the point of the surveillance of telephone accounts, which is more than relevant to the bill. I have asked the Attorney-General to look at whether the legislation can be amended or monitored to ensure this type of surveillance cannot take place. We are talking about the surveillance of telephone accounts.

Mr Perton — If that is the point that is being made, I withdraw my point of order.

The ACTING SPEAKER (Mr Cunningham) — Order! The honourable member for Doncaster has withdrawn the point of order.

Mr HULLS — The article goes on to say:

> The most intriguing aspect of the committee was yet to come. In a briefing to the committee on telephone intercepts, a superintendent explained that a court order was not needed under law when police wanted to obtain telephone records for local telephone calls.
>
> This issue had captured the imagination of Howe —

Mr Howe is from the *Sunday Herald Sun* —

> who knew police wanted to find out the source of several highly sensitive stories that had appeared in his newspaper. Senior police had long suspected that some officers were leaking to one of his reporters.
>
> Howe asked the superintendent whether police had checked telephone billing records to find the source of a leak. Without hesitation, the superintendent confirmed that phone records had been checked.
>
> When the meeting finished after 3 hours, a member joked that it had gone so badly that there might not be another one.
>
> The remark has proved prophetic, with McDonald announcing four weeks ago that the committee had been suspended ...

The whys and wherefores of the suspension of this committee should perhaps be the subject of debate on another day.

What is disturbing is that the police apparently made it clear at that meeting that they have the ability to check telephone billing records without obtaining a warrant. The police also made it clear that it was a regular occurrence — almost a daily occurrence — and did not see anything wrong with it and were not embarrassed by it.

Shortly after this article appeared the matter was put to a senior police officer who was interviewed on the Neil Mitchell program. The senior police officer, Graham McMahon, said it was absolute nonsense and that it would not occur and did not occur, and that anyway it certainly could not occur without appropriate warrants being obtained.

Those who had listened to the interview were surprised that within an hour the same Graham McMahon was back on the Neil Mitchell program apologising and saying he had got it wrong, that it had been happening. The fact that the police are able, if you like, to track the private telephone calls of individuals should be of grave concern to all members of Parliament and all members of the public.

The particular case appears to have involved police at a police station or various police stations, but one wonders how far it extends. Does it mean that telephone calls made by the honourable member for Doncaster, the Attorney-General, the Premier or me or anybody else in the course of our duties as members of Parliament are being tracked by the police — or indeed other people, as suggested by interjection? As members of Parliament we all deal with sensitive issues. Reporters, for instance, also deal with sensitive issues. We all have our deep throats, so to speak — some have more than others — who regularly leak information to us about all sorts of things. As the parliamentary secretary, the Attorney-General, the honourable member for Doncaster and all of us know, as members of Parliament we have to make judgments about whether those deep throats are cranks or nutters or are bona fide. We often get nutters calling us. I am sure all honourable members do. But often people give us very sensitive information.

Mrs Wade interjected.

Mr HULLS — Very sensitive information comes to us. It may be from a whistleblower and be important, and the last thing we as members of Parliament — or any individual for that matter — would want is for private telephone calls to be followed up or traced. I am not talking about the telephone conversations themselves, but the numbers to which they are made or from which they are received. We would not want them to be traced or followed up by any individual, whether it be a member of the police or the public.

It is absolutely incumbent upon the Attorney-General to ensure that this practice ceases, if indeed it is occurring, and to ensure that legislation is introduced to stop that behaviour. It is a clear invasion of privacy and it is inappropriate. What disturbs me is that the police, without even blushing, made it quite clear that they are able to do that virtually at will.

That could lead to all sorts of ramifications, such as vendettas being carried out against particular people, journalists being harassed or members of Parliament being harassed and prevented from performing their duties. And, of course, it could lead to members of the public being harassed and, in effect, being spied upon without their knowledge and consent. That very important issue needs to be addressed by the Attorney-General as a matter of urgency.

The bill provides that publication of video material can take place if it is in the public interest. The definition is broad, but that is probably necessary if one contemplates the circumstances where it may be necessary to publish. The definition of public interest will, of course, be left in the hands of the courts to determine bearing in mind all the interests of the relevant parties. Similarly, the bill provides protection for persons who publish as part of legal or disciplinary proceedings and provides for two forms of authorised surveillance — the first pursuant to a warrant and the second with emergency authorisation.

The bill provides for police officers, the National Crime Authority and officers of the Department of Natural Resources and Environment to obtain a warrant for the use of listening, tracking or optical surveillance devices. The bill sets out the basis on which the court can grant a warrant, and in considering whether to issue such a warrant the court must take into account the seriousness of the crime and the potential for breach of privacy.

The bill allows the relevant authorities to apply to the Magistrates Court for warrants to use tracking devices, as they are generally considered to be less intrusive. Further protections in the legislation allow reports to be made to the court on the use of the devices, as opposed to the previous situation under which reports had to be made to the minister.

The process for obtaining emergency authorisation requires the police or a National Crime Authority officer, but not an officer from the Department of Natural Resources and Environment, to apply to a senior law officer for an emergency authorisation.

In setting out the circumstances in which authorisation for use of surveillance devices may be granted the bill requires, firstly, that there be an imminent threat of violence to a person or substantial damage to property, or a serious drug offence. Such an authorisation will be available only for 72 hours and must be reported to the Supreme Court, which has the power to order any material collected under invalid emergency authorisation circumstances to be destroyed.

The bill also makes it an offence to interfere with lawfully placed devices or to install illegal ones. The Scrutiny of Acts and Regulations Committee dealt with those matters very effectively, and I will return to that matter. Again I draw the Attorney-General's attention to those particular aspects.

The bill provides also for an annual report to the minister detailing the number of applications for surveillance devices and the number actually granted.

Clause 28 deals with emergency authorisations, to which I have referred. It provides that a person to whom an emergency authorisation is given must report to the court within 72 hours after the authorisation is

given. The court must be provided with the same material as if an application for a warrant had been made in court.

The bill seems to provide no penalty for making what could be described as a frivolous or vexatious application for the granting of what is supposedly an emergency authorisation. In other words, there seems to be no device in the bill to punish a person who may incorrectly use clause 28 to obtain authorisation. I hope the courts and the Attorney-General's department will scrutinise the use of clause 28 to ensure that authorisation is given only in appropriate circumstances.

I make clear to honourable members that the Surveillance Devices Bill extends the principles of the Listening Devices Act to apply to new technology. It deals with surveillance devices used inside premises; it does not deal with surveillance devices placed outside premises.

As we know from a recent article, a number of surveillance devices have been installed on the roof of Parliament House, in the car park and so on. People who go to places like Parliament House should reasonably expect the possibility of being caught on some sort of video surveillance device because it is a public place and therefore needs to be protected. However, the balance must be right. Video surveillance cameras have proliferated around the city and in other areas. The community will ultimately have to deal with that to ensure there is a balance between a person's privacy and the need to detect and stop criminal activity.

Some people would say that the number of surveillance devices in use is already over the top. Recent newspaper articles make it clear that there is now some sort of surveillance device on almost every street corner. I understand the need for devices in places such as the King Street precinct of the city, where they can at least act as a deterrent to criminal activity after the discos close.

However, I hope most members will agree with me when I say that the use of surveillance devices has gone too far. For example, in what could only be described as the blue-blood brawl between the Baillieus and the Foxes that is taking place at the moment at Portsea, Mr Lindsay Fox has decided to fence off a public beach at the front of his house. In addition he has placed high-tech surveillance devices on his house to spy on any person or persons who decide to use the beach — our public asset.

I notice that recently the Minister for Conservation and Land Management said that this is a grey area of the law. She has legal advice on whether what Mr Fox is doing is legal or not, but is not prepared to table it. The worry is that surveillance devices have been used. I understand the Baillieus and the Foxes have been blueing for years, but the Baillieus have said, appropriately, that the land should not be fenced off and the use of video surveillance equipment is particularly inappropriate.

I am not necessarily siding with the Baillieus — as I recall, they are the family John Elliott suggested ought to share in his Kennett government handout on rice growing. Clearly relevant to this legislation, however, is the conduct of Mr Lindsay Fox in installing high-tech surveillance devices in order to capture images of ordinary Victorians enjoying their right to exercise on a public beach.

When Liberal Party members around the state are enjoying cucumber sandwiches and scones at their branch meetings I am sure the foremost item on the agenda — apart from preselection battles — is not declining police numbers or the decimation of the state's health and education systems but the barney between members of the Baillieu and Fox families.

An article in the *Herald Sun* of 17 April under the heading 'Fox cameras spy' states:

> Family's prickly picnic
>
> A family picked the prickly expanse of imported grass outside Lindsay Fox's Portsea palace to rest and eat lunch.
>
> To be honest, the thin strip of native tufts between it and the sand may have made a better spot, but these locals had a point to make.
>
> 'We will be coming here all the time whether they like it or not,' declared Debra Shnukal.
>
> Barely were the words uttered when a young groundsman slipped from behind the high wooden fence.
>
> About 20 metres away, he took their photo, for goodness knows what purpose.
>
> Nearby, the young trees recently transplanted to the battleground sparkled with newly sprinkled water droplets.
>
> Until the family arrived, the groundsman had been watering the plantation.
>
> The two-metre she-oaks had staged an overnight military retreat, replanted further back. Where they used to be, fledgling tea-trees grew.
>
> It was a wacky game of musical trees that amused the locals.

> Earlier, when the workman was asked if they had been moved overnight, he looked up and replied, 'Work it out for yourself'.
>
> Back at the picnic, overshadowed by the Foxes' $5 million house on the hill, the family was suddenly up and off. Their blanket was hastily folded and thrown into a basket and all five jumped off the green and onto the sand. Apparently their presence had attracted two or three of Mr Fox's workers — possibly security guards — to the thatched fence 10 metres away.
>
> Mrs Shnukal was angry about the approach of Mr Fox's men.
>
> 'You can't just claim something that's not yours — natural things belong to the people', she said.

Mr Fox has on his premises security cameras that are spying on members of the public. The story reveals that Mr Lindsay Fox has installed multiple security cameras to reinforce the work of his goons who are patrolling what he believes to be his property. However, the cameras are not focused on his property, of course — instead, they home in on a public beach in front of his house.

Unless all honourable members are anti-Baillieu, they will ask the same question: What right does Mr Fox have to undertake surveillance of ordinary Victorians enjoying what is taken for granted — that is, a public beach? What terrorist activity does Mr Fox hope to capture with his video camera? A family having a picnic or terrorist children building sandcastles or playing cricket on the beach?

I am reliably informed that Mr Fox can be pleased that his high-tech equipment captured images of youngsters playing on the beach. Unfortunately for him, they were using his video cameras as young kids believe they should be used: the rule was that anyone who hit a camera got six runs. Whether it was six and out I am not sure, but they certainly got six runs!

When Mr Fox reviews the hours and hours of video material of tennis balls thrown at his cameras or hit by young kids playing beach cricket, I hope he realises that no Australian wants to be filmed doing what for years was taken for granted. I hope he understands that filming kids playing cricket on the beach is un-Australian, as is filming a family enjoying a picnic. I hope he understands also that filming teenagers doing what teenagers do on a beach is not only un-Australian but is perverted.

Those comments are made because Mr Lindsay Fox must get it through his head that his behaviour suggests that he has lost the plot. Over the years Mr Fox has done much good work, particularly for young unemployed Australians, but by placing high-tech surveillance video cameras on his property to spy on young kids playing cricket he shows he has lost the plot. It would be better if he removed the cameras and stopped playing this ridiculous game of believing that he has a personal right to a public beach. Instead, he should continue his past good work of assisting young Australians to find employment.

Mr Fox has endeavoured to take over a plot of beach. Until he comes to his senses and removes the surveillance cameras his reputation will continue to be questioned — and not only the Baillieus but ordinary Victorians will continue to ask whether he has lost the plot!

I urge Mr Fox to wake up to himself, be fair dinkum, come back into the real world and remove the ludicrous cameras on the roof of his property. They are being used in an attempt to intimidate ordinary Victorians who want to have a picnic on a popular beach rather than to protect his property. Mr Fox has no right to spy on people and, as I said, he should wake up to himself.

Mr Perton — He views the beautiful sunset!

Mr HULLS — I take it that the honourable member for Doncaster agrees with what I am saying about Mr Lindsay Fox losing the plot. Rather than attempting to intimidate young Victorians and Victorian families, Mr Fox should use his video cameras to film the beautiful sunsets at Portsea. I suggest that Mr Fox should get real and remove those cameras.

I refer also to concerns raised by the Scrutiny of Acts and Regulations Committee. Paragraph 18 on page 28 of *Alert Digest* No. 2 of 1999 states:

> The committee is concerned that there does not appear to be a provision in the bill for fair and adequate compensation to third persons who may suffer property damage or incur costs as a consequence of an assistance order for the use, maintenance, installation or removal of surveillance devices.

In other words, an assistance order can be obtained by a law enforcement agency that wants to use a person's premises to spy — if you like — on someone in nearby premises or in a nearby area. The order forces the owner of the premises to assist members of the police force in their use of surveillance equipment. The paragraph continues:

> The committee will write to the Attorney-General to clarify the position of persons affected by such orders and whether appropriate provisions should be made in the bill for compensation and/or reimbursement in these circumstances.

I agree with the committee that any person who is the subject of an assistance order in appropriate circumstances should receive compensation and

assistance. I shall be interested to hear the views of the Attorney-General on the committee's concerns.

Paragraph 21 refers to applications for an assistance order and states:

> The application is to be made in the same manner and at the same time as an application for a warrant or may be made subsequently to it. Notice of an application for an assistance order is not required to be given to any person.

The committee succinctly voiced concerns about that matter and its observation, reported on page 29, is:

> ... that such an application is made ex parte and without any person who may be subject to it having an opportunity to make submissions why an order should not be made or the reasonable conditions that should attach to such an order.
>
> The committee is concerned as to two matters.
>
> First the bill imposes a positive duty on citizens to assist in the collection of evidence against suspects and subjects that person to a criminal sanction for contravening the order.
>
> The provisions sought to be introduced by the bill appear to constitute an intrusion into rights that may be characterised as a right to home privacy. The provisions appear to have the effect of compelling innocent third persons to assist law enforcement officers in surveillance activities notwithstanding the existence of any reasonable reason why such third persons may not wish to be involved in the surveillance activity. For example, such persons may have genuine fears that they may become the subjects of reprisals, or that the rendering of assistance may create or exacerbate a neighbourhood or family dispute.
>
> Secondly the committee is concerned that as the bill is presently drafted, a person subject to an assistance order is neither a party to the application nor may seek review of its conditions or put forward reasons to a court why an application should not be granted, or why an application once granted should not be revoked or varied.
>
> The committee is very aware that the rights and freedoms of individuals need to be carefully balanced with the reasonable community expectation that surveillance activities will assist in crime prevention and the apprehension of offenders.
>
> The committee will write to the Attorney-General expressing its concern that no review or appeal process is currently provided in the bill in respect to applications for assistance orders and recommending that course.

The committee expresses very reasonable concerns. It says a particular person can be the subject of an assistance order and the order could involve, for instance, setting up surveillance material at that person's home, but the person has no right to complain or to appeal. That person just has to abide by the order, and is not even given the opportunity to voice concerns about the order that has been made.

The committee said it would write to the Attorney-General, and I will be interested to hear the Attorney-General's views on the matter. Indeed, unless the matter is dealt with the provision has the potential to tip the balance, if you like, in favour of law enforcement organisations at the risk of inappropriate intrusion or invasion into a person's privacy.

The committee report also states:

> The committee is concerned that as the bill is currently drafted the category of exceptions to the prohibition from disclosure of the existence of an assistance order may be too restrictive in that it precludes a person subject to an order seeking assistance and advice from a trusted confidant such as a family member or close friend. For vulnerable members of the community the currently specified categories of exceptions may be of no practical assistance.
>
> The committee believes that the subject categories should be expanded to include reference to any person or persons who in the prevailing circumstances might reasonably be consulted by the person who is subject to the order.

Again, the committee expresses a very reasonable concern. One would expect elderly, frail and perhaps disadvantaged persons who were the subjects of assistance orders to want to consult with family members about what the order means, whom they are allowed to talk to about the placing of the surveillance equipment at their premises and so on. It appears from the bill that their rights will be limited. The committee said it would also write to the Attorney-General seeking her comment on that matter, and I am keen to hear her views on it.

Finally, the committee report states:

> The committee is concerned that as the bill is presently drafted there does not appear to be a defence to unlawful interference based on reasonable belief that the interference —

that is, interference with the surveillance equipment —

> or removal of the device was done reasonably believing that it had been installed illegally or not knowing or reasonably believing that the device had been lawfully installed.

I suppose the committee could have added 'and not even reasonably believing or knowing that the device was indeed a listening device'. Considering the way some of the devices look these days it would not be unreasonable for a person to remove a device without even knowing it was a surveillance device. The report continues:

> The bill's provisions appear to be predicated on the assumption that a citizen must assume that a surveillance device is lawfully installed.

I would add 'and also assume that a surveillance device is a surveillance device'.

I raise those matters for the Attorney-General's attention. It would have been easy for the opposition to oppose the bill or move a reasoned amendment preventing it from proceeding until those matters were addressed. However, I understand the importance of the measure. The Attorney-General smiles. She realises the opposition is not here simply to oppose and frustrate. It is here as an alternative government, and I suspect it will be the government after the next election.

As an alternative government, the opposition's role is to scrutinise. The Attorney-General says by interjection, 'He was going to be the Attorney-General', referring to the honourable member for Doncaster. I think he would make an excellent shadow Attorney-General, and it is interesting to note that the Parliamentary Secretary, Justice says, 'Hear, hear!'. He may well laugh, as the honourable member for Doncaster has been sharpening those knives for quite some time. He knows the Attorney-General is retiring at the next election and he wants to be the first in line. Without wanting to put the kiss of death on the honourable member for Doncaster, I want him to know he has my support as shadow Attorney-General. Saying that may well have ruined his chances!

The ACTING SPEAKER (Mr Cunningham) — Order! I ask the honourable member for Niddrie to return to the bill.

Mr HULLS — Indeed, I shall return to the bill — I have strayed a touch.

As I said, the Attorney-General must understand that the opposition's job is not to simply frustrate and object for the sake of objection. That is why opposition members have raised these issues, and the Attorney-General needs to consider them. We are not opposing the bill. We realise there must be a balance between a person's civil liberties and privacy and ensuring that law enforcement officers have the appropriate resources at hand to fight and detect crime.

Although the opposition is not opposing the bill, the Attorney-General needs to address the issues it has raised. The last thing opposition members want is for people to be charged with breaches of the legislation simply because they might have interfered with a device without knowing it was a surveillance device, or because they honestly believed it had been placed there illegally. Neither would we want frail and elderly people to have no-one to talk to or consult with because they might breach the legislation if they did, simply because they were the subject of an assistance order.

I congratulate the Scrutiny of Acts and Regulations Committee for its excellent scrutiny of this bill and for its recommendations. Although it does not oppose the bill, the opposition waits with bated breath to hear how the Attorney-General intends to address the important issues raised by the committee.

Mr PERTON (Doncaster) — It gives me great pleasure to join this debate, in which both sides — the government and the opposition — are taking a unified position. Surveillance is one of the difficult areas of public policy. Recently at the International Conference on the Internet, Baroness Thatcher spoke about the difficulty of members of Parliament being able to reach appropriate policy decisions in regard to the use of the Internet, modern technology, surveillance devices and the like. Also a number of very good academic pieces in recent times have discussed the difficulty in legislating.

It is of great benefit to Victoria that it seems to have built up a group of people, both legislators in Parliament and public servants, who are at the cutting edge of these issues. Indeed, I have the pleasure of chairing the Law Reform Committee, which is currently undertaking a study on technology and the law. Two other members of the committee are also in the chamber, the honourable members for Narracan and Northcote. It has been a great privilege to chair that inquiry as we head down the track of examining the use of technology in the courts, policing and prosecution, and the way in which it can assist the public. I hope when the report is tabled in late May it will provide additional guidance to the community.

It is not just that group of MPs who have been working on the subject: I note that the Parliamentary Secretary, Justice, the honourable member for Berwick, is in the chamber. His text on intellectual property and trade secrets is one of the leading texts in the area, and probably the only one that undertakes a survey of surveillance devices legislation in the country.

Victoria has also been fortunate in having in its public service people like John Rimmer, Randall Straw and Bridget Bainbridge, who have been leaders in the field nationally and internationally. The honourable member for Coburg, who has just entered the chamber, has also examined the issues carefully.

All members of the Victorian Parliament are unique in Australia in having high-speed Internet access not only in their offices and at home but also in the chamber. Most of us are now using both national and international news services. Most people would be aware of the intense debate focusing on privacy issues.

I direct the attention of the house, for instance, to Microsoft's NBC article of yesterday entitled 'Congress focusing on net privacy', which states:

> Although the issue has simmered beneath the surface of Washington's consciousness for several years, recent signs indicate congress is warming up to the idea of enacting consumer Internet privacy laws.

Victoria has been at the forefront of introducing such laws to Australia. The courage and determination of the Premier and the Minister for Information Technology and Multimedia have finally resulted in action being initiated at the federal level.

Important issues that would never have been thought of 10 years ago include genetic testing when people apply for jobs, discrimination on the basis of that genetic testing, and surveillance in the workplace. They are no longer restricted to listening devices and video but extend to data surveillance devices and the like. Cutting edge issues include, for example, to what extent an employer ought be able to monitor the email or telephone conversations of an employee.

Australia has not grappled with such issues yet, probably because of our common-law heritage. The common law has never come to grips with privacy law other than that relating to property interests. Although the law of trespass is well developed, trespass law in relation to our private selves has been very lacking indeed.

One can consider with mirth or with an appropriate attitude the situation of people engaged in private acts, images of which end up being published on the front pages of magazines and newspapers. One such example is that of the Duchess of York who, believing she was in private circumstances, engaged in romantic activity, photographs of which ended up being published in every magazine and newspaper.

Dr Dean interjected.

Mr PERTON — The shadow Attorney-General mentions the terrible example of the release of a private video involving one of Australia's leading actresses, Debbie Byrne. One can recall also long-range photographs being taken of leading actresses and models. The community has to set limits.

The legislation does not provide all the answers. It provides leadership, and it ought to take us down a legislative route that, I hope at some time in the next five years, will bring together this legislation, the proposed data protection legislation and other advances undertaken in the area of privacy law, perhaps leading to the introduction of a privacy act for Victoria or for Australia, reflecting the challenges of new technologies.

Anecdote is important in this debate. For instance, I have just pulled down off the Internet a Reuters business briefing which gives an example of the widespread use of Internet voyeur sites. Many women who go to the beach to sunbake in Australia, the United States and elsewhere do not end up just having photographs taken of them but being on Internet cameras. The owners of those Internet cameras sell the broadcasts. The Reuters business briefing indicates that such services are charged for at a rate of about $US20 a month. Not just topless people on beaches are being filmed but also people, for example, using toilets and showers. While it is an international issue, Australia has to deal with the issues with the greatest respect for people's privacy.

Another item in a Reuters business briefing dated 22 September 1998 mentions that Japanese police arrested a 34-year-old man for allegedly filming girls in swimsuits with a Sony video camera that can see through clothing — extraordinary technology! I understand Sony has removed five models of handicam video cameras from shop shelves because their infra-red technology allows viewers to see through clothing.

Another article in the same business briefing mentions an equal opportunity case brought in Victoria against TNT, the Australian corporation that provides widespread security services. Two men, subsequently sacked by Group 4 TNT, had continually used cameras to take photos of women's décolletages — breasts — groins and legs as they walked in and out of the Lonsdale Street building for which those guards were responsible. It is extraordinary that many people engaged to guard members of the public against violence are using the opportunity to violate other aspects of our lives.

The importance of such privacy issues is growing. If members of the public were aware of the data being collected every time an American Express card, Mastercard or Fly Buys card is used they would realise the extraordinary trail being left. Data relating to someone's shopping bag probably does not mean much, but when it is used with modern data warehousing and analytical tools, the most extraordinary and accurate profiles can be created, whether for the shadow Attorney-General, the honourable member for Northcote, the Parliamentary Secretary, the Clerk or the Hansard reporter. People are running large business ventures, selling and analysing personal data and using it in an endeavour to

manipulate others, whether for the purposes of inducing shopping patterns or for other reasons.

Again looking at Microsoft's NBC news service, I see that a story of just a few days ago details a protest in Providence, an American city where police change rooms were under constant video surveillance. The police, in objecting to that, took strike action.

The legislation moves us forward in significant ways. It adopts the provisions of the existing Listening Devices Act. The bill mimics those provisions of the act that make it an offence for a person to use a listening device to overhear, record or monitor any private conversation to which he or she is not a party or communicate or publish a record or report of any private conversation to which he or she is not a party which was recorded using a listening device.

What is private and what do we expect to have private? Honourable members and business people go to restaurants to have business or political conversations. We do not expect to be overheard in those conversations and we generally try to speak quietly. Is a conversation in one of the better restaurants in Melbourne a private conversation for the purposes of the principal act? It is a delicate balancing act that has yet to be tested in the courts, but I suspect it will be tested some time in the future.

The bill does not prohibit a person who is party to a private conversation recording his own conversation. That is known as participant monitoring. However, the publication or communication of those records is permitted only where each party gives express or implied consent; in the public interest but no more than is reasonably necessary; for the protection of the lawful interests of the person making the communication or publication; in the course of legal proceedings; or by law enforcement offices in limited circumstances in the course of their duty.

The bill extends that provision to video surveillance, which makes it an interesting piece of legislation. Essentially, it provides that without the express or implied consent of the parties to an activity it will be an offence for a person to use an optical surveillance device to record visually or observe any private activity to which he or she is not the party; or communicate or publish a record or report of any private activity to which he or she is not a party which was recorded using an optical device.

Some significant exceptions apply to that provision. I join with the shadow Attorney-General and my colleagues on this side of the house in saying that we need to carefully monitor the effect of those exceptions. The prohibition on publications does not apply, as I said earlier, to a communication or publication that is no more than reasonably necessary in the public interest.

What is the public interest? For the benefit of honourable members and members of the public who may read the bill, we need to look at what is protected. In relation to video surveillance any private activity is protected. Private activity is defined in clause 3, the definitions clause:

> **"private activity"** means an activity carried on in circumstances that may reasonably be taken to indicate that the parties to it desire it to be observed only by themselves, but does not include —
>
> (a) an activity carried on outside a building; or
>
> (b) an activity carried on in any circumstances in which the parties to it ought reasonably to expect that it may be observed by someone else.

I ask honourable members to contemplate a private conversation with a spouse or friend while walking along the beach. It is a difficult bundle of activities. It appears the effect of the bill is that someone will be able to film you and publish that film without consent in many circumstances. What they cannot do, as I understand it, is reproduce the conversation. That is an important protection.

For the benefit of honourable members, I again communicate some knowledge I gained last year when invited to speak at and chair a session of the New Zealand privacy conference. An academic from Otago university who specialises in this area gave extraordinary evidence at the conference. All of us probably think our computer screens are secure. Devices now exist that can track the content of the screen on your computer from a kilometre away without line of sight. Those of us typing letters in private and those of us whose secretaries are typing letters in private are not secure. We need to install software such as Pretty Good Privacy, which smudges the font of your computer screen to avoid that sort of surveillance. Unless one knows the software is around one never thinks of adopting those protections.

Those involved in government are aware of listening devices used by intelligence and private security agencies that can monitor conversations in any room provided there is line of sight. It is difficult to protect oneself against that type of monitoring. I have seen in New Zealand and on sale in catalogues long-range transmitters no bigger than the size of a biro that can be left on a table in a conference room but which transmit messages many kilometres away. Miniaturised cameras

no greater than the size of the fountain pen used by the honourable member for Narracan can be left in rooms.

Recently I heard of a shocking example of intrusion in the United States. A married couple gave a key to their next-door neighbour to secure the house while on holidays. Some months later they found videotapes were being distributed of activity in their bedroom. The next-door neighbour had inserted a video device above their bed and had recorded and distributed videos. Under the common law no crime had been committed because the person had entered the house by consent. There was no theft and no trespass. Honourable members would find it shocking if their private activity, whether in the bedroom, the bathroom or a private conversation, could be monitored in those ways.

They are difficult issues to address, but I believe the bill is a move forward. It provides police with regulatory powers regarding the use of video surveillance, data surveillance and tracking devices, which are important. The honourable members for Northcote and Narracan and other members of the Law Reform Committee discovered that the devices allow us to track crime that we would never have been able to track before. Conspiracies involving the use of telephone and email had not previously been able to be tracked. So the converse of criminals using new technology to promote their crimes is that it allows law enforcement officers to track them.

That brings me to another issue — devices that allow for the inscription of information. One of the great international issues which is probably outside the scope of the bill but which is something this Parliament and other Australian parliaments must deal with is the delicate balance between human rights that protect privacy and the need to protect society from criminals and others who seek to damage it.

I conclude my contribution by referring to the data protection bill, which has a close relationship with this bill. The idea of the data protection bill is to provide people with some protection regarding the accumulation of private data. The essential principles of the bill are ones that were published by the Organisation for Economic Cooperation and Development some 20 years ago: if you are collecting private data on a person unless one is lawfully permitted to do so, you should give the person notice of the purpose for which you are collecting the information, and if you change that purpose you ought to give notice of the data subject. Data should be kept safe and up to date, and when it loses its relevance it ought to be destroyed in an appropriate way.

The *Sunday Age* reports the Premier as commenting on the vile activities of a shooters association. As the honourable member for Bendigo West would know, representing an electorate with a number of active shooters organisations, one such organisation has published addresses and house photos of members of Parliament. The only possible purpose for such activity is to intimidate members of Parliament and allow unbalanced people to handle the information improperly — to send, for instance, communications to members of Parliament in an inappropriate manner. The Premier rightly says we need to re-examine our privacy laws in the light of those challenges. A newspaper, for instance, might have had some responsibility in this case.

It is extraordinarily easy to publish material these days. Probably any person in this place has the resources and intelligence to have his or her own webcast television channel and webcast radio channel or at least a web site. Challenges to privacy are greater than ever before because of the ease and efficiency with which material can be published today. Anyone, whether a member of Parliament engaging in his or her responsible activities or a man or woman going into a department store, would be foolish to trust that no-one will misuse surveillance material or that commercial enterprises will not acquire it. Material may also be gathered while a person is, for example, getting changed.

The shadow Attorney-General referred to telephone-call records. That is a serious issue that needs to be dealt with legislatively. All of us these days are getting special discount offers from telephone companies for calls to countries that we ring frequently or for services that we use a lot. Those offers reveal data warehousing and data mining activities. I note the honourable member for Glen Waverley is in the chamber. He has a close interest in those matters and will be one of those who continue to monitor threats to human dignity.

This is not simply a matter of civil liberties; it concerns our human dignity. Human dignity can be advanced cooperatively by Labor, Liberal, National and Independent members working together.

I hope this will not be the last time we address the issue. We should continue to revisit it in coming years until Victoria and Australia have privacy legislation that protects our dignity and our activities while at the same time promoting the use of new technologies for the benefit of the community.

Mr CAMERON (Bendigo West) — I will make my remarks brief. It is a pleasure to follow the honourable

member for Doncaster in this debate. As he has said, the issues contained in the Surveillance Devices Bill confront all political parties and the whole of society. They are products of our time.

The Listening Devices Act was held up in its time as a modern piece of legislation. Times, however, have moved on. Whereas 30 years ago it was necessary to regulate listening devices, it is now necessary to regulate to cover more recent and varied technology, including such devices as tiny video cameras that can be hidden in all sorts of places and practices such as the use of computers to exchange information. We need a bill that reflects the times in which we now live. That is an issue that confronts us all as a society.

The bill brings us up to speed. Previously only listening devices were regulated, and little was said about videos and other optical devices. The honourable member for Doncaster may be interested in the way he might be treated in the future by the paparazzi when he has risen to international fame. No doubt he, like Fergie, will not want his photo taken beside a swimming pool and behind a very large fence.

Mr Perton interjected.

Mr Langdon — Especially when he is having his toe sucked.

Mr CAMERON — The proposed legislation is designed to make clear the question of when pictures of the honourable member for Doncaster getting his toe sucked can or cannot be taken.

An Honourable Member — What a vile thought!

Mr Carli — You've spoiled our entire morning.

Mr CAMERON — Division 2 of part 4 of the bill concerns systems audits. Allow me to offer an example of a systems audit. Suppose a house at 10 Smith Street is occupied by notorious drug runners and that no. 8 next door is occupied by an elderly lady by the name of Mrs Jones.

Mr Andrighetto interjected.

Mr CAMERON — The honourable member for Narracan is obviously on the same wavelength. The legislation provides that the police can obtain a warrant for installing a device in Mrs Jones's house so that the activities next door can be monitored. It may well be that Mrs Jones is more than happy to have the device installed in her house because she may wish to get rid of the people next door. She may take the view that if they were all packed off to gaol it would be a good thing, and she might get better neighbours.

It may be, however, that Mrs Jones wants to live her life independently of the people next door. She minds her own business and, so far as she is concerned, they can mind theirs. She does not want to get involved. Getting involved would only make her feel intimidated and threatened, and her sense of security might be undermined. The legislation provides that a warrant can be obtained and simply served on Mrs Jones, or surveillance can be carried out without her knowledge. In fact, a device could be installed in her property completely unbeknown to her. Mrs Jones, who is an elderly lady, might be quite shocked to hear that.

Clause 24 provides that, when she does find out about it, Mrs Jones cannot speak to anyone other than her lawyer about the warrant. Honourable members will appreciate that many people in our community, whether elderly or not, might be intimidated by that and feel very vulnerable as a result. A person in Mrs Jones's position would tend to want to speak to a person who is close, a daughter or a son, perhaps, or someone down the street.

Mr Reynolds — Or her local member.

Mr CAMERON — Or her local member, her priest or her minister. There might well be someone she would normally go to for help in keeping her affairs in order. The legislation prohibits even that sort of communication. It is refreshing, however, to find that the warrant can be issued only by a Supreme Court judge, not a magistrate. Clearly, applications will be accorded the gravity they deserve.

As the honourable member for Niddrie mentioned, the Scrutiny of Acts and Regulations Committee took up the matter. I ask that while the bill is between this and another place the Attorney-General at least consider establishing a mechanism for review.

Having made those remarks, I point out that despite the prohibitions contained in the bill, if in any court proceedings material that was otherwise illegal became available it would not necessarily not be able to be used. The common-law provisions confirmed in the case of *Bunning v. Cross* will still apply — that is, in certain cases evidence obtained illegally is still able to be used. Although penalties will apply to breaches of the act in that regard, the admissibility of such evidence will not necessarily be prevented, which has always been the case. No-one should be left with the impression that the bill undermines the common-law rule that has existed until now.

Mr LUPTON (Knox) — I support the Surveillance Devices Bill and I am very pleased that the opposition supports it. The honourable member for Doncaster gave some excellent examples of modern technology having made it necessary for legislation to be altered and updated to ensure that the privacy of the individual is respected. The honourable member for Niddrie also made an excellent contribution, although he became a bit upset when he started to talk about Mr Fox down at Portsea.

The situation with Mr Fox at Portsea is an example of one of the things that concerns me about the bill and modern surveillance technology in general. I could be walking along the beach at Portsea with my wife, girlfriend — or both.

Opposition members interjecting.

Mr LUPTON — I can assure you that the spirit is willing but the flesh is weak! People walking along the beach minding their own business could be recorded by Mr Fox's video camera, and that video recording could be displayed. I am referring to Mr Fox as an example of a wider problem. Although beaches are public places, people are entitled to have their right to privacy respected when they walk along them. If people are videoed while engaging in such activities and those videos are broadcast, irreparable damage could be caused.

I acknowledge that it would be difficult to introduce legislation to prohibit or prevent such surveillance. With the technology currently available, photographs can be taken or video recordings made of virtually any location — even my own backyard! I believe that privacy in my backyard is sacred and that what I do in my own backyard is my business, but because of the available technology and the bill, I will no longer have that privacy. Although he or she may not be able to use it, anyone can take a video recording of what goes on in someone else's backyard. I am pleased that this chamber is considered sacred and that video cameras cannot be used here, but I am concerned about the lack of privacy of people in their own backyards.

I understand that any legislation relating to the use of modern surveillance technology will be difficult to enforce. The Attorney-General's attempt is probably the best that can be expected, given the rapid changes occurring in technology. In five years the situation will probably be totally different and the legislation will have to be reviewed.

Police powers have been defined and they will be regulated, which is a necessary step. Overall the bill is taking us in the right direction, although it is overdue in coming before the Parliament. Given the constant changes in technology, I hope it is revisited in a couple of years. The honourable member for Doncaster talked about being able to sit a mile — or a kilometre, for those younger than me — from a computer and being able to record the speed of what is happening on it. In five years it will probably be totally different and the legislation will have to be further updated.

The proposals in the bill will be good legislation, which I am pleased the opposition is supporting. I trust we will have bipartisan support for any similar measures proposed in the future.

Mr CARLI (Coburg) — The Surveillance Devices Bill proposes extending protection from surveillance currently provided for in the Listening Devices Act to include optical surveillance, tracking and data surveillance devices. It is an important measure that will protect people's privacy by limiting eavesdropping on conversations, recording of activities, and the broadcasting or commercial sale of information gathered from surveillance devices.

Given the changes occurring through improvements in technology and the introduction of new technologies, the bill represents a move in the right direction. As the honourable members for Doncaster and Bendigo West said, the bill is but one step in the right direction, because many privacy issues that are emerging as a result of the capacity of new technologies must be grappled with by Parliament, including the right to privacy of the individual and the right to be protected from commercial or government interests that infringe on that privacy.

While there has been a clear lack of leadership from the federal government, which has been extremely slow to move on privacy issues, the Victorian government is considering introducing a data protection bill and the opposition has been involved in that process. My office has written a submission to the government recommending an extension of privacy provisions. Privacy is a recurring issue that in the future honourable members will be discussing again in Parliament.

A common theme in Victoria is that the current legislative or common-law provisions for the protection of privacy are not sufficient and must be tightened up. The government needs to be aware of the implications of surveillance devices on the rights of individuals and on the community's ability to conduct commercial transactions. Victoria is capable of taking the lead on that important issue. It needs to be restated that the federal government has left the field and has not shown

the necessary leadership in what is ultimately a national issue.

The concerns raised by the Scrutiny of Acts and Regulations Committee and by the honourable member for Bendigo West must be considered by the house. They relate not so much to the protection of privacy as to the ability of law enforcement officers to use surveillance equipment. Clauses 21, 22 and 23 of the bill give the authorities the right to obtain assistance orders from the Supreme Court. In our discussions, members of the committee welcomed the fact that those assistance orders will be granted at the Supreme Court level, because a judge will be able to weigh issues of the public good and public safety against issues of individual privacy. That aspect of the bill is good.

The bill is a strong measure that proposes dealing with public security and the fight against drugs and crime and allowing law enforcement officers to obtain assistance orders from a Supreme Court. Assistance orders will require individual members of the public to provide the necessary level of assistance to enable the collection of evidence. As the honourable member for Bendigo West mentioned, one can only imagine what might happen to vulnerable persons who are the subject of such orders. What will happen, for instance, if someone like my mother is asked to provide a level of assistance in the collection of evidence against a neighbour believed to be involved in drug trafficking — a neighbour who may never have done her any harm or who may have some unfortunate friends who might retaliate against her actions? The bill does not allow for a person in such a situation to be involved in discussions about the assistance order.

No appeal mechanism is prescribed under the bill, so individuals cannot at any stage become involved in the process of seeking an assistance order from the Supreme Court. Individuals have to abide by assistance orders without the opportunity of seeking legal advice. Vulnerable people, such as my mother, will have friends or acquaintances they can trust.

Many people in my electorate contact me about intimate issues they would like to discuss, but the bill provides that people who seek the advice of a friend or discuss an issue to get it off their chests can be prosecuted. Some people may be afraid or may find the situation intimidating, yet they may be prosecuted like criminals if they discuss the issue.

That problem was raised by the Scrutiny of Acts and Regulations Committee. The opposition has written to the Attorney-General seeking her advice on the issue, because although the opposition accepts that there is a need for surveillance and for law enforcement agencies to use modern technology to obtain details about criminal gangs or drug dealers, forcing individuals to provide assistance without allowing them the opportunity to discuss the issue with people they can trust or to appeal the decision is not only potentially intrusive but also, in the case of vulnerable people, potentially dangerous. Vulnerable people may live in fear of retaliation.

The bill makes it clear that once the Supreme Court makes a ruling, people must provide assistance. The only positive aspect about seeking an order from the Supreme Court is that a high level of scrutiny will be provided, and when considering a decision about whether a law enforcement agency can obtain an assistance order a judge may take into account the circumstances surrounding the matter and the need to protect a person's privacy. According to the Scrutiny of Acts and Regulations Committee, and in my opinion, that is probably not enough. More thought needs to be given to that aspect of the bill because it may prove to be detrimental to some individuals.

On the whole the bill extends and defends people's rights. However, it is only one part of the legislative program that needs to be adopted both in Victoria and throughout Australia to cope with technological changes and to provide for greater surveillance without infringing upon the right to privacy. The opposition recognises the importance of the bill, but it has some concern about particular elements of it.

Mr ANDRIGHETTO (Narracan) — The bill deals with a number of conflicting interests and attempts to do so in a reasonable way. The competing interests include personal privacy, public policy, public protection and providing enforcement agencies, such as the police and the National Crime Authority, with the tools to perform their duties in an efficient and responsible manner.

Enormous developments have been made in technology, and earlier speakers have alluded to some of the steps forward taken by various organisations. The bill attempts to bring about some consistency in the law concerning audio devices and the burgeoning development of video surveillance devices.

To some extent people cannot be protected against stupidity, and individuals will continue to act stupidly in the public eye. There is not a great deal that can be done about that, but that is no reason to introduce laws that place the rest of the community at a great disadvantage. All of us bear a personal responsibility to conduct our affairs in private and to behave in a way

that conforms with what the community expects of us and according to the mores of our society. Most people will abide by the laws passed by Parliament, but some people are hell-bent on breaking the law for their own personal gain, whether they be burglars or white-collar criminals. Society must deal with people who abuse the law and the community interest, and the bill contributes much to that end.

The use of audio recording is something I have become accustomed to over the years, and I record conversations and dictate letters on my audio-recording device. Most people use such devices. The bill does not interfere with the personal use of recording devices, and a recording of a conversation by a person who is a party to that conversation is no more than a note of a private conversation. However, the bill protects against the publication of such a conversation if it was recorded without the consent of the other party. A recording of a conversation cannot be made by a person if he or she is not a party to that conversation. However, people who wish to use recording devices merely to provide their own personal note of a conversation are protected by the bill.

The provisions of the bill are not inconsistent with the powers provided to the police or other enforcement agencies under the Crimes Act. The police and other agencies can record conversations they are party to with or without a warrant. Recordings of police interviews may be used as evidence in court proceedings if the tape or transcript of that record is served on the other party to the conversation within seven days. In the event that the recording is not served on the other party in that time, the evidence is inadmissible in court proceedings. However, recordings of conversations — for instance, police interviews of persons suspected of committing offences — may be used to rebut false allegations made against the people who have recorded them.

The bill recognises the enormous technological advances that have been made and balances individual rights and public policy. However, some people are hell-bent on breaking the law, and they will continue to use every available opportunity to do so. The bill does not put the community at risk in what it can do. It is an attempt to bring some balanced responsibility and commonsense into the law. I support the bill.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

SENTENCING (AMENDMENT) BILL

Second reading

Debate resumed from 25 March; motion of Mrs WADE (Attorney-General).

Mr HULLS (Niddrie) — The opposition does not oppose the Sentencing (Amendment) Bill. I am disappointed that the Attorney-General is not in the chamber during this or the previous debate because a number of issues are being raised which she should address, including important concerns expressed by the Scrutiny of Acts and Regulations Committee. I hope the Attorney-General will address the issues I am about to raise in this debate.

Although certain aspects of the bill are cynical to say the least, in other respects its provisions are appropriate. The bill proposes to increase the flexibility of judges and magistrates to tailor sentences to more appropriately fit the crime. It also remedies an anomaly that has existed for some time in the options available to the court when a person escapes from, for example, a youth training centre.

Under the act, when a young offender escapes from a youth training centre the court has the option to place that person in either prison or detention — that is, back into a youth training centre. If a young offender breaches a condition while on temporary leave, the court has no choice but to send that person to prison. As I said, that anomaly has existed for some time. Concern has been expressed by those who deal with young offenders that in certain circumstances it might be more appropriate to send that person back to a youth training centre. The bill proposes giving the court the option to deal with a young offender in a more appropriate fashion and the opposition supports that aspect of the measure.

The bill deals also with deferred sentencing. Under the act a court can defer the sentence of a young offender for up to three months. The bill proposes that a court be able to impose a deferred sentence on persons up to 25 years of age. A judge or magistrate will be able to exercise discretion in deferring for up to six months a sentence of a young offender to encourage him or her to take responsibility for the consequences of his or her actions by being given the opportunity of addressing the factors that contributed to the criminal behaviour.

It is envisaged that during that time the young offender will seek rehabilitation or other assistance and, if it is a drug-related problem, counselling. When the young person finally goes back to court to be sentenced his or her bona fides during the deferred sentence period will

be assessed. It is expected that the young person's behaviour during that time will be taken into account in any sentence imposed by the court. It is a good provision as it extends the discretion of judges and magistrates and gives them a further tool to their sentencing armoury. It will allow courts to intervene at an early stage, thereby assisting young offenders on their road to recovery.

The wording of the bill appears to be modelled on section 190 of the Children and Young Persons Act. However, minor differences in the wording may cause a court in interpreting the section to speculate that it was intended that the bill operate differently from the Children and Young Persons Act. It may lead to a court speculating also on the reasons for the differences. It is important that the Attorney-General indicate whether the legislation is intended to work in exactly the same way as the Children and Young Persons Act and so prevent any confusion arising.

The bill deals also with combined custody and treatment orders. Under the act a person can spend up to half a sentence in detention and the other half in the community. While in the community a person who has drug-related problems, for example, can receive assistance, treatment and rehabilitation. The bill provides that people can receive treatment both while in custody and in the community. That provision is appropriate and welcomed by the opposition.

The bill deals with victims of crime and I will now focus on that aspect. The second-reading speech states:

> The government is committed to improving the criminal justice system so that it maintains the confidence of the community and meets the needs of victims.

Victim impact statements can now be used for compensation applications. Under the heading 'Victim impact statements and compensation applications' the speech states:

> The bill will make it clear that victims can also provide the court with medical and psychological reports, which can be attached to their victim impact statements.
>
> Victim impact statements are sometimes used by victims to support their applications for compensation for pain and suffering. While courts have the ability to take various documents into account when considering compensation applications, there has been some uncertainty about the admissibility of victim impact statements in this context. This bill will clarify that victim impact statements can be relied upon by victims when they seek compensation from offenders for pain and suffering.

The bill provides that in certain circumstances costs may be awarded against a party in a claim by a victim for compensation. An example is cited in the speech. It states:

> ... such as in the case of a convicted offender unreasonably contesting the victim's application.

I hope the awarding of costs would be limited to that circumstance. I would hate innocent victims to have costs awarded against them. I am sure that is not the intent of the legislation.

The Attorney-General is again on the back foot when it comes to victims of crime and is again trying to fill the gaps she created when she abolished compensation for victims of crime for pain and suffering. The only way an innocent victim of crime can now get compensation for pain and suffering is to take action against the offender — that is, if the offender can be found and is convicted of the offence.

Honourable members must be continually made aware of the performance of the Attorney-General's new, you-beaut victims compensation scheme and how the legislation affects that performance. All honourable members will remember the heated debate back in 1996 when the Attorney-General and the Premier first decided to hack into the rights of victims of crime. In what I have described as a fairly bizarre act the Attorney-General decided to conduct, through the *Herald Sun*, a poll of Victorians concerning victims' rights.

The poll found that 49 per cent of Victorians believed that compensation payments for victims of crime should be easier for victims to obtain, 72 per cent believed that the impact on the victim was not given sufficient consideration in the sentencing of the offender, and 91 per cent supported the idea of devoting a percentage of all court fines to a support fund for victims of crime. The Attorney-General vouched for the bona fides of the poll, and as a result of it Victorians were found to be of the view that compensation for victims of crime should be easier to obtain and the views of victims ought to be taken into account in any sentences imposed.

As usual the Attorney-General was not in tune with community attitudes. She decided to abolish, not improve, the system and abolished compensation for pain and suffering for victims of crime and in the process stated that victims would get a better deal. The Premier supported her in Parliament and at the time stated that the rationale for abolishing compensation was not its cost. He stated that under the then current system approximately 8000 of the 31 000 victims of crime received compensation. He stated that the system would ensure all victims of crime had easy access to

compensation. He cited the case of a woman who used her compensation payment to buy a red coat, and made a great deal out of that. In effect the Premier was saying that in his view it was inappropriate for a victim of crime to spend compensation money on a red coat.

It is extraordinary that the Premier would have the audacity to prescribe to victims of crime how they should spend their compensation. I am sure the Premier would be absolutely outraged if any member of the community dared to suggest to him how he should spend any compensation he has received in the past from defamation proceedings where he believed his feelings had been hurt. I am sure he would very quickly jump up and down on anyone who did that. The Premier has no right to dictate to innocent victims of crime how they should spend their compensation. It was a callous statement, particularly as it was used to justify the abolition of compensation for pain and suffering for victims of crime.

Since compensation was abolished the Attorney-General's new system has gone from crisis to crisis. At a Public Accounts and Estimates Committee hearing almost a year ago the Attorney-General was forced to admit that her target of assisting 8000 victims of crime had fallen short by almost a factor of six, with only 1400 people having received any assistance at all. The target of the new you-beaut system of assistance for victims of crime was to assist 8000 people. Instead the Attorney-General had to fess up to the fact that only 1400 people had received any assistance. The Attorney-General was desperate at that stage. She was under attack because she realised that her new system was failing and she sought at the committee hearing to blame the opposition for the failure of her system. The transcript of her evidence states:

> Misleading information about the availability of VRAS services has been disseminated for political purposes and by people with vested interests in maintaining high levels of access to financial compensation under the former criminal injuries compensation scheme. As a result actual demand levels experienced in the first six months of operation of VRAS were considerably below the budget forecasts.

It is extraordinary that the Attorney-General should blame the opposition and others who opposed her system for its failure. It was simply navel gazing and the Attorney-General should have been looking at the system. The system does not work and is driving victims away in droves. The Attorney-General is attempting in the last weeks of the parliamentary sitting prior to an election to curry favour with victims of crime. Victims are not stupid — they are decent, dignified human beings who want to be treated with the respect they deserve. They deserve to be compensated for their pain and suffering.

The Attorney-General will say victims can get compensation for their pain and suffering by suing the offender. However, there are problems in taking that sort of action: it is traumatic, there are costs involved, the offender must be found if he or she has not already been caught, and there must be a conviction.

The old system operated far more effectively for victims and did not depend upon the offender being found and convicted. Under the new system, a woman who has suffered the indignity of being subjected to rape can be compensated for pain and suffering only if she takes action against a convicted offender. Under the old system, if the rapist bolted, the victim's recourse to compensation for his or her pain and suffering was gained by convincing a tribunal that the crime had taken place and presenting evidence about the trauma that the victim had suffered. The old system was fair and just and was society's way of saying, 'We respect you as a member of our society; you are entitled to a small amount of compensation for the pain and suffering caused by your trauma', but that no longer applies.

Now, in a callous society under the Attorney-General's new rule, the victim is told, 'The only way you can get compensation for pain and suffering is to take action against the bloke so long as he has been convicted'. That is not good enough and shows that the Attorney-General does not give a damn about victims of crime. The fact that she has introduced this bill will not get her off the hook for her stance towards the victims of crime assistance scheme.

Recently we heard revelations that the number of calls registered by the telephone service of the Victims of Crime Assistance Service was absurdly low. At one time the figures indicated that on a number of days no calls were received to the free-call service; on a number of days only one call was received, and on one day the free-call service was used for only 14 seconds in the entire day. According to the telephone bills provided to the opposition under FOI, not once was the service used for more than 3 hours in any one day. The approximately $240-a-month operating cost for the victims service pales into insignificance when one considers the $10 000 spent on a 1997 trip to the United States by the service's chief executive officer, Judith Dixon.

To be fair, I should report that the number of calls has recently increased, no doubt due to the hundreds of thousands of dollars being spent on misleading

advertising, which caused more victims to call — only to be told that the only compensation for pain and suffering is available through their suing the offender.

The scheme suffered another blow when the Attorney-General sacked the preferred tenderer at the time, the Victims of Crime Assistance League (VOCAL). I was somewhat disappointed that VOCAL abandoned its advocacy role for victims of crime when it attempted to rub the back of the Attorney-General to enable it to obtain the contract to supply assistance for victims. It was awarded the contract, but the Attorney-General decided she needed a scapegoat, so ultimately VOCAL was sacked or dismissed.

I understand VOCAL has been wound up. In the past VOCAL provided excellent service for victims, but the role it played in the abolition of compensation for pain and suffering for victims of crime was absolutely pathetic. It was left to individual victims to speak out about the scheme. VOCAL was deafening in its silence. One can now easily conclude that it remained silent because it had done a deal with the Attorney-General to ensure it got the tender.

VOCAL has now created its own death rattle. By allowing cuts to be made to levels of compensation for victims of crime — only so it would get the contract — the organisation has bled to death. I hope when an organisation like VOCAL springs back to life in another form it will have learnt by its mistake and will go in to bat for innocent victims of crime.

The other element of the scheme that is pertinent to the bill is that the Attorney-General argued that victims of crime should still obtain compensation for their pain and suffering by obtaining court orders. Honourable members should be aware that that is simply not happening in any meaningful way. I will exemplify how ridiculous the current scheme is. Honourable members may be aware of the case of Mr and Mrs Chedraoui, which was brought to my attention by the honourable member for Pascoe Vale. The Chedraoui family was attacked by their next-door neighbour, who repeatedly shot at them with a pistol; he then pointed a gun at their daughter and returned to his car to get more guns. Fortunately, he ran out of bullets. According to Mr and Mrs Chedraoui, the man had more weapons, including a number of semiautomatic rifles, in his car. The injuries sustained by Mr and Mrs Chedraoui and the trauma suffered by their children is difficult to describe.

I met with the family. It may have been a traumatic experience for me to sit down with people who had been shot at and were close to death, but it would have been nowhere near as traumatic as it was for the Chedraoui family. The children saw their parents shot at; they saw their father with bullet wounds and heard him yelling out to them to run otherwise they could be killed. I do not know how anyone gets over an experience like that.

Mr and Mrs Chedraoui are typical examples of upstanding members of society who become innocent victims of crime. They were shot at simply because their neighbour did not like their dogs straying into his yard. There had been the odd discussion between the parties over the fence, but on that occasion for some reason the next-door neighbour snapped and shot at the Chedraoui family. He nearly killed Mr and Mrs Chedraoui and could have killed their children.

When the case came to trial the prosecutor sought a compensation order under the Sentencing Act for the massive pain and suffering experienced by the Chedraoui family. The Attorney-General had abolished their ability to receive compensation for pain and suffering as of right. Under the new system the family had to apply to the court to obtain compensation from the offender.

Dr Dean interjected.

Mr HULLS — I take up the interjection because it shows how callous certain members of this place are and how lacking in understanding the parliamentary secretary is in relation to, firstly, the way the system works and, secondly, the trauma, pain and suffering experienced by victims of crime.

The Parliamentary Secretary, Justice — the honourable member for Berwick — interjects and says they could access the system to receive trauma counselling. He is saying that under the present system the Chedraoui family could obtain vouchers for counselling. That is not good enough. In a civilised society the family should be entitled to compensation for their pain and suffering. Under the present system they are entitled to counselling. They were entitled to trauma counselling under the old system, and under the new system they could have their medical bills paid. So what? They would be covered by the Medicare rebate levels, anyway.

The new system offers nothing to victims of crime. Under it they can apply for compensation for pain and suffering, but they will be told by the judge hearing the case that they have no entitlement because the accused has first to be found guilty.

The accused in the Chedraoui case was found not guilty on the basis of mental impairment. That bloke shot and

nearly killed the Chedraouis — their kids will be traumatised forever — and the court said they could not receive compensation for pain and suffering because the accused was found not guilty. There is a loophole in the legislation. The Chedraouis wrote to the Attorney-General about the matter and it was covered in the media, including the *Today Tonight* program, but the Attorney-General did not do anything. What sort of callous society are we living in when we allow people such as the Chedraouis to be shot at yet get no compensation for their pain and suffering? Is it a matter of being told, 'Bad luck, there is a loophole in the system and you miss out! You've fallen through the hole.'?

The Attorney-General might say that her new system is fantastic because compensation for pain and suffering is still available. However, firstly, the offender must be located, and secondly, the offender has to be found guilty of the offence. When the offender is located and found to be suffering from a mental impairment he or she may be locked away in an institution for a period of time. The offender will no longer be a threat to society, but victims such as the Chedraouis will be left with their lives in ruins. Not only will they have suffered the indignity and trauma of being shot at and almost killed, they will have to go through the added trauma of society saying to them, 'Nick off. Bad luck! You've been dealt with and the bloke's been dealt with. Now get on with your life'. The Chedraouis cannot get on with their lives. They believe society has shunned them. They believe that the Attorney-General has left them on the scrap heap.

Under the previous system the Chedraouis would have been entitled to compensation for pain and suffering simply by showing they were victims of crime. Their story was on the television news broadcasts on the night the incident occurred. There were street blockades. Mr Chedraoui was taken to hospital and had his bowel removed. It was a sad incident. The Chedraouis were not at fault, they were simply going about their business, yet because the offender was found not guilty on the basis of mental impairment the Chedraouis were not entitled to compensation for their pain and suffering.

Under the Attorney-General's new, you-beaut system of compensation, victims such as the Chedraouis have got about as much chance of receiving compensation as winning a lottery. The opposition does not oppose the bill but points out that it is another attempt by the Attorney-General to save face.

Dr Dean interjected.

Mr HULLS — The honourable member for Berwick says by interjection that there are other speakers in the debate. I hope he is one of them. In his marginal seat of Berwick, with Phil Reed stalking him at every available opportunity, he will have to explain to his constituents why he voted against compensation for pain and suffering for victims of crime. He will need to explain why he supports the Attorney-General and legislation that abandons victims. I hope the honourable member for Berwick is prepared to stand up and apologise to innocent victims of crime in his electorate. I am sure that when Phil Reed is elected to represent Berwick he will support the current opposition's view that compensation for pain and suffering for victims should be reinstated. The honourable member for Berwick ought to be ashamed of himself, firstly, for not understanding the trauma faced by victims, and secondly, for being party to legislation that abandons victims of crime by removing their right to compensation.

In conclusion, the opposition supports the bill. It believes that deferred sentencing is a good initiative and that the ability to place young offenders back in a youth training centre if they breach an order is appropriate. The opposition urges the government to reconsider its callous, heartless and inappropriate attitude to innocent victims of crime.

Dr DEAN (Berwick) — One can always tell when the honourable member for Niddrie is on shaky ground or when he is losing control. He said how committed he was to the bill and how important the point was to him and then shot off into politics. He diverted attention from the victims of crime he is supposedly worried about and turned to talk about me, my electorate, the person who will be standing against me and the political implications of the election. Honourable members have to ask how committed the honourable member for Niddrie is to a particular piece of legislation or to addressing something that he says causes anger to well up within him if all he is interested in doing is looking across the chamber and saying, 'Right, I'm going to get personal about a particular member of this place. I'm going to get stuck into him on a political basis. I'm going to talk about the political opponent who will be standing against him'. What I am saying has to do with the bill because it reflects the real level of feeling and commitment the honourable member has to what he pretends to be talking about.

I do not mind the personal attacks by the honourable member for Niddrie — he has done that on many occasions and will continue to do so. I will not respond except to say that it is disappointing, when the house is dealing with a piece of legislation as important as this

and in light of his pleading that he is committed to his point, that he should suddenly destroy it all by demonstrating to the house that it is all a matter of politics. If he can turn on someone politically and personally you can forget the important issues. It is a great shame. I know all about Phil Reed. On a number of occasions the honourable member for Niddrie has used the house to support that person politically. It has nothing to do with the bill, and it had nothing to do with the Coroners Bill when he did the same thing during that debate.

The house has to take into account not the political matters but whether the honourable member is committed to the bill. The question is: is the bill meaningful for him or is he here to make political attacks? The answer to that question can be found in *Hansard*.

I will talk succinctly on the matters raised by the honourable member for Niddrie. He ran the same arguments that he ran when the victims of crime legislation was introduced. Honourable members have heard them all before and anyone who wants to read his arguments and all the responses to them should refer to *Hansard*. He has cranked up the same arguments again.

Everyone will agree that the bill aims to help victims of crime. The honourable member for Niddrie has agreed with that. I do not want to repeat the arguments because people are bored with them. It is totally misleading to say that the regime set up for victims of crime denies them proper assistance. Under the old system there were a few lucky winners who happened to go to the right solicitors — one firm in particular, as is mentioned in *Hansard*, that is closely associated with the opposition — and it was like the old workers compensation days when there were specialist workers compensation solicitors who knew the inside track. Those solicitors would say, 'We know the inside track, you come with us and we'll go to the tribunal'. Those lucky winners were paid compensation on the basis of pain and suffering.

The government wants a democratic system that will serve all people who need help. It has introduced a quick and easy system so that a victim who approaches the police will be offered help. There is also a hotline service that victims are able to access so they can get help immediately. The government does not want victims wandering off in confusion about how they can get help. When victims report the crime they will be able right then and there to get vouchers for counselling.

Getting counselling and appearing before a tribunal 12 months or two years after something happened was simply not an appropriate use of the available funds. The government wants the available funds to be used to help more people and to help them fast. The only way to help them fast is to introduce a system where everybody gets a shot, where everybody is told immediately of his or her rights and where everybody uses the fund and knows where to go.

The second part of the system involves giving people what they need, rather than giving them a large amount of money for pain and suffering. People need help. The system ensures that people are given access to the things they need, such as psychiatric and psychological assistance, counselling, the payment of medical bills and the return of any losses they or their families may have suffered.

In his contribution to the debate the honourable member for Niddrie referred to a particular case and tried to pretend that victims of crime could not get access to the system. When I indicated they could have accessed the system, the honourable member laughed. But he then made it clear that they could have accessed the system — it is just that he does not like it. That is his problem. The honourable member wants people to be given money for pain and suffering rather than what would help them, which is immediate access to medical treatment, psychologists and counsellors.

That is the difference with the new system. It will be up to individuals to balance it up. They can be the lucky winners who get large amounts of money and decide how they will spend it; or the money available can be spent across the board so that more people can quickly access services. The tribunal will decide what the necessary resources are and help people access them. Rather than receiving money, people will get service quickly, with vouchers or whatever it takes.

Medical evidence reveals that the first thing one must do to help a victim get over the trauma associated with that crime is to quickly work with the person quickly in a specialised way. That is what the proposed system will do. The honourable member for Niddrie prefers the other system. It is a complete misrepresentation of the process to pretend that one system does not exist and the other one has been taken away.

I was sad that the honourable member did not refer in more detail to the fundamental and central concept of the bill. He agreed that the bill will be of assistance to victims, but that is only a small part of the legislation. The most important and sensible part is the capacity of Magistrates Courts to defer sentences. All those who

review the justice system agree that it should not just penalise and sentence but try to get the person who has committed the crime to change his or her ways. There is a desire to have flexibility in the court. It is all about getting the right balance. However, it is difficult getting the right balance between all the things required by the community when a person is convicted of a crime. People say, 'Yes, we want a sentence that shows that someone should be punished', so punishment should be there. Retribution should not be a part of the sentencing system. Another aspect of the system involves rehabilitation.

As I said, one has to maintain a balance. One could say that people will not be sent to gaol at all but be put into various work programs for rehabilitation. Some members of the community would say, 'If all we get when we commit a crime is rehabilitation and never gaol, we will commit crimes'. When the government took office the balance was too far away from sentencing. Sentences had to be increased to get the balance right. At the time opposition members made the accusation, 'You are all rednecks. All you are about is penalising people and sending them to gaol'. That is definitely not the case. Rehabilitation is a very important part of the process, but the government had to get the balance right first, which it did.

That response by the government has been now proved correct. Slowly legislation is being introduced that is all about rehabilitation. The government has given magistrates flexibility in the civil and criminal justice systems. The wider community and the justice watchers are coming to the conclusion that the way the modern justice system should work is to give judges a more proactive role in what is happening. In a case where a person comes before a magistrate and is convicted of a first offence where drugs are involved, rather than the magistrate looking at the act, checking what the sentence is and using his or her experience to determine how many months the person should be sentenced to, the magistrate asks, 'What can I do as a magistrate, with all my experience and ability, to fashion some response that will satisfy me that I will give this person the maximum chance of not reoffending?'. Reoffending statistics are enormously high. About 50 per cent of people reoffend once or twice — I cannot remember the actual statistics, but it is important to bear that in mind.

I implore magistrates to take heart from the bill. They will now be able to defer sentences. People will not have to be sentenced to gaol. They will be able to be brought back before the magistrate at a later date to have their sentences determined based on how they have behaved. The conditions are unlimited. Magistrates will be able to fashion a response to a young person. For example, if a certain program is undertaken, such as one involving his or her school, the young person may receive a much lighter sentence or no sentence at all.

Magistrates have the experience to be given that flexibility. They should be encouraged to look at an individual and say, 'With my experience I can do something about the individual before me. I can fashion some conditions and take some responsibility for and keep an eye on this person because he or she will be back before me in six months. He or she is not just coming through my court as if on a conveyor belt and out the other side into something I will never see again. I will see this person again'. Young people who are highly motivated will respond to being given a chance. It is a fantastic opportunity for the people who have the knowledge and the experience to do such things. I know magistrates work very hard and that this will mean extra work for them, but it is a great opportunity for them to do something they have been dying to do for ages — that is, take a positive role in sentencing. It is a fantastic advance. I hope the courts will take up the challenge.

Ms CAMPBELL (Pascoe Vale) — The opposition supports the amendment to section 256 of the Children and Young Persons Act as proposed in clause 17 on the clear understanding, firstly, that detention in a youth training centre is a clear statutory responsibility which must remain with the minister, and secondly, that juvenile correction facilities in youth training centres should not be privatised. That is the clear understanding on which the opposition supports clause 17.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.05 p.m.

QUESTIONS WITHOUT NOTICE

Police: strength

Mr BRACKS (Leader of the Opposition) — I refer the Premier to the latest Victoria Police statistics, which reveal that since the Premier began removing 800 police from Victorian streets in 1996, offences involving knives have risen by an alarming 148 per cent. Will the Premier now adopt Labor's plan to remove dangerous knives from our community and put 800 more police on the front line in Victoria?

Mr KENNETT (Premier) — I thank the Leader of the Opposition for his question and assure him that since the members of the Labor Party have yielded their

knives and put them back in their scabbards incidents with knives will drop considerably over the next few months!

Information technology: investment

Mr KILGOUR (Shepparton) — Will the Minister for Information Technology and Multimedia provide the house with details of any new investments in Victoria's technology industry and outline any benefits to Victoria resulting from investments of this type?

Questions interrupted.

ABSENCE OF MINISTERS

The SPEAKER — Order! I should have advised the house that the Minister for Education will be absent from question time today. His questions will be answered by the Premier. The Minister for Youth and Community Services will be absent from the house for the rest of the day. His questions will be answered by the Minister for Tertiary Education and Training.

QUESTIONS WITHOUT NOTICE

Questions resumed.

Mr STOCKDALE (Minister for Information Technology and Multimedia) — If Victoria and the rest of Australia are to reverse the long-running decline in living standards relative to the rest of the world, new industries such as information technology and multimedia must be the key. It is therefore particularly gratifying that Acclaim Entertainment today announced that it will invest $7 million over the next three years to establish its Australasian centre of operations in Melbourne. Acclaim will create 30 new jobs within two months, and has given a commitment to open a development studio in Melbourne in the short term, which will create additional jobs beyond those 30.

That new investment comes on top of more than $2 billion of specific projects that have been brought to Victoria as a result of the government's investment recruitment programs in the information technology, telecommunications and multimedia sectors. That has led to the direct creation of 10 000 new jobs and the support of thousands of other jobs. No doubt that explains why over the past year or so Victoria has been experiencing record levels of employment.

It is estimated that more than 100 information technology, telecommunications and multimedia companies have invested in the state during the past four years. It is particularly important that those investments represent a cross-section through this sector of the economy. Examples include semiconductor design through the investment by Semiconductor Technologies Australia, a subsidiary of Anam, a Korean multinational. Robert Bosch Australia has added to its previous very strong investment in the state to go into semiconductor manufacture at its diode plant.

Leading Internet companies have invested in Victoria: companies with names that are recognised worldwide such as Netscape, Frontier, Globalcentre, Looksmart — a Victorian home-grown business — and Citysearch. In the entertainment software field, Infogrames and Torus Games have been investors. In the hardware area, NEC, Fujitsu, and Hewlett-Packard have all either made new investments or expanded their existing investments. In telecommunications, Siemens and Ericsson have made major new investments and established service centres for the Asia-Pacific region. In smartcards, which is one of the waves of the future, Gemplus and Giesecke and Devrient have made investments. In technical assistance, Oracle, IBM, Ascend and Foxtel have all located major service centres, major call centres and technical assistance centres in Victoria.

It is not unrealistic to say that Victoria — Melbourne in particular — is becoming a multimedia centre for the Asia-Pacific region. The government particularly welcomes the investment by Acclaim Entertainment, which looked at no fewer than 86 cities in this region of the world to assess the best potential locations for its head office and chose Melbourne. I know that every honourable member in the house will be happy that Acclaim, having made such a broad survey of this part of the world, concluded that there were substantial reasons to make Melbourne the home of its head office. Acclaim saw Melbourne as the capital for multimedia development in terms of both the talent available and the number of companies already established here.

Victoria has the critical mass of a track record and the creative ability to attract major investors. Australia's most talented game programmers are coming out of Victorian universities, particularly the University of Melbourne and the RMIT. Victoria is cost competitive on a wide range of indicators. The Advantage Melbourne study shows from periodically updated cost comparisons that Victoria is knocking the rest of Australia into a cocked hat and is well and truly competitive with the major commercial centres of the Asia-Pacific region.

Acclaim Entertainment software is sold in more than 50 000 stores in 50 countries, with major titles such as

NBA Jam, *South Park*, *WWF Attitude*, *NFL Quarterback Club* and *All-Star Baseball*.

Mr Thwaites interjected.

Mr STOCKDALE — I defer to you. It is a little below my age group but I can understand you would not miss an episode!

The SPEAKER — Order! Interjections simply increase the time taken to answer the questions.

Mr STOCKDALE — I am sorry, Mr Speaker. The Deputy Leader of the Opposition is not old enough to watch *South Park* yet; it is probably shown after his bedtime!

Acclaim Entertainment is also a publisher and mass marketer of software for use with interactive entertainment platforms including Nintendo, Sony and Sega hardware systems. Those investments are creating jobs for Victorians. Most particularly they are solving one of the major social problems of the past few decades by disproportionately creating jobs for young people. Recently the Australian Information Industries Association estimated that 30 000 of those job vacancies will be filled by this investment, and the government looks forward to attracting still further major investors of this kind, who are not only creating jobs for Victorians but recognising Victoria's international standing as a leader in information technology, telecommunications and multimedia development.

Newham Primary School

Ms DELAHUNTY (Northcote) — I refer the Premier to the showcase Newham Primary School, which won the team teacher of the year award and the student Nestlé writing award. Parents have voted with their feet, increasing enrolments at the school this year by 50 per cent. I ask why the government has not rewarded success and provided enough classrooms after five months of parents and teachers pleading for an extra room. Has the Premier taken his eye off the basics and left these children to have classes in a shed?

Mr KENNETT (Premier) — As you more than anyone else can appreciate, Mr Speaker, I am very tempted by the provocation, but I will control my natural debating skills and simply refer to a statement of the honourable member for Northcote reported yesterday in the education supplement of that august newspaper, the Melbourne *Age*, in which she said:

> There are some marvellous aspects of education in this state ... There are some sensationally successful schools, so this is an exercise in celebrating what we can do well and exploring what we can do better.

I congratulate the honourable member on her ringing endorsement of what the government has been doing. Without a doubt education has been one of the great success stories of this government. The efforts of former Minister for Education Mr Don Hayward and, of course, of the present minister, Mr Gude — who is currently attending a ministerial conference, well supported by the Parliamentary Secretary, Education, the honourable member for Ripon — have driven Victoria's major reform to the stage where not only has the government overcome all but $193 million of backlog in capital works left to it by the former Labor government — a wonderful record — but teachers now have access to computer equipment, the program of amalgamating schools is coming together and school communities of teachers, parents and students are now substantially better off than ever before.

Mr Bracks — On a point of order, Mr Speaker, the Premier is defying your ruling by debating the question. I ask that you bring him back to the point.

The SPEAKER — Order! I uphold the point of order and ask that the Premier complete his answer.

Honourable members interjecting.

Mr KENNETT — I cannot be held responsible, Mr Speaker, for the inane interjections from the other side. As the population moves and good schools are established there are growing demands on the education system. Some parents do not want to send their children to a local school but to another school that has earned a good reputation. The government will address those issues in order of priority. The government does not have the resources because of the failure of the former Labor government — —

Honourable members interjecting.

The SPEAKER — Order! Interjections prolong the answer.

Mr KENNETT — The former Labor government left the Kennett government with a black hole of $693 million for maintenance. Students across the state must be treated equitably.

Opposition members interjecting.

The SPEAKER — Order! I believe the Premier has completed his answer!

Mr KENNETT — Just about, Mr Speaker.

Opposition members interjecting.

The SPEAKER — Order! As the Premier has not completed his answer I appeal to honourable members on the opposition frontbench to stop interjecting. Interjections simply invite a longer answer and take up more of question time.

Mr KENNETT — The government will ensure that all schools will receive the priority they deserve on the availability of funds allocated to education through the government's budget.

Apprenticeships: programs

Mr RYAN (Gippsland South) — I ask the Minister for Tertiary Education and Training to inform the house of the success of the government's policies to increase young people's access to apprenticeships and training, particularly in regional Victoria.

Mr HONEYWOOD (Minister for Tertiary Education and Training) — The government gives top priority to providing young people with world-class secondary and primary school education. Of equal priority is the opportunity for young people in regional Victoria to gain access to genuine apprenticeship and Job Start opportunities through traineeships and the like. Over the past 12 months the government has achieved an increase of some 30 per cent in first-year apprenticeships across Victoria, which equates to a record 60 000 young people in apprenticeships.

The data across regional Victoria tells an even better story. The Warrigal area, efficiently represented by the honourable member for Narracan, has had an increase of 125 per cent in first-year apprenticeships. The figure represents an increase from 282 to 636 in young people in genuine apprenticeship training for employment. I say genuine for good reason. When the Labor Party was in power a number of mickey mouse labour-market programs were instituted that got young people nowhere and certainly did not get them a qualification or a four-year apprenticeship.

The Barwon region has had a 97 per cent increase in young people gaining access to genuine apprenticeships. The Warrnambool–Portland region has seen an increase of 41 per cent, as has the Bendigo region, thus increasing apprenticeships for young people in that region from 1291 to 1818. The Wodonga–Wangaratta region, represented by two very conscientious members who are committed to the government's priority, has had a 32 per cent increase from 559 to 739 in young people entering into apprenticeships.

Those results would not be possible but for the government's high employment enhancement achieved in cooperation with industry and private and public TAFE providers working with the local communities to ensure access to genuine job openings.

The government's record should be compared with that of the former government. In 1982 there were some 41 000 young people in apprenticeships in Victoria. Ten years later when the rabble opposite had left office that number had reduced to 36 000. The opposition's record was down and the government's record is up. The number of young people with apprenticeships has almost doubled during the time the Kennett government has been in power.

City Link: e-tags

Mr ANDRIANOPOULOS (Mill Park) — I refer the Premier in his capacity as Minister for Multicultural Affairs to the 23-page commercial contract which City Link will use to bind individual motorists and to the fact that, although 56.8 per cent of the population of the suburbs adjoining the western section of City Link come from migrant families, Transurban advises that it has no printed material whatsoever in languages other than English, and I ask: ΓΙΑΤΙ Ο ΠΡΩΘΥΠΟΥΡΓΟΣ, Ο ΟΠΟΙΟΣ ΙΣΧΥΡΙΖΕΤΑΙ ΟΤΙ ΥΠΟΣΤΗΡΙΖΕΙ ΤΟΝ ΠΟΛΥΠΟΛΙΤΙΣΜΟ, ΑΠΕΤΥΧΕ ΝΑ ΠΑΡΕΙ ΤΑ ΑΠΑΡΑΙΤΗΤΑ ΜΕΤΡΑ, ΩΣΤΕ ΒΑΣΙΚΕΣ ΠΛΗΡΟΦΟΡΙΕΣ, ΓΙΑ ΤΟ ΣΥΜΒΟΛΑΙΟ ΚΑΙ ΤΟ ΣΥΣΤΗΜΑ ΔΙΟΔΙΩΝ ΝΑ ΠΡΟΣΦΕΡΘΟΥΝ ΓΡΑΠΤΩΣ ΣΕ ΟΛΟΥΣ ΤΟΥΣ ΚΑΤΟΙΚΟΥΣ ΤΗΣ ΒΙΚΤΩΡΙΑΣ ΣΕ ΓΛΩΣΣΑ ΠΟΥ ΜΠΟΡΟΥΝ ΝΑ ΚΑΤΑΛΑΒΟΥΝ?

The SPEAKER — Order! The honourable member for Mill Park has made his point very well. However, questions must be intelligible to not only the honourable member for Richmond and others who understand Greek but also to the Chair. The Chair does not pretend to understand what the honourable member for Mill Park was saying. Perhaps he might now act as interpreter and provide the house with a translation in English.

Mr ANDRIANOPOULOS — I am happy to do so, Mr Speaker. I trust that the Premier will do the same with the City Link contract for the 56.8 per cent of migrant families to whom I have referred. My question is: why has the Premier, who claims to support multiculturalism, failed on yet a further occasion to ensure that basic information on the City Link project and how the toll system will work will be understood by every Victorian?

Mr KENNETT (Premier) — Selamat petang encik. Let me say to the honourable member for Mill Park, whom I just greeted in Malay, that I have always

considered him to be a decent honourable member. Honourable members on this side know that he does not fit in with the rank and file of his colleagues, as he has often said to me. He holds different views from the majority of them, as does my good friend the honourable member for Richmond, with whom I have a close — —

Mr Batchelor — On a point of order, Mr Speaker. I draw your attention to standing order 127. The Premier is debating the question, and I ask that you bring him back to the matter before the Chair.

Mr KENNETT — On the point of order, Mr Speaker, I made two references in the introduction to my answer. In serving the multicultural community I work closely with both the honourable members for Mill Park and Richmond. The basis of the honourable member for Mill Park's question was how the government prepares material. The honourable member for Thomastown jumped up before I could say that the honourable members for Richmond and Mill Park work closely together on multicultural matters.

The SPEAKER — Order! The Premier has made some passing reference to the honourable member for Richmond and the honourable member for Mill Park. I ask him now to answer the question from the honourable member for Mill Park.

Mr KENNETT — In answering the question from the honourable member for Mill Park, I say to him quite openly that he has raised a valid point. I also congratulate the honourable member for Springvale, who is sitting beside him. He often raises similar issues with me as I discharge my duties with multicultural communities, as does the Minister for Tertiary Education and Training.

I shall take up the issue with Transurban, because I think the honourable member has raised — —

Mr Andrianopoulos interjected.

Mr KENNETT — Grazie! I will take up the matter with Transurban, because it is a valid point. I thank him for bringing it to the attention of the house. I wish the honourable member every success with the rest of his career.

Port Phillip Bay: Beach Watch

Mr THOMPSON (Sandringham) — ΣΙΝΧΑΡΗΤΗΡΙΑ. ΖΗΤΟ Η ΕΛΛΑΔΑ!

The SPEAKER — Order! I ask the honourable member to repeat his question — in English.

Mr THOMPSON — I was just congratulating the honourable member for Mill Park on asking a good question and saying, 'Long live Greece!'.

The SPEAKER — Order! Now that the honourable member has completed his cheerios, perhaps he can ask his question!

Mr THOMPSON — ΠΑΣΟΥ ΓΙΑΓΙΑ! Will the Minister for Conservation and Land Management advise the house as to any progress with the Environment Protection Authority's Beach Watch program at Port Phillip Bay?

Mrs TEHAN (Minister for Conservation and Land Management) — As honourable members know, the honourable member for Sandringham is vitally interested in the health and cleanliness of our bay beaches and is actively involved in the Bringing the Bay to Life program.

I advise the house that, according to the surveys that have been taken across Port Phillip Bay for many years and the criteria that the Environment Protection Authority established, during the 1998–99 summer season we had the cleanest and best bay beaches on record.

The EPA has set up a program of volunteers to monitor the cleanliness of beaches. During the 1998–99 summer 26 volunteers monitored more than 38 beaches. They looked at things such as water and beach cleanliness, litter on the beaches and odours, et cetera. A level of 98 per cent for water cleanliness has been achieved across the whole bay. The acceptance of the levels of E. coli in the water indicates it is suitable for swimming.

There has also been considerable improvement in litter on and about the beaches. That has resulted from the use of 1200 litter traps that local government, the EPA, Parks Victoria and other agencies have established across the areas concerned. The traps capture the litter before it comes into the beaches and bays. I am especially pleased that the Rye beach, which has been the subject of problems in the past, is similarly showing much better outcomes. That is partly because of a more responsible sewerage system in the area. We also have to recognise that individual behaviour has improved remarkably, as Victorians come to understand that the litter they put into their gutters and on the streets will eventually end up in rivers, on beaches and in bay waters.

That is a very big improvement on our beaches compared with past years. It is a matter about which we should all be proud. I thank the EPA for its program,

but especially the 26 volunteers who did the monitoring two or three times a week to ensure we are able to go to the beaches around the bay, swim in clean water and certainly enjoy very clean beaches.

SENTENCING (AMENDMENT) BILL

Second reading

Debate resumed.

Ms CAMPBELL (Pascoe Vale) — As I was saying before the suspension of the sitting, the opposition supports clause 17 of the bill, which amends section 256 of the Children and Young Persons Act, only on the condition that the youth training centres are managed by the government and that the minister has a clear statutory responsibility to oversee those centres.

The Children and Young Persons Act was passed by Parliament with bipartisan support.

Mr Traynor interjected.

The SPEAKER — Order! The honourable member for Ballarat East should know that he may not discuss things with people in the public gallery. If he wishes to do so he must leave the chamber.

Ms CAMPBELL — The partnership that has been established over the past decade in juvenile justice extends to political parties, community groups, and the judiciary, which support the current operation of juvenile justice. International jurists, the Heads of Churches organisation, VCOSS and the Defence for Children International, Geneva, have recognised that the current operation of juvenile justice is working very well.

The Children and Young Persons Act recognises that one of the most serious decisions and actions of the state is to deprive people of their liberty, and that is even more serious when children are deprived of their liberty. It is incumbent on the community to ensure that the detention organised for such young and impressionable people is organised in such a manner that it is clear that their rehabilitation and return to the community is the motivation for all actions taken, not to set them up in universities of crime.

The deprivation of liberty is such a serious act taken by the courts on behalf of the community that through the minister the community is responsible for the incarceration and rehabilitation programs of offenders.

When custodial facilities are managed by the state the community holds the government responsible. When privatisation of prisons occurs it is clear that the responsibility is placed on the private sector operator that manages the prison, whose primary responsibility is to ensure its shareholders obtain profits. It is clear that the primary responsibilities in the state-operated system become secondary when the prison is operated by a private company. Two good examples exist of where the primacy of ministerial responsibility is diluted. The first is the report currently before the minister on the investigation into deaths in the private prison, and it could even be extended to the Longford royal commission.

The government constantly claims it must hold reports, denying the public the opportunity to read such reports because commercial-in-confidence arrangements preclude it from having a transparent system of operation. The management of juvenile justice must remain the state's responsibility, with a fully accountable system of checks and balances operating in partnership with the community. That has been clearly outlined by a range of organisations including the Criminal Bar Association and the Victorian Council of Social Service, and by many senior members of the judiciary, including Justice Vincent and retired Justice Fogarty; also that has been outlined in the house and is well documented in the media.

I want to mention what needs to be uppermost in the minds of government members when looking at the Children and Young Persons Act in light of the provisions of the Sentencing (Amendment) Bill. Contract arrangements, privatisation and accountability go to the heart of the matter. As I initially outlined to the house, the community has a vested interest in ensuring that prisons are operated primarily for the benefit of the rehabilitation of prisoners and to ensure community safety. That was best summed up by the Court of Appeal in 1997, when it stated:

> In the long term the community is better served and protected if a young offender is rehabilitated and led away from a life of crime than if after a short or long gaol sentence imposed to satisfy the public for retribution he is taught the ways of the criminal.

Central to that philosophy is accountability. I quote from a paper prepared by Dr Linda Hancock from the Centre for Public Policy at the University of Melbourne, entitled 'The justice system and accountability', which states, in part:

> Much has been written on accountability.

Dr Hancock refers to the Australian Review Council. The paper continues:

> Accountability has been described as being fundamental to good governance in modern, open societies. Public acceptance of government and the roles of officials depends upon trust and confidence founded upon the administration being held accountable for its actions.

She states clearly that public sector accountability involves political and managerial aspects:

> Political accountability involves those with delegated authority 'being answerable' to their fellow citizens and managerial accountability involves making those with delegated authority answerable for carrying out agreed tasks according to agreed criteria of performance.

The way public officers perform their duties can be checked through freedom of information provisions, annual reports, public consultation and so on. Victorian experts on custodial facilities are saying loud and clear that they are being denied information. Freedom of information requests are denied and reports are made to the minister but never made public. The dangers are obvious. The public still has the right to know, but it does not have access to the documentation that will ensure it has full knowledge of the operation of a system.

I want to touch upon evidence presented to the Public Accounts and Estimates Committee in September 1997 by Mr Clayton, the acting head of the Department of Human Services. He was asked what he considered to be core services within his department. Among a range of services he outlined as core, he included juvenile justice. He was then asked whether he would include prisons as a core statutory service. His answer was, 'That is not for me to say'. When asked about youth training centres he said, 'Yes, they are core services'. The bill recommends a range of good sentencing options, one of which is youth training centres. The opposition believes they are core government services that should be supported and retained.

Another organisation that supports youth training centres and their current operation in the juvenile justice system, as outlined in the Children and Young Persons Act, is the esteemed organisation, the Heads of Churches, which submitted a document to the Minister for Youth and Community Services. The membership of the Heads of Churches is impressive, and includes some of the state's greatest community leaders. It covers most Protestant and Catholic church organisations, including the Uniting, Anglican and Catholic churches and the Church of Christ.

The Heads of Churches organisation has written to the Minister for Youth and Community Services urging him to abandon the idea of delegating responsibility for the management of detention centres for young offenders to the private sector. As I understand it, that organisation will be putting its case clearly to the Minister for Youth and Community Services in June. The minister needs to carefully consider the opinions of the group, which has listed in its statement of concerns nine compelling reasons that the state must never go down the path of privatising juvenile justice facilities.

Another organisation that to date has not had its case presented in the media is Defence for Children International, a group based in Geneva that has consultative status with the United Nations Economic and Social Council.

Mr Andrighetto — On a point of order, Mr Acting Speaker, the honourable member has been talking for some 10 minutes on an issue in no way related to the bill. I ask you, Sir, to request the honourable member to return to the bill.

Ms CAMPBELL — On the point of order, Mr Acting Speaker, clause 17 of the bill clearly outlines that the Children and Young Persons Act will be amended to include the words 'or detention in a youth training centre'. The house is being asked to amend not only the Children and Young Persons Act but also section 32 of the Sentencing Act, which relates to youth training centres and youth residential centre orders. Clearly that is relevant to the bill.

The ACTING SPEAKER (Mr Richardson) — Order! I do not uphold the point of order. I point out to the honourable member for Pascoe Vale that were she to continue to place the emphasis solely upon the matter of private or publicly owned youth training centres, she would be departing from the essence of the bill. In my view it is perfectly appropriate for her to make a passing reference to whether she or her party agrees or disagrees with a privately owned youth training facility, but the bill is not about privately owned facilities of that kind.

Ms CAMPBELL — Maurice Graber, Secretary General of Defence for Children International, which is based in Geneva, wrote to the Premier on 10 February and to date has not received a reply. The letter states in part:

> The state of Victoria is known to us for its maintenance of the senior youth training centre option for young offenders. The opportunity provided by your state for diversion from prison of the young offenders most at risk of institutional abuse in prison and most amenable to rehabilitation is a most amenable and praiseworthy feature of your system. We understand that it is unique in Australia.
>
> The withdrawal of direct responsibility for the young offenders affected by the privatisation proposal would

represent, in our view, a most significant and, with respect, undesirable retraction of state responsibility for these children.

The advice is clear and has been heeded by the Labor Party in its opposition to privatisation and to similar provisions in the Children and Young Persons Act. I was advised early today that the International Jurists opposed the privatisation of youth training centres. I am waiting for an international fax but, unfortunately, it did not arrive prior to commencing my contribution.

Clause 10 inserts a new subsection into section 86 of the principal act. Clause 11 amends section 86 to clarify the application of victim impact statements. The government does not have a proud record on the practical application of this section to victims of sexual assaults. The reporting rate for victims of sexual assaults is extremely low. A recent survey by CASA House estimated that approximately 4 in 10 sexual assaults are reported to the police. The survey showed that many victim survivors decided not to report the assault because they thought it would do no good, they were guilty about what happened, they did not think they would be believed by the police, they did not want friends or families to know all, or they feared going to court.

The shadow Attorney-General outlined a number of the opposition's concerns about the application of section 86 of the principal act. Proposed section 86(9)(d) inserted by clause 11 will make available a channel for introducing evidence of psychological damage. Although in some instances this has been an informal approach, the legislation seeks to legitimise it as a court process. While it is acknowledged that an inability to fully present evidence is a weakness in the current legislation caution should be exercised in the use of victim impact statements.

I believe the use of victim impact statements in this way may mean that the offender will have access to the victim's medical records and details of the psychological impact the crime has had on the victim survivor's life. It is an extremely serious issue and I urge the Attorney-General to carefully consider that provision.

The witness can be cross-examined on the content of the victim impact statement. The psychologist or psychiatrist could be cross-examined on the findings of the report. We must be careful that we do not go down the path of further abuse of victims. The opposition has raised similar concerns about briefing notes prepared by legal counsel.

Victim impact statements are public documents. There have been instances in the past of the press quoting from the documents. Will this provision mean that the press will have access to a victim's medical and psychological records? This potential impact contrasts to the tribunal experience where injuries are taken on face value. This is the type of system that we believe benefits victims most.

I ask the Attorney-General whether proposed section 83A inserted by clause 9 will give Magistrates Courts a discretion to impose periods of disqualification commencing from the time of the first hearing of the matter or to make such orders until the final sentence is pronounced. The provision appears to be modelled on section 190 of the Children and Young Persons Act, which provides a mechanism for the deferral of sentencing in the Children's Court. It is difficult to understand why there are some minor differences in the drafting of the two provisions. Such differences can only cause courts to speculate that the provision was meant to operate differently and to work out what that was. Section 190 of the Children and Young Persons Act makes it mandatory to release the offender on bail.

The opposition supports the bill, particularly the amendments to the Children and Young Persons Act. I particularly emphasise the importance of the state managing youth training centres.

Mr ANDRIGHETTO (Narracan) — The contribution of the honourable member for Pascoe Vale centred on private prisons. I am at a loss to understand how the honourable member can relate the issue of private prisons to this bill. The contribution of the honourable member for Niddrie referred mainly to the Victims of Crimes Assistance Act. I am perplexed at how much time could be spent on issues totally irrelevant to this bill.

This excellent bill will give magistrates greater discretion when dealing with various offenders facing the court. The bill will allow magistrates to defer or vary sentences and to take into account intensive correction orders and community-based orders.

The way to create an excellent legal system is to give the magistrates, who are the triers of fact as well as of law, the opportunity to arrive at a disposition that is fitting and appropriate for the matter before the court. It is not the crime alone but also the event and the personal circumstances of the accused that are relevant. The other areas can quite often be addressed by giving the magistrate the discretion to deal with individual problems, such as those that arise in the home or more generally in the life of the person before the court. In

the past magistrates have not been able to use that discretion because it was not available to them.

From my experience in the courts I have acquired great confidence in our Magistrates Court and in the way the magistrates administer justice. It may be that one or two of them should not be there, but few would suggest that 99 per cent of the 100 or so magistrates we have are not doing an excellent job. They deserve the support of the community and of the Parliament, something that can be offered by allowing them to exercise the discretion they are in the best position to exercise.

The question of discretion has caused great concern in the past. Magistrates have had certain programs available to them, such as the old section 13 bonds. The sheer number of applications for a section 13 bond, however, meant that they could not be catered for sufficiently; so it was appropriate that that provision not continue. Other reasons, too, including the inability of the courts to provide appropriate services, made it prudent to discontinue the section 13 bond provisions.

The bill frees up the magistrates so they can exercise a discretion to cater for individuals and create tailor-made dispositions to suit the needs of particular circumstances. That is to be supported and encouraged.

We should tell the magistrates that the Victorian community is very appreciative of the work they do. The community holds the magistracy in high regard and is prepared to allow magistrates to exercise discretion in the knowledge that they are in the best position to make the appropriate dispositions.

I take this opportunity to congratulate a good friend, Lance Pilgrim, on his appointment as a judge of the County Court. I say to Judge Pilgrim that he has served the community exceptionally well. He started working in the courts as a clerk at the age of 16 and later served for many years as a magistrate. I served with him for most of that time. He was later appointed to the Guardianship and Administration Board and has in the past three years transformed it into an efficient and well-performing institution. I could not think of a more worthy person to be appointed as a judge of the County Court. I congratulate him on his appointment.

The honourable member for Niddrie spent at least 30 minutes talking about the outrageous conduct of the government several years ago in its handling of the issue of victims of crime. I direct the attention of the house to the dreadful situation that occurred in Denver, Colorado, some days ago. I heard an interview today on Radio 3AW with a person in Denver who was associated in some way with the disaster. He said the people involved, particularly the students, teachers and parents, would need a considerable amount of help and it would take a long time and a great deal of help before they would be able to recover from the effects of the incident, if at all.

Victims of such crimes need professional help over a long period. The opposition, however, cares about just one aspect of the matter — cash. How on earth can cash help the victims and other people seriously affected by a crime? How can a few bucks fix the problems that will manifest themselves as a result of exposure to a particular incident?

The honourable member for Niddrie spoke about all the people who can no longer claim cash. The record will show that the majority of people who claim cash as compensation for a crime are people who were serving members of the police force or the prison system, or people with criminal records. It is they who will miss out on the cash. The genuine victims, on the other hand, will have professional help available to them, plus all sorts of other help associated with getting them back to work and putting their lives back together.

I commend the bill to the house. It is an excellent bill. I have full confidence in the magistracy to apply its discretion in the way Parliament intends, and I am full of praise for the work our magistrates have done in the past.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

EDUCATION ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 21 April; motion of Mr GUDE (Minister for Education); and Ms DELAHUNTY's amendment:

> That all the words after 'That' be omitted with the view of inserting in place thereof the words 'this house refuses to read this bill a second time until such time as the government provides a guarantee that a professional teaching qualification is the central criterion in assessing the efficiency of all applicants for teaching positions in all schools'.

Mr E. R. SMITH (Glen Waverley) — It gives me pleasure to support the Education Acts (Amendment) Bill. I refer briefly to the speech of the honourable member for Northcote in her first carriage of a bill in

the education area. I was fascinated to see when I read her speech that most of her — —

Mr Maclellan — A sympathetic supporter of teachers.

Mr E. R. SMITH — I accept what the Minister for Planning and Local Government says. The honourable member for Northcote was trying to convince the house of the merit of her reasoned amendment. The more one reads her speech, the more apparent it becomes that it supports the government's position. As the Premier said during question time, the honourable member for Northcote has nothing but the highest praise for the government's education policy.

Mr Maclellan — A secret admirer.

Mr E. R. SMITH — She has now outed herself! Not only is she a secret admirer, as the Minister for Planning and Local Government says, but she is also a great supporter of the government's bill, as the Premier said. It is good to know that the government has the support of the new shadow Minister for Education, unlike her miserable predecessor, who was a non-supporter — although the former and current shadow ministers both manage to get things wrong. It is interesting that in her — —

Mr Maclellan — In her support?

Mr E. R. SMITH — No, in her so-called criticism of the contract teaching system she got most of it wrong. When the government came to office in 1992, an estimated 12 000 fully trained teachers had no jobs. Under the ALP and the two or three teacher unions operating at the time, the government had a closed-shop policy. Many young people with top qualifications were unable to get jobs.

One of the first things the coalition government did — and it was one of its greatest weapons — was to remove the right of departments and ministries across the board to collect union fees. The government worked on the principle that if people in the teaching area wanted to join a union they could do so, but union membership subscriptions were not to be deducted automatically as that would make membership of unions compulsory. An immediate and dramatic effect was that union membership fell to about 30 per cent — or was it lower than that? The honourable member for Footscray is about to interrupt me — I am not sure of the figure, but as a result two of the teacher unions had to amalgamate. It was an extraordinary situation!

The coalition government was faced with 12 000 unemployed teachers because of the ALP's closed-shop policy. The government has managed to create thousands of teaching jobs in areas such as the reading recovery program. Mount View Primary School, which my little eight-year-old attends, has three classes per grade, with approximately 90 to 100 children in each grade from prep through to grade 6, and the reading recovery program is conducted in prep, grades 1 and 2 and perhaps grade 3. The marvellous reading recovery program is conducted not only at the Mount View Primary School but throughout the state. This year 1000 teachers have been employed from outside the system to take up the vacant positions in the program. The stage is being reached in Victoria where more young people will have to be trained as teachers, and teaching will again be considered an attractive career option by young people in the later stages of their schooling, just as you and I, Mr Acting Speaker, viewed it when we were that age. We discovered what a rewarding job teaching could be, even if only for the short time we were doing that work.

The government has tried to clean up the mess in education left by the previous government and it has succeeded through the employment of contract teachers. The former Labor government had an oversupply of teachers across the state and in its last year of government had overspent the staffing budget by $72 million. At that time Victoria had 4000 teachers in excess and 5000 teachers on leave — that is, 9000 all up. What was the former Labor government doing? As it was still taking on people, one would have thought they were being employed in a casual capacity — but no, they were being taken on in a permanent capacity! The enormous mismanagement of government resources resulted in the former Labor government being up for $72 million in its education budget in its last year of government.

The position with contract teaching is that the principals of schools make decisions on how teaching position are filled. They have full staffing flexibility in all 1600-odd schools throughout the state. The principals are considered so highly by the government that they have the right to hire and fire and to employ people on the conditions they want. If they wish they can employ contract teachers for up to five years and they have the option of employing permanent teachers.

In addition — and the honourable member for Northcote did not manage to convey this point successfully to the house, by fair means or foul — contract teachers accrue the same entitlements as permanent teachers. That is the point at issue: contract teachers are not disadvantaged. For example, under two-year contracts, teachers are initially employed by the department. Then they select their own jobs from

positions available throughout the state. Their superannuation starts immediately, as does their long service leave — and they are two vital ingredients in the careers of teachers. If at the end of the first year a teacher goes from one school to another he or she can buy back the entitlement that would have been lost — that is, the continuity remains.

The honourable member for Northcote did not make those points in her speech. She tried to lead the house into believing something completely different about the employment of contract teachers. That point must be stressed and brought home, because although sometimes members' speeches are reported in the media — not very often in this house, unless they are about matters of controversy — the education portfolio is right off the front page at the moment.

Education policy in Victoria is conducted professionally, under a system of competition and with all the other ingredients necessary to ensure that the state is run as it should be — that is, for the benefit of Victorian children and their parents. Teachers also must be treated fairly, as they are under the government's contract system.

When the honourable member for Northcote introduces an issue as important as contract teaching into the debate on a bill such as the Education Acts (Amendment) Bill, she should get the facts right. I was pleased that on careful reading her speech shows that she was, as the Minister for Planning and Local Government said, a secret supporter of the government's policy and that, as the Premier said during question time today, she has outed herself and is now an open supporter of the policies of the government.

Mr MILDENHALL (Footscray) — Typically, and perhaps mischievously, the honourable member for Glen Waverley has misinterpreted the remarks made yesterday by the opposition. It is clear that the opposition has no difficulty with all applicants for teaching jobs being treated on merit and with the best applicant being selected for a job. However, the opposition draws the line — of which the government fails to see both the symbolic and practical importance — in employment at ensuring that teachers are appropriately qualified.

The bill would remove any reference to qualifications, which is something any Parliament committed to providing quality in education should not countenance. The reasoned amendment moved by the honourable member for Northcote would ensure that teachers possess the necessary qualifications and that applicants for teaching positions are ranked according to merit.

Unfortunately the bill represents another step taken by the government in its steady progress towards the erosion of the principles and foundations of a public education system that Victoria has previously been proud of. The opposition has been concerned and continues to be concerned about the erosion of the principles of equity to make way for the introduction of self-governing schools and a market system in the public school system.

The opposition is concerned that the concept of teaching as a career and the high qualification base of the teaching service has been eroded by the casualisation of the professional teaching service and the employment of unqualified teachers. The opposition is concerned about the erosion of the relatively free education system and the continuing movement towards a user-pays system.

Opposition speakers have correctly pointed out that the looming crisis in the state education system has arisen from a shortage of teachers. It has been estimated by the Australian Council of Deans of Education that Victoria will suffer an extreme shortage of teachers over the coming years, and its past predictions have invariably proved to be accurate. The current estimate is that within the first few years of the next century only 40 per cent of teacher demand can be met by the current output from training institutions.

How does the government respond to that looming issue? What would be expected from a responsive, alert, contemporary Victorian government? The first thing the government did was to deny that there is a problem. Of all the state governments, only the missing Victorian Minister for Education — he is gallivanting around — —

Mr Maclellan — On a point of order, Mr Acting Speaker, the honourable member for Footscray announced to the house that the Minister for Education was absent, but he is attending a ministerial conference, as are all the education ministers.

Mr MILDENHALL — As the speaker before me once asked in the house: does he still call Australia home?

The Victorian Minister for Education was the only education minister in Australia to claim that there is no problem, and he gave any critic or independent commentator the denial treatment.

Other strategic decisions made by the government about the education system have served only to exacerbate the problem. One marginally positive step was to recruit students into teaching courses by having officials visit classrooms to encourage students to become teachers. However, that approach is scarcely either practical or potentially effective. The attempt to recruit teachers from my electorate included talking to classes of primary school students. So although the government is trying to get in early, I believe that approach is inappropriate.

The worst of the government's responses to the shortage of teachers has been to open the door — it is only slightly ajar but it is ajar nonetheless — to allow in unqualified teachers, and they are coming in. The annual reports of the Department of Education show that each year hundreds more teachers are being unloaded from the state school system, and instructors are being recruited in increasing numbers. For instance, last year's annual report shows that 200 fewer teachers are now employed in the education system! The strength of the education system has been drained away — it is a brain drain. Yet, 175 instructors are now employed in state schools, which is an enormous increase from the number employed in 1997, when there were fewer than 10. That is an extraordinary growth, and one can clearly see the trend. It is a most inappropriate response to a teacher shortage.

As the honourable member for Northcote correctly pointed out yesterday, the opposition's announced initiatives are the way the government should proceed. The government should be prepared to invest the necessary resources and recognise and reward teachers. It should create more teaching career path incentives. Reducing the casualisation of the teaching service would be a desirable strategy to encourage and provide the financial incentives necessary to encourage the brightest of Victoria's school and university graduates to enrol in teaching courses. The government should, as it often does, seize upon opposition initiatives to use as its policy.

The government should recognise that teaching is a desirable and valuable profession. It should allow and promote the creation of an independent professional body for teachers that will provide for regulation of teachers by peers rather than under the government's overly paternalistic regulatory regime. With a recognition of the value of teaching should come an acknowledgment of a maturity of judgment and the capability of self-regulation.

Mr Maclellan interjected.

Mr MILDENHALL — The minister interjects, saying that laptops were given to teachers. Unless the government is prepared to maintain the legislative requirements that a recognised teaching qualification is a minimum prerequisite for entry into the teaching profession the opposition must proceed with the reasoned amendment. We owe it to the children of the state to guarantee that level of professionalism, reputation and continuing quality in the teaching service.

Mrs SHARDEY (Caulfield) — I am delighted to make a few brief comments on the Education Acts (Amendment) Bill, which covers three key areas — non-government schools, the teaching profession and self-governing schools. As a former member of the teaching profession I am keen to ensure that teachers are well qualified and that we get the best in the profession.

The bill repeals the provisions that give existing officers an advantage and provides that all appointments to positions in the teaching service are to be made on the grounds of relative efficiency. The opposition has in many respects overreacted to that simple amendment aimed at getting the best teachers and avoiding giving favoured treatment to those already in the teaching service. The provision is no more outrageous than that simple interpretation. It reflects the provisions that exist already in the Public Sector Management Act that was passed by the former Labor government in 1992. Yet the opposition claims that the government will abolish the requirement for qualifications and will allow overseas teachers to flood into Victoria to take up positions that will be made available. The opposition also wants the 8000 phantom teachers re-employed if Labor is reinstated.

Section 5 of the Teaching Service Act states clearly that a person is not eligible for appointment as a teacher unless:

> (c) the Chief General Manager is satisfied that he has fulfilled such qualification requirements as are in effect at that time.

Yesterday the honourable member for Ripon said that teaching service order 154 specified that teachers being admitted to the teaching service would need to have four years post-secondary training and must be qualified. It is malicious of the opposition to claim anything different. The honourable member for Broadmeadows said that the amendment would provide the opportunity for the government to bring teachers from overseas, which is ludicrous because the director of the department already has that power under section 5, which states:

(3) A person is not eligible for appointment to an office in the teaching service unless he or she is —

(a) an Australian citizen; or

(b) a permanent resident in Australia under any law of the commonwealth; or

(c) entitled to permanent residency in Australia under any law of the commonwealth.

(4) The director may waive the requirement in subsection (3) if he or she considers that it is in the interests of Victoria that a person who does not satisfy the requirements should be appointed to an office in the teaching service.

It is clear from that provision that the reasoned amendment should be ignored. It was quaint to see the honourable member for Broadmeadows come to the defence of the shadow Minister for Education. It makes sense because he promoted her into this place and into the shadow ministry. In coming to her defence he showed that he is prepared to support someone who claims something that is incorrect. The rest of his contribution was broad ranging and did not reflect the provisions of the bill.

The former shadow Minister for Education, the honourable member for Footscray, referred to the Labor Party's new policy on education, the shortage of teachers and what the Labor Party would do in government. The policy says a Labor government would raise the tertiary entrance requirements for acceptance to an education faculty. Do members of the Labor Party believe teachers are not intelligent enough and in some way do not measure up to the required intelligence for teachers?

With regard to self-governing schools, the minister may make a ministerial order specifying the terms and conditions of employment of persons employed by school councils. That is necessary because it provides consistency, which was recognised by the opposition. The Labor Party policy on schools is that it will abolish self-governing schools.

I am not sure whether the Labor Party is going to put out that message, but it is there in print. Why would opposition members support an amendment designed to ensure that teachers have proper pay and employment conditions, and so forth, if Labor intends to abolish the system? I have estimated that by the time the Labor Party has any possibility of gaining power — it may be the election after next — there could be many hundreds of self-governing schools with structures for employing teachers through their school councils. Labor would abolish those structures and somehow try to revert back to the old system. I am sure schools would not be happy with that situation.

In my electorate a multi-campus school that resulted from the amalgamation of the Caulfield North and Caulfield primary schools hopes soon to be known as Caulfield Junior College. In a recent issue of a local publication an article about the schools dealt with the benefits of the self-governing schools system. The article states:

> In addition to forming a new school identity in 1999 the school is one of 29 schools that has been granted self-governing status. This means the school has greater flexibility in the delivery of educational programs and more autonomy at a local level where the school council employs all new staff. This allows the school council and the Principal, Mrs Jennie Douglas, to work together to build the best possible staff team for their students' needs.
>
> The unique position of Caulfield Junior College will allow for a much more diverse delivery of curriculum than has otherwise been possible.

Finally, the bill proposes to amend the act to clarify which non-government schools would be considered to be in a rural area for the purposes of registration. During the debate attacks were made on the Registered Schools Board, but those attacks were rebuffed. The Registered Schools Board plays a strong role in ensuring that schools registered under the non-government system will be of a high standard and properly conducted.

The ALP policy on non-government schools — I have it in print and will be happy to show it to honourable members — claims that Labor will do the following things:

> Many non-government schools have large class sizes, run-down facilities and less access to computers than their state counterparts.
>
> Our new funding formula will include additional funds to enable non-government schools to provide for students with disabilities.
>
> We will also assist non-government schools to repair run-down classrooms and build new facilities. In return, we will demand increased accountability to ensure that taxpayers are receiving full value for money.

That is an incredible claim. If the Labor Party were really interested in putting more funding into non-government schools, why did it not increase the recurrent subsidy to those schools, which is approximately 21 per cent of what it costs to educate a child in a government school, when it was in power? During Labor's time in power there was almost no indexation of the subsidy, particularly for schools in categories 1 to 3. The government has indexed the payments so that schools receive — —

An honourable member interjected.

Mrs SHARDEY — You even fell behind! It is even more interesting that Victorian Labor now intends to get into the capital funding in the non-government system and will require accountability from non-government schools. The schools in my area will be delighted to hear that if Labor gains power it will take over the non-government system. The government has been accused of privatising the state system by setting up self-governing schools, but it seems that the Labor Party wants to take over the non-government system. Labor will use financial blackmail and demand that in return for handing over dollars for capital works it should set the standards in non-government schools, despite the fact that the Registered Schools Board has the power to monitor standards in those schools.

The opposition has interpreted the bill inappropriately and people should carefully examine the Labor Party's education policy. The bill covers three important areas. It is commendable and I support it.

Mr HAMILTON (Morwell) — I will not become involved in the debate on interpretation that followed question time today, but I will comment on this important bill. There is no doubt that Victoria's government schools have survived the past six years through the blood, sweat and tears of the teaching profession. Teachers have put up a magnificent effort despite the loss of jobs.

Modern use of language reinforces the greatest crime the government has committed against government schools. The word 'efficiency' has crept into the language. It is a word that has a serious meaning in physics. I taught physics for 20 years and 'efficiency' had a specific meaning: the relationship between the work output and the work input from some physical function. Since the pseudo-scientists, the economists and the accountants of the world have started using the word its meaning has been corrupted. Clause 7 of the bill is evidence of the corruption of Victoria's education system. Not only does the government not know what 'efficiency' means, in clause 7 it attempts to define what it means but it still ends up meaning nothing.

The greatest crime committed by the government in education has been its commercialisation. That is best illustrated in an article on page 7 of yesterday's *Herald Sun* headed '$10 mil. extra aid for schools'. It sounds wonderful until one reads the article. It says that the government is going to give $10 million to schools but that it must be on a three-for-one basis — that is, the school puts in $3 and the government puts in $1. That is wonderful for schools in areas such as Kew, Caulfield or Sandringham where parents are rich, but it is impossible for schools or struggling parents in communities outside Melbourne to raise even the first dollar. It is an insult to expect all schools to be able to raise the $3 needed to get a $1 grant from the government. It takes no account of the vast social and economic differences in the state — and the government knows it!

Mr Maclellan interjected.

Mr HAMILTON — The minister says they can use school funds. But where do schools raise their funds? It is from their local communities. The minister has gone to the Burger King schools where the Burger King organisation takes over and sponsors the school. Every morning the kids stand up and say, 'I love Burger King, and I will tell mum to buy one every night.' That is the commercialisation the government wants for schools.

If one considers where the extra money for schools has come from, one realises it has come as a result of the government's insidiously introducing compulsory charges and imposing on parents responsibility for the cost of a basic education for their children. It has resulted in a second-class group of schools in the parts of the state where the most disadvantaged of children need the very best educational opportunities. There is no doubt that students at schools such as Scotch College whose parents attended the same school have an advantage.

We need to concentrate on ensuring that students who are most in need of educational support and do not have a highly valued education environment at home get it at school. If the government continues with its current policies it will damn half the students in this state to a second-class education; the government should then be utterly ashamed of itself.

Let's get rid of this commercialisation and hypocrisy; let the government stop saying, 'We are throwing money at the system'. We constantly hear from the government, 'We have given $10 million here or $70 million there' and so on. The government is damned by its own statements because the solution is to start with direct support, especially of the schools, parents and teachers who are unable to raise the local funds to enable them to take advantage of the new gismos that are an unnecessary part of education.

Headlines in the *Herald Sun* and other sections of the media are starting to make sense. Articles are exposing the lie for what it is — namely, the $10 million will go only to schools that can raise $3 for every government dollar. The bill amounts to another $30 million tax on parents and continues the commercialisation of schools. That is not on.

Mr DIXON (Dromana) — I address my remarks to the first part of the Education Acts (Amendment) Bill regarding the registration and establishment of small schools and primary schools in rural areas. The bill will in no way disadvantage any schools that are already registered but will help communities that wish to set up new schools because it will re-establish or set the boundaries and minimum student numbers required for the establishment of those schools.

Because of changes in local government boundaries some confusion has arisen about what are city and rural areas and about the definition of large built-up urban areas in rural municipalities. The bill is a tidy housekeeping measure and will add surety to communities that wish to establish some local non-government schools. It is the right of parents and the community to do that if they believe that sort of education best addresses the educational needs of their children, so they will have that alternative and surety. The cornerstone of any democracy is the choice by parents of the schools to which they will send their children.

The new schools will be registered by the Registered Schools Board. The honourable member for Northcote implied that teachers are not represented on the board in any way, shape or form. Recently I came across a list of the members of the Registered Schools Board. Its members include notable educationalists and people who have had significant teaching and administrative education experience.

I have been on the receiving end of reviews by the board because for 15 years I worked as a principal in non-government primary schools, and one of the board's jobs is to register new non-government schools. I was the foundation principal of one new non-government school, and the school and its staff were subjected to formidable inspections before the school could be registered. The board then subjected the school to ongoing reviews according to prescribed accountability standards for non-government schools. Every part of the school's operations was rigorously inspected, including all aspects of curriculum, the facilities, the safety of students, the available equipment, the organisation of the school, the way it met the needs of education communities, the qualifications of teachers and whether they were delivering the right sorts of programs for children, and administrative arrangements. Those criteria for registration were rigorously inspected by well-qualified educationalists.

During debate yesterday I interjected when the honourable member for Northcote was making her contribution and referred to student retention rates. In reply, the honourable member said she would refer to that matter today, but she failed to do so.

I refer to the wonderful result published following an ABS survey which showed that by a long shot, Victorian schools now have the best retention rates of all Australian schools. That speaks well of the government's educational program.

Mr ASHLEY (Bayswater) — I am pleased to have a few moments to reflect on the Education Acts (Amendment) Bill and the reasons it was introduced. These days Parliament is essentially a maintenance and repair centre for legislation. Some legislation driven in here requires a major overhaul or service, but the bill strikes me as needing only a grease and oil change.

I turn to the third of the small changes made in the bill — that is, amendments to the Teaching Service Act to provide that all appointments to the teaching service are to be made solely on the ground of relative efficiency. Some people have difficulty with the term 'efficiency', but the word is not used only in scientific circles or physics; it pre-dated the emergence of modern physics.

The word 'efficiency', as used in the bill, takes up the issues of aptitude and the ability through aptitude to discharge one's duties. It also takes on the notion of diligence and qualification for the job at hand. In reflecting on the use of the word 'efficiency' rather than 'experience' it is important to look in two directions.

For example, the term 'experience' has been used to condemn many people who have come to this country. Frequently people have arrived on our shores and been told, 'Sorry, you don't have any Australian experience'. That can be loaded against young people in the teaching service; they can be told, 'Sorry, you don't have experience'. How do we quantify experience, or should we qualify it rather than quantifying it? What is 15 years experience? Is it experience over 15 years or is it an experience repeated 15 times?

The honourable member for Footscray referred to the use in schools of laptop computers. People of senior years who want to join the teaching service could be condemned or removed from consideration because they do not have computer-based experience, as is considered necessary for a teaching position. It can cut both ways. The thrust of the issue is not so much what experience one has but what one's aptitudes and abilities are. That is an advance, not a regression in the understanding of the way we should go about recruiting both mature and young people in our efforts to find the

very best people for the teaching service and to readorn the profession with the status it held a generation or two ago. I wish the bill a speedy passage.

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Mr Richardson) — Order! The time appointed by the resolution of the house to complete the business on the notice paper down to item no. 4 has arrived.

House divided on omission (members in favour vote no):

Ayes, 51

Andrighetto, Mr	McLellan, Mr
Ashley, Mr	Maclellan, Mr
Burke, Ms	McNamara, Mr
Clark, Mr	Maughan, Mr
Coleman, Mr	Paterson, Mr
Cooper, Mr	Perrin, Mr
Dean, Dr	Perton, Mr
Dixon, Mr *(Teller)*	Peulich, Mrs
Doyle, Mr	Phillips, Mr
Elder, Mr	Plowman, Mr A. F.
Elliott, Mrs	Reynolds, Mr
Finn, Mr	Rowe, Mr
Henderson, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr E. R. *(Teller)*
Jenkins, Mr	Smith, Mr I. W.
John, Mr	Spry, Mr
Kennett, Mr	Steggall, Mr
Kilgour, Mr *(Teller)*	Stockdale, Mr
Lean, Mr	Tehan, Mrs
Leigh, Mr	Thompson, Mr
Lupton, Mr	Traynor, Mr
McArthur, Mr	Treasure, Mr
McCall, Ms	Wade, Mrs
McGill, Mrs	Wells, Mr
McGrath, Mr W. D.	

Noes, 31

Andrianopoulos, Mr	Hulls, Mr
Baker, Mr	Kosky, Ms
Batchelor, Mr	Langdon, Mr *(Teller)*
Bracks, Mr	Leighton, Mr
Brumby, Mr	Lim, Mr *(Teller)*
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Micallef, Mr
Cunningham, Mr	Mildenhall, Mr
Davies, Ms	Pandazopoulos, Mr
Delahunty, Ms	Robinson, Mr *(Teller)*
Dollis, Mr	Savage, Mr
Garbutt, Ms	Seitz, Mr
Gillett, Ms	Thwaites, Mr
Haermeyer, Mr	Wilson, Mrs
Hamilton, Mr	

Amendment negatived.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

FAIR TRADING BILL

Second reading

Debate resumed from 21 April; motion of Mrs WADE (Minister for Fair Trading).

Motion agreed to by absolute majority.

Read second time.

Circulated amendments

Circulated government amendments as follows agreed to:

1. Clause 120, line 12, omit "anything on" and insert "goods or services at".

Amendments to Schedule

2. Schedule 3, clause 3, line 13, omit "Secretary" and insert "Director".

3. Schedule 3, clause 3, line 18, omit "Secretary" and insert "Director".

4. Schedule 3, clause 3, line 21, omit "Secretary" and insert "Director".

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

LAND (RESERVATIONS AND OTHER MATTERS) BILL

Second reading

Mrs TEHAN (Minister for Conservation and Land Management) — 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. The bill removes these reservations either to facilitate disposal or because the purpose of the reservation is no longer appropriate for the future use of the land. The bill also provides special leasing powers to enable development of an underground car park at South Carlton. This will add almost half a hectare of

open space to University Square. I now turn to the particulars of the bill.

Clauses 1 and 2 relate to the purposes of the bill and its commencement.

Clause 3 of the bill deals with a public purpose reserve located off Stricklands Track on the banks of the Moorabool River at Spargo Creek. The land and a connecting unused road form an inlier to a larger area of freehold land owned by Barwon Water. The freehold land forms part of land owned by Barwon Water for the management of the Korweinguboora Reservoir, which is located a few hundred metres to the west of the subject property. Revocation will allow for the land to be sold to Barwon Water for consolidation into its freehold land to form part of the area managed for the Korweinguboora Reservoir.

Clause 4 of the bill deals with a 195 square metre portion of water frontage land that is reserved for public purposes adjoining Middle Creek on the Wodonga–Beechworth Road at Leneva. The land has been occupied for residential purposes since 1905. The current residence on the site straddles the boundary of the adjoining freehold land.

Revocation will enable the land to be sold to the adjoining landowner who wishes to consolidate the ownership of the land on which his house is situated. A portion of public purposes reserve approximately 10 metres wide is to be retained between the area subject to the bill and the creek to ensure that public access is maintained.

Clause 5 deals with a 2023 square metre mechanics institute reserve located on the Leongatha–Inverloch Road, Leongatha South, known as the Leongatha South public hall. In recent years the building has fallen into disrepair and become a safety risk. There is no demand in the local community for the use of the hall and the subject land does not possess public land values to justify retention within the Crown estate. The CFA has applied to purchase the subject land and incorporate it into the Leongatha South Rural Fire Brigade station site. Revocation will allow for the sale of the land to the CFA to occur.

Clause 6 deals with a water reserve approximately 0.32 hectare located in Leonard's Hill off the Ballan–Daylesford Road. The land is partially fenced in with the adjoining portion of Crown land that is temporarily reserved for state school purposes. The remainder of the land is occupied under a grazing licence by an adjoining owner and contains a small spring that is used to supply water to the state school reserve and the licensee.

The state school reserve was most recently used as a campsite. It is now vacant and has been scheduled for sale. Revocation will allow the portion of the water reserve that is incorporated into the school reserve to be included in the proposed sale. The remainder of the land does not possess sufficient values to be retained in the Crown estate, and its disposal will be investigated.

Clause 8 deals with two portions of land at Point Henry. The land forms part of the treatment pond infrastructure at Alcoa's aluminium smelter operation. Alcoa has held the majority of the land under a lease since 1963. The lease is not due to expire until 2019.

Alcoa's stormwater treatment facilities have been incorporated into a managed wetland environment. The wetland area straddles the boundaries of the Crown land and Alcoa's freehold land-holdings. Alcoa wishes to purchase the area it currently occupies to consolidate its land-holdings at the smelter. Revocation will enable the disposal of the land to Alcoa.

As part of the sale negotiations, it is proposed that a permanent access road to Point Henry pier will be formalised across Alcoa's freehold land. The current government road access to the pier, which is operated under lease by Toll Ports, runs through a degraded area of foreshore to the north of the smelter. Relocation of the pier access away from the Crown land will enable the wetlands on this area of the foreshore to be re-established. Clause 10 of the bill ensures that the leases held by Alcoa and Toll will not be affected by the revocation.

A 40-metre wide area of foreshore reserve will remain in front of the area proposed to be sold to Alcoa and public access to the foreshore will not be altered. Alcoa has a proven record of sound environmental management. At Point Henry, approximately 400 hectares of land under Alcoa's control is being remodelled as part of a wetland environmental project with the objective of integrating the needs of the plant's operations with the management of the adjacent land. The project has already been successful in establishing habitat for rare and endangered migratory birds and improved water quality management that provides a benefit to the wetland area on surrounding Crown land.

The wetland is not fenced into the operational area of the smelter and is accessible to the public. Alcoa encourages groups such as Birds Australia and the Geelong Field Naturalists to enjoy the wetlands and works to provide a quality natural habitat for

indigenous species of flora and fauna. Alcoa has consulted with these and other relevant environmental organisations during the sale negotiations and is committed to continuing its relationship with these organisations regarding the management and use of the wetland after it has purchased the land.

To further ensure that the environmental values of the land subject to the bill are recognised and protected for future generations, the proposed sale of this land will be subject to a Trust for Nature covenant being placed on the title. Alcoa has already indicated that it is supportive of protecting the environmental values of the land in this manner.

Clauses 11, 12, 13 and 14 deal with the revocation and re-reservation of the bed and banks of Stringers Creek in the township of Walhalla to assist with the township restructure.

The township of Walhalla was settled in the mid-1860s following the discovery of gold in the area. At its peak Walhalla had a population of 4500 residents but now has a population of 22. Walhalla was not serviced by electricity until December 1998 and is very much in its original condition. It is a popular tourist destination and work is continuing to extend the tourist railway from the Thompson River station into the township proper.

The subject land, all of which is located in the historic township, consists of water frontage areas and creek beds. It includes unproclaimed roads and a number of areas where the adjoining freehold occupations have encroached onto the reserve. The 21 encroachments consist mainly of portions of some residences and garden areas and most would date back to the early settlement of the area.

The full potential of this historic township has not yet been realised due to the earlier lack of electricity and telecommunications infrastructure and the mixed status of many of the allotments within the township. The Department of Natural Resources and Environment and Baw Baw Shire Council commissioned a jointly funded study to determine a strategic plan for Walhalla that would encourage the development of the township whilst protecting its historic values. The report highlighted the need to restructure the township to provide developable allotments able to capitalise on the new infrastructure.

Revocation will allow the township to be restructured to provide developable allotments by consolidating the encroached areas with the adjoining freehold parcels and formally proclaiming the roads to provide the allotments with legal access.

The bill also provides that the portions of the public purposes reserve not encroached upon or used as roads be re-reserved for the purpose of the conservation of an area of historic interest, which will assist in protecting the historic values of the township. This protection is further strengthened by the planning scheme that strategically deals with development, design and streetscape issues for the township.

Survey plans for the township restructure have not yet been finalised. Accordingly the bill provides that the revocation and re-reservation occur at a later date after the final survey plans become available.

Part 5 of the bill deals with University Square in South Carlton. The University of Melbourne is undertaking a $250 million expansion project in and around University Square, South Carlton. The project includes 50 000 square metres of academic and conference facilities, 200 serviced apartments, retail areas and a 1300-space underground car park.

The underground car park, which is an integral part of the development, is proposed to be constructed in the strata of land below the northern end of University Square and Leicester and Barry streets. The rest of the proposed development is to be completed on freehold land.

University Square is Crown land permanently reserved for ornamental gardens. It is vested jointly in the Melbourne City Council and myself as minister and managed by council as committee of management. Leicester and Barry streets are government roads under the management control of council as the relevant road authority.

To facilitate the development of the car park, the bill provides for the revocation of the reservation currently affecting the strata of land under University Square. The bill then permanently reserves the strata of land required for the car park under University Square and Leicester and Barry streets for public purposes. The bill also places the new reserve under the control of the Melbourne City Council as committee of management. The revocation and reservation will not affect the status or current management arrangement of the surface of University Square or the adjoining government roads.

The exact area under University Square which is to be revoked and the area to be reserved are to be finalised through the provision of a survey plan certified by the Surveyor-General. The bill provides that the revocation and reservation will be effected by a later order in council only after the required survey plan has met with my approval. This will ensure that only the area

necessary for proposed development will be included in the new reserve.

To allow for the amortisation of the substantial capital investment required to construct the proposed car park, the bill provides the committee of management, subject to the Minister for Conservation and Land Management approval, with the ability to grant leases for the purposes of a car park for a term or an aggregate of terms not exceeding 50 years. A lease term of this length is consistent with other similar developments in the area such as Argyle Square. The rental for the lease will be charged at full market rate established through valuation. The council will retain the rental from the lease and use it to manage and improve the surface of University Square as well as other public land under its control.

The lease for the development of the car park will not be approved until the relevant conditions under the planning scheme relating to university expansion have been met. These include the finalisation of a traffic management plan, a landscape concept plan and an environmental management plan. Much work has already been done by government and the University of Melbourne to ensure that the expansion of the university is carried out in an appropriate manner. The University of Melbourne has worked in conjunction with the National Trust to ensure that the development will incorporate the retention of the terrace houses in Leicester and Barry streets.

Officers from the Department of Natural Resources and Environment have facilitated negotiations to ensure that the Victoria Bowling Club will be suitably relocated from its current location at University Square to the Flagstaff Gardens, where it will co-locate with the City Bowling Club. The relocation of the Victoria Bowling Club, which is necessary to enable the construction of the proposed car park, will create almost half a hectare of new public open space at University Square.

Clauses 7, 9 and 20 of the bill contain provisions that are generally applicable to land bills of this type. They detail the consequences of revocation and require the Registrar of Titles to make the necessary amendments to titles.

I commend the bill to the house.

Debate adjourned on motion of Ms GARBUTT (Bundoora).

Debate adjourned until Thursday, 6 May.

NEW TAX SYSTEM PRICE EXPLOITATION CODE (VICTORIA) BILL

Second reading

Mr MACLELLAN (Minister for Planning and Local Government) — On behalf of the Premier, I move:

That this bill be now read a second time.

The object of this bill is to assist in the prevention of price exploitation under the commonwealth government's new tax system.

As part of its new tax system, the commonwealth has introduced the A New Tax System (Trade Practices Amendment) Bill 1999. The purpose of the commonwealth bill is to prevent suppliers from profiteering in the transition to the new tax system, either by failing to pass on to consumers the benefits of lower taxes on goods and services, or by unjustified price increases.

The commonwealth bill will insert a new part VB into the Trade Practices Act 1974. It will also create a schedule version of part VB, which is modified to refer to 'persons' rather than 'corporations'.

The schedule version of part VB, combined with the other relevant provisions of the Trade Practices Act, form the basis of the New Tax System Price Exploitation Code.

The Victorian bill is designed to overcome limitations on the legislative power of the commonwealth Parliament. While the Trade Practices Act will apply to activity within the commonwealth's legislative power — for example, conduct by corporations, or interstate trade and commerce — certain activities, such as transactions involving individuals or partnerships, may fall outside the scope of the act. State and territory legislation is required to ensure that the code applies across the entire economy.

At a special Premiers conference held on 13 November 1998, and again at the Premiers conference held on 9 April this year, states and territories agreed to introduce legislation to implement the price exploitation code by 1 July 1999.

Under the code, price exploitation will be prohibited where a supplier sells a product for a price that is unreasonably high, having regard only to the new tax system changes, and even if the following matters are taken into account: the supplier's costs; supply and demand conditions; and any other relevant matter.

The code empowers the Australian Competition and Consumer Commission (ACCC) to take action to prevent price exploitation by:

publishing guidelines on when prices will be unreasonable;

issuing notices that specify the maximum price that should be charged for a particular product;

prosecuting suppliers guilty of price exploitation and seeking fines in the Federal Court of up to $10 million for bodies corporate and $500 000 for individuals; and

obtaining injunctions against suppliers who engage in price exploitation, and orders to cap prices and require refunds.

The code also empowers the ACCC to monitor and report on prices in the 12 months leading up to, and in the two years following, the introduction of a goods and services tax. The ACCC can require the disclosure of information as part of this monitoring role.

While the GST will not commence until July 2000, the code is due to commence on 1 July 1999 for the following reasons:

wholesale sales tax on certain luxury items will be reduced on 1 July 1999. The code will apply to prices charged for these items from this date;

the ACCC needs to begin monitoring prices from 1 July 1999 in order to set benchmarks against which prices can be measured after the introduction of the new tax system; and

state legislation is needed to empower the ACCC to compel the provision of information by businesses that are outside the legislative power of the commonwealth Parliament.

The prohibition on price exploitation applies only to transactions that take place within two years of the introduction of the GST. After this two-year transition period the prohibition on price exploitation effectively ceases to operate.

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section by this bill. Clause 38 of this bill provides that it is the intention of division 3 of part 5 to alter or vary section 85(5) of the Constitution Act 1975. These provisions preclude the Supreme Court from entertaining matters arising under the code.

The jurisdiction of the Supreme Court is limited because this bill, in conjunction with complementary legislation in other states and territories and the commonwealth bill, is designed to establish a national scheme for the administration and enforcement of the codes of the various jurisdictions, as if they were a single law of the commonwealth. This scheme will allow the various codes to be administered in a consistent way and in the same manner as the new part VB of the Trade Practices Act.

To give effect to this national scheme, the state and territory bills will vest jurisdiction concerning matters arising under the code in the Federal Court of Australia and exclude the jurisdiction of state and territory courts.

It would reduce the effectiveness of the national scheme if a state Supreme Court had additional jurisdiction concerning matters arising under the code, as this could allow the code to be administered in a particular state in a manner that is inconsistent with the administration of the codes in other jurisdictions.

This bill is an important part of the commonwealth government's new tax system. In most markets, competitive forces will be sufficient to prevent unscrupulous traders taking advantage of consumers through price exploitation.

The ACTING SPEAKER (Mr Jasper) — Order! I do not want to interrupt the minister, but I think the honourable member for Sunshine should remove himself from the position he is in and go outside if he wishes to have a discussion. He should not block the way of members moving to and from the chamber.

Mr Stockdale — I got caught in a factional brawl there!

Mr Batchelor — Whom were you supporting? The honourable member for Doncaster?

Mr MACLELLAN — I am just trying to read the last three lines of my second-reading speech and get the agony over with!

However, this bill, in conjunction with its state and territory counterparts and the commonwealth bill, will help ensure that consumers receive the full benefit of lower prices under the new tax system.

I commend the bill to the house.

Debate adjourned on motion of Mr HAERMEYER (Yan Yean).

Debate adjourned until Thursday, 6 May.

LOCAL GOVERNMENT (MELBOURNE CITY COUNCIL RATES) BILL

Second reading

Mr MACLELLAN (Minister for Planning and Local Government) — I move:

That this bill be now read a second time.

This bill amends the Local Government Act 1989 to permit the Melbourne City Council to continue its current rating arrangements and makes a statute law revision amendment to the Environment Effects Act.

Capital cities have the difficult task of providing appropriate pricing structures for their residential ratepayers due to their unique rating base, made up predominantly of commercial and industrial properties. The Melbourne City Council currently raises general rates by the application of a differential rate using a net annual value system of valuing land. Under the Local Government Act a council may only apply a differential rate if it uses a capital improved value system of valuing land.

For the past three years the Melbourne City Council has been granted an exception to this requirement. The council was permitted, by order in council, to apply differential rates regardless of the system of valuing land adopted for use, and to apply a differential rate for a type or class of land according to its geographic location. This exception was granted to allow the Melbourne City Council to provide an equitable distribution of rates. It was granted taking into account two factors:

(A) Further time was needed to bring rates of the former City of South Melbourne into line with rates of other residents so as not to impose a large increase in rates on residents in the former City of South Melbourne; and

(B) The significant decline in commercial and industrial property values, which meant that there had not been a shift in the rating burden back to commercial properties from residential properties.

Melbourne City Council has recently undertaken a new valuation which has seen significant increases in residential property values. To ensure that these recent valuations do not result in an inequitable distribution of rates, the Melbourne City Council needs and has requested to be permitted to continue its current rating arrangements.

It is not possible to extend the existing exemption order in council which applies to Melbourne City Council rating arrangements as the order was made under a section of the City of Melbourne Act which has been repealed. Accordingly this bill will permit the Melbourne City Council to raise any general rates by application of a differential rate regardless of the system of valuation it is using for the financial year ending 30 June 2000. This bill also enables the Governor in Council to make a new order in council, on the recommendation of the minister, extending this arrangement to later financial years if necessary.

This bill also makes a minor amendment to the Environment Effects Act to change an incorrect reference in that act from the Department of Natural Resources and Environment to the Department of Infrastructure.

I commend the bill to the house.

Debate adjourned on motion of Mr HAERMEYER (Yan Yean).

Debate adjourned until Thursday, 6 May.

POLICE REGULATION AND FIREARMS (AMENDMENT) BILL

Second reading

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

This bill will amend the Police Regulation Act 1958 and Firearms Act 1996. The major changes proposed in the bill are to:

enhance the integrity of Victoria Police by empowering the chief commissioner to dismiss from the force members who are unsuitable;

respond to recommendations from the Ombudsman's report on Operation Bart — window shutters investigation;

enable lateral entry to police ranks;

enhance ethical standards and the disciplinary process;

improve administrative matters; and

implement a national scheme for recognising other Australian jurisdictions' permits granted to international firearms owners.

Dismissal of unsuitable members

The effectiveness of the Victoria Police in protecting the community rests heavily upon the community's confidence in the integrity of its members, upon the assiduous performance of their duties and upon the judicious exercise of their powers. The duties and responsibilities of police members are such that the public is entitled to expect that they always act in a way which is above reproach and suspicion. The chief commissioner is responsible and accountable for the management and maintenance of a police force in which the Victorian community can have confidence. His managerial responsibility is to ensure that only trustworthy and adequately behaved members should exercise police powers in relation to other citizens.

The current disciplinary regime falls short of enabling the chief commissioner to adequately enforce that standard. In some recent cases, there has been insufficient evidence to meet the very strict standards that are required to prove a criminal or serious disciplinary offence, but the member's conduct clearly calls into question their suitability to continue as a police member.

The commonwealth and New South Wales have recently enacted legislation to address this shortcoming in their own police disciplinary systems and improve the integrity and ethical standards of their own police services. The Western Australian police commissioner has possessed this power for a number of years.

The rationale for this type of power is well stated by the Wood royal commission in its second interim report:

> Absolutely integral to proper management is the existence of a power in the police commissioner to remove from the service those officers in whom he has lost confidence. This is to the advantage of the community and of those members of the service who are performing properly ... Such a procedure needs to be understood as a managerial and not a disciplinary procedure ... It does not involve a finding of guilt concerning an offence or disciplinary transgression, and it does not involve any adverse consequences other than termination of employment ... The police commissioner can hardly be held accountable for ... lack of integrity within the service, if it is acknowledged that there are unethical police and he cannot rid the service of them.

While the widespread institutionalised corruption exposed by the Wood royal commission does not exist in Victoria, the chief commissioner does need an effective mechanism for dealing, in a timely and efficient manner, with officers whose lack of integrity, if known to the community, would damage community confidence in the Victoria Police. The proposed amendments will provide the chief commissioner with that power.

The government recognises that this gives a significant power to the chief commissioner. It expects that it will be exercised very sparingly and only in circumstances where the existing processes in the Police Regulation Act 1958 relating to disciplinary and criminal charges cannot be used to deal with the matter appropriately.

To provide an appropriate safeguard, the bill provides any dismissed member with a right of review, the outcome of which is binding on the chief commissioner. The review will be heard by the Police Board of Victoria. The membership of the board is adjusted for those hearings so that the chief commissioner will not be a member and an additional legally qualified member will be appointed and required to sit.

In conducting a review, the board must consider whether or not the chief commissioner's decision was sound, defensible or well founded. The board is to have regard to the public interest — that is, the interest of maintaining the integrity of the force and the fact that the chief commissioner has made an order — and the interests of the applicant.

The police board may confirm the order or, if satisfied that the decision was not sound, defensible or well founded, order reinstatement, compensation (if reinstatement is not practical), or refer the matter back to the chief commissioner for reconsideration.

Ombudsman's report on Operation Bart

In his final report on Operation Bart, the Ombudsman recommended improving the current summary offence of bribery in the Police Regulation Act 1958 by increasing the one-year limit on actions and improving search warrant processes. The bill increases the limit on actions to three years and improves the search warrant provisions.

Enable lateral entry to police ranks

The Police Regulation Act 1958 currently imposes restrictions on the appointment of police from outside Victoria Police. These restrictions unnecessarily limit the flexibility to appoint the best person. The bill will remove the restriction on outside entry to Victoria Police.

Enhance ethical standards and the disciplinary process

To enhance ethical standards and the disciplinary system, a number of changes are proposed to:

provide for a positive obligation upon members of the police force to report serious misconduct;

make it an offence to harass a member or employee for reporting such misconduct;

allow for the recovery of pay where a member suspended with pay resigns before the determination of the matter, or where a member is dismissed as a result of the matter;

simplify the discipline system by removing the formal obligation to provide a member with an opportunity to make a written explanation of a matter prior to bringing a charge for a breach of discipline;

extend the range of outcomes from discipline hearings to include the ability to adjourn charges with conditions and/or ban promotion or transfer for up to two years; and

recover fines from outstanding wages or leave entitlements.

Improve administrative matters

The amendments proposed to improve administrative matters are to: streamline the appointment process for short-term acting deputy commissioner appointments; provide for the appointment of an acting chief commissioner; and simplify the oath of office.

Mutual recognition of interstate firearms permits held by international visitors

At its November 1998 meeting the Australasian Police Ministers Council resolved that jurisdictions should implement arrangements to recognise other jurisdictions' firearms permits granted to international visitors. This decision was made, in particular, to facilitate the participation of overseas shooters in events such as the Sydney Olympics.

The amendments will allow permits issued by any Australian jurisdiction to be recognised in Victoria. The Firearms Act 1996 will be amended to not require a separate permit in Victoria where a person has an interstate permit satisfying conditions set in the regulations.

I commend the bill to the house.

Debate adjourned on motion of Mr HAERMEYER (Yan Yean).

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I move:

That the debate be adjourned for two weeks.

Mr HAERMEYER (Yan Yean) — The bill is a very dangerous measure with some far-reaching consequences. To try to ram it through in two weeks in the last week or second-last week of sitting before an election is the height of arrogance and dictatorial behaviour on the part of the government.

The house needs more time to debate and consult on the bill. The bill was conceived in secrecy and drafted with no consultation whatsoever with affected parties and now the government expects the community to consult on it, absorb it and debate it in a short two-week period. That is typical of the contempt with which the government treats both the Parliament and the public of Victoria.

Mr W. D. McGrath interjected.

Mr HAERMEYER — The minister has suggested that it has something to do with the likes of Detective Sergeant Tanner. It has absolutely nothing to do with him. It has everything to do with politicisation of the police force and silencing of critics.

The bill is extremely important because it goes to the heart of the independence of the police force and the doctrine of the separation of powers. It is about establishing political control through fear and intimidation by members of our police force and is a recipe for corruption. Such legislation should not be rammed through the house in such a short time.

Mr E. R. Smith — On a point of order, Mr Acting Speaker, it is the usual practice of this house that when a member is reading, particularly at the rapid rate that the honourable member is reading at the moment, that he make the document available to the house.

Mr W. D. McGrath — And debating!

The ACTING SPEAKER (Mr Jasper) — Order! Is the honourable member prepared to make the document he is reading available to the house?

Mr HAERMEYER — If the honourable member for Glen Waverley can read my handwritten scrawl, I am only too happy to make it available.

The ACTING SPEAKER (Mr Jasper) — Order! Is the honourable member referring to notes?

Mr HAERMEYER — I am only too happy to make them available.

The ACTING SPEAKER (Mr Jasper) — Order! I do not uphold the point of order.

Mr HAERMEYER — Parliament needs time — or at least the members on this side of the house who take their responsibilities as members of Parliament seriously need time — to consult the general community. Government members opposite just sit there and accept anything that is rammed down their throats by the executive government — why they bother to collect their pay I do not know — but honourable members on the opposition side take their responsibilities to the community, the Parliament and the democratic system seriously.

We need time to consider the bill and to consult with interested parties, particularly the Police Association — which the government in its normal jackbooted fashion is trying to do over because it dared to raise the issue of police numbers — and some of the civil liberties groups that will have a strong interest in the bill. In the long term the community at large will be seriously affected if the bill is rushed through without proper consultation and debate.

The government is, as I said, seeking to jackboot the bill through the house as one of its last acts in what will probably be the last or second-last week of parliamentary sitting before it goes to an election. The bill is potentially too dangerous and its consequences for the community far too serious for it to be rammed through in such a summary and dismissive manner. Victorians have already seen what happens when a police force allows its independence to be compromised in the way that it was in Queensland under the corrupt Bjelke-Petersen government and then Commissioner Lewis. The Premier regards that government as a role model.

The ACTING SPEAKER (Mr Jasper) — Order! On the question of time.

Mr HAERMEYER — On the question of time, the bill has the potential to lead us down that path. It is inappropriate that the contents of the bill will be discussed in two weeks given that no consultation whatsoever has taken place and that there is minimal opportunity for consideration and debate.

It is unfortunate that the government has brought in this bill without having spoken to the Victoria Police Association. One would have thought that the police association, as a directly affected group, would have been consulted on the drafting of the bill. Instead the association was ignored, and the bill was conceived and crafted in the shadows. Given that the government did not enter into consultations when drafting the bill, considerable time should be allowed to consult before the bill is debated.

It is unfortunate that the house will be sitting for only 15 or 18 days of this sessional period, which shows the contempt with which the parliamentary process is treated. Government members should take their responsibilities as members of Parliament far more seriously, instead of merely acting as rubber stamps for a jackbooted, dictatorial government.

I believe government members should talk and listen to the community, particularly government members who were formerly members of the police force. I will be interested to see how they respond because they have sold out their former profession during debates of this sort in the past. They should be given the opportunity to sound out some of their former colleagues. They might be quite shocked to learn how their colleagues regard them.

The contents of the bill need to be debated properly and placed under real scrutiny. The government needs to listen. Ramming the bill through in two weeks will not achieve the best outcome. There is a great deal to justify allocating a period of six weeks for consultation and widespread and comprehensive community debate before the second-reading debate is resumed.

I see nothing wrong with extending the sessional period into June so that appropriate debate can take place. Given the number of sitting days and the way honourable members have gone about performing their duty to scrutinise legislation during the past 12 months, I believe this would have to go down as the laziest Parliament in Australia.

The ACTING SPEAKER (Mr Jasper) — Order! On the question of time!

Mr HAERMEYER — On the question of time, Mr Acting Speaker, there is a great deal to justify adjourning the debate for a period of six weeks so that Parliament can properly consider this important bill.

When I watched the opening of the German Federal Parliament, which has a transparent dome, I remembered that at one time this chamber also had a glass dome to symbolically represent the transparency of Parliament. It is significant that the glass dome has been painted over.

Mr SAVAGE (Mildura) — I support the extension of time before the resumption of the second-reading debate on the bill. The bill deals with an issue that is close to my heart, given that I served on the police force prior to becoming a member of Parliament.

After listening to the minister's second-reading speech and reading the bill for the first time today, I cannot

believe there is only a two-week period in which to conduct appropriate consultation. We all know no changes will be made between now and the time when the bill is voted on in a couple of weeks.

The government is reprehensible in not having consulted with the Victoria Police Association which represents 98 per cent of the Victoria Police Force. Is this an exercise to get rid of Detective Sergeant Tanner? Currently there is adequate provision in sections 69(1)(c) and 84 of the Police Regulation Act; there is no need to introduce draconian legislation on that basis. I am amazed at what is happening because when I was in the police force the Labor Party was the enemy but now the enemy is the coalition. The legislation will have a demoralising effect on the goodwill, dedication and loyalty of members of the Victoria Police Force.

The minister may not have the insight that I had, but the police force is on its knees. I am disappointed that the government has chosen not to introduce an element of conciliation, consideration and democracy. I support the shadow minister on the question of time. The bill is an attempt to silence critics in the police force; it is not about getting rid of crooks. Who wants crooks in the police force? The bill is about silencing those few who have the courage to stand up and say what things are like in the state.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member should make his comments through the Chair and on the question of time.

Mr SAVAGE — The bill has been introduced by one of the longer second-reading speeches and contains one of the most important changes to the Police Regulation Act that this state has ever seen but we have been given only six parliamentary sitting days to consult on it.

Mr E. R. Smith interjected.

Mr SAVAGE — It is only two weeks. The honourable member for Glen Waverley is a disgrace. He pretends to be a conservative who supports law and order.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member should restrict his comments to the question of time.

Mr SAVAGE — This is important proposed legislation. Six weeks should be set aside to allow the Victoria Police Association to have some input into the debate on the changes that are proposed to be made to the act. I support the shadow minister on the question of time.

Mr W. D. McGRATH (Minister for Police and Emergency Services) — The opposition and the independent member for Mildura have argued about time but they had already made up their minds to oppose the adjournment for two weeks without consultation. Next week is a week of recess and members will be able to spend the entire week in the consultation process they claim they require. The honourable member for Yan Yean and his bills group will have the whole week to consult. I point out that the Wood royal commission recommended that such measures be adopted. The New South Wales Labor government adopted them, as did the ACT, and such measures have been in place for some time in Western Australia. From that point of view, the dramatics of the bill are not as imposing as is being suggested by the opposition on the question of time.

A two-week period is adequate to bring the consultation process to fruition and the government believes that pushing on with the legislation is the proper and sensible course. Any Victorian police officer who goes about his or her duties in a proper, sensible and accountable manner has nothing to fear from the legislation.

House divided on motion:

Ayes, 49

Andrighetto, Mr	McNamara, Mr
Ashley, Mr	Maughan, Mr
Burke, Ms	Paterson, Mr
Clark, Mr	Perrin, Mr
Coleman, Mr	Perton, Mr
Cooper, Mr	Peulich, Mrs
Dean, Dr	Phillips, Mr
Dixon, Mr (*Teller*)	Plowman, Mr A. F.
Doyle, Mr	Reynolds, Mr
Elder, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Finn, Mr	Ryan, Mr
Henderson, Mrs	Shardey, Mrs
Jenkins, Mr	Smith, Mr E. R. (*Teller*)
John, Mr	Smith, Mr I. W.
Kennett, Mr	Spry, Mr
Kilgour, Mr (*Teller*)	Steggall, Mr
Lean, Mr	Stockdale, Mr
Leigh, Mr	Tehan, Mrs
Lupton, Mr	Thompson, Mr
McArthur, Mr	Traynor, Mr
McCall, Ms	Treasure, Mr
McGill, Mrs	Wade, Mrs
McGrath, Mr W. D.	Wells, Mr
Maclellan, Mr	

Noes, 30

Andrianopoulos, Mr	Hamilton, Mr
Baker, Mr	Hulls, Mr

Batchelor, Mr	Kosky, Ms
Bracks, Mr	Langdon, Mr (*Teller*)
Brumby, Mr	Leighton, Mr
Cameron, Mr	Lim, Mr (*Teller*)
Campbell, Ms	Loney, Mr
Carli, Mr	Maddigan, Mrs
Cunningham, Mr	Mildenhall, Mr
Davies, Ms	Pandazopoulos, Mr
Delahunty, Ms	Robinson, Mr (*Teller*)
Dollis, Mr	Savage, Mr
Garbutt, Ms	Seitz, Mr
Gillett, Ms	Thwaites, Mr
Haermeyer, Mr	Wilson, Mrs

Motion agreed to.

Debate adjourned until Thursday, 6 May.

SHRINE OF REMEMBRANCE (AMENDMENT) BILL

Second reading

Mrs TEHAN (Minister for Conservation and Land Management) — I move:

That this bill be now read a second time.

The Shrine of Remembrance was built between July 1928 and November 1934 in remembrance of those 114 000 men and women of Victoria who served in the Great War of 1914–1918. The people of Victoria felt that their debt to these volunteers who had gone to war at such cost to themselves and their families should be recognised by a permanent monument of remembrance. Although the country was faced with serious unemployment and financial difficulty in the late 1920s and early 1930s, so important was such a memorial seen that the large sum of money required to build the shrine was raised or promised within six months from the opening of the appeal.

The design was selected by competition from 83 entrants and the winning entrant was designed by two Melbourne ex-servicemen, Peter Hudson and James Wardrop, and built on land that was permanently reserved as a site for the shrine. Since that time two major additions have been made to the Shrine Reserve — the forecourt to commemorate those who served in World War II and the Garden of Remembrance commemorating the service of Victorians in Korea, Malaya, Borneo, Vietnam and Kuwait.

The shrine is managed by trustees who are responsible for the operation and maintenance of the shrine and the grounds surrounding the shrine. Hundreds of thousands of visitors and pilgrims come to the shrine each year to remember, to contemplate or simply to visit as tourists.

During the recent restoration of the terraces surrounding the main building, a large area underneath the shrine known as the undercroft was cleared of the rubble that had been left there after the building of the shrine was completed in 1934. Drainage and electrical installations were also updated, and toilets and a lift installed. In recent years the trustees of the shrine have considered proposals to develop this area and have taken advice on various possibilities.

One of the proposals the trustees are looking at is to develop the undercroft area into galleries of remembrance. These galleries might include features such as interactive displays, which would tell the story of Victorians' history at war from the Boer War through to the Gulf War. However, before the trustees can undertake any detailed work of this nature an amendment to the legislation is necessary to provide them with the statutory power to allow them to improve this undercroft area of the shrine.

At the same time it is proposed to restructure the trust and to include people with the necessary expertise to ensure that a project of this nature could be carried out. A number of other amendments are proposed in the bill to ensure appropriate accountability mechanisms and to support the trustees' desire to ensure that the shrine remains relevant and accessible to all those who visit the shrine. I turn now to the contents of the bill.

After consultation with the Shrine of Remembrance Trust Legislation Committee, it is proposed to amend the Shrine of Remembrance Act 1978 to provide the trustees with the necessary power to improve the undercroft area of the shrine. At the same time, in order to ensure that the trust includes people with the necessary expertise to oversee any project that the trustees might feel appropriate for the undercroft, it is proposed to restructure the trust to provide for a smaller trust made up of eight people appointed for a period of up to five years. The eight members will include a chairperson, the Lord Mayor of the Melbourne City Council or a councillor nominated by the council, a representative of each of the Returned Services League and Legacy who have served in the armed forces, and four further members drawn from people having expertise in administration, business, finance, marketing or public relations, one of whom must have served in the armed forces.

With the exception of those trustees who are ex officio trustees, those of the current trustees who are not appointed to the new trust will be appointed as life

governors to assist the trustees with the conduct of ceremonial activities related to the shrine and to carry out such other functions as the trustees may, from time to time, request. The trustees will also be given the power to appoint governors who will have the same functions as the life governors. The governors will be appointed for periods not exceeding five years and may be reappointed.

To ensure that there is an appropriate provision for accountability the trustees will be required, as for other bodies of a similar nature entrusted with the administration and care of Crown land, to prepare a business plan each financial year. A provision similar to provisions in other legislation dealing with Crown assets, to provide that the minister may give a written direction to the trustees, has also been included with the support of the Shrine of Remembrance Trustees Legislation Committee.

The bill also provides that the minister may, with the approval of the trustees, give a copy of the proposed business plan to the chief executive officer of the Melbourne City Council for comment by the council. This recognises the important role the council has played, and continues to play, in the provision of administrative support to the trustees, and in the care and maintenance of the Shrine of Remembrance grounds.

Any development of the undercroft will require the employment of staff both during the developmental phase and subsequently to manage, on a day-to-day basis, the operation of the galleries of remembrance. The bill therefore includes a provision to allow the trustees to employ such persons as are necessary to assist the trustees in carrying out their functions under the legislation.

The bill also includes a provision to allow the trustees to ask for a fee for entry into the undercroft area. The money collected from such entry fees will be used to operate the galleries and maintain and replace the displays to ensure that they continue to be of the highest quality and relevance. Entry into the shrine itself or to the crypt will continue to be free to all people.

In an address to Melbourne Legacy given in 1980 Colonel Sir Alfred N. Kemsley, one of the men who was instrumental in the building of the shrine, said that, 'The shrine in its statuary symbolises patriotism, sacrifice, justice and peace and the feature on the top of the shrine of the stepped dome represents glory — there is no suggestion of praise of war about the memorial in any aspect of it. It is completely a Shrine of Remembrance — what it was intended to be'. This bill leaves that vision intact and provides that the trustees may, if they think it appropriate after careful consideration, make changes to the undercroft area of the shrine to ensure that it continues to provide the inspiration and knowledge that were intended by its founders.

I commend the bill to the house.

Debate adjourned on motion of Ms GARBUTT (Bundoora).

Debate adjourned until Thursday, 6 May.

GUARDIANSHIP AND ADMINISTRATION (AMENDMENT) BILL

Second reading

Mrs TEHAN (Minister for Conservation and Land Management) — On behalf of the Attorney-General, I move:

That this bill be now read a second time.

Parliament enacted the Guardianship and Administration Act 1986 in response to the report of the minister's committee on Rights and Protective Legislation for Intellectually Handicapped Persons which was published in December 1982. The report made recommendations in relation to legislation to provide for the protection of disabled persons and the preservation of their rights. The act formed part of a package of legislation which included the Mental Health Act 1986 and the Intellectually Disabled Persons' Services Act 1986.

The Guardianship and Administration Act 1986 is now over 10 years old and has not been subject to any major review. The amendments contained in this bill result from suggestions made by the deputy president of the guardianship list of the Victorian Civil and Administrative Tribunal. Consultation with interested parties has also taken place.

The bill:

clarifies the position relating to the caring of persons with a disability;

promotes self-management of such persons;

recognises the important role played by the family and carers of such persons;

improves the operation of VCAT's Guardianship List; and

enhances access to medical and dental services by persons with a disability and so protects their right to such services.

Enduring guardians

The bill applies to persons with a disability. In addition, it amends the act to enable a competent person to appoint an enduring guardian to make decisions on their behalf if they later become incompetent. The person appointed under the enduring power of guardianship will be able to make general health care and lifestyle decisions on behalf of the disabled person in the event that the appointor becomes incapacitated. The appointor may limit the areas of decision-making in the document they use to appoint the enduring guardian.

These amendments complement provisions already in place in the Instruments Act 1958 which enable a person to execute an enduring power of attorney. In addition, they complement provisions in the Medical Treatment Act 1988 which enable a person to appoint an enduring power of attorney (medical treatment). The powers of a person appointed under an enduring power of attorney generally relate to matters of a business or financial nature.

Enduring guardianships promote self-management in enabling a person to plan for his or her future circumstances. A person will be able to choose who can make decisions on his or her behalf and can indicate what types of decisions should be made. The process is private, inexpensive and simple and removes possible uncertainty in relation to decision-making if that person becomes incapable of making reasonable judgments about his or her life at a future date. An enduring guardianship also avoids the necessity of a hearing before VCAT where, for whatever reason, decisions in respect of a person cannot be made by that person.

The bill includes a number of safeguards in relation to the execution and operation of an enduring guardianship. The appointment must be in writing and be witnessed by two independent persons — one of whom being qualified to witness statutory declarations. It must also be signed by the appointed guardian indicating his or her acceptance of this role. There is provision for the appointor to revoke the appointment and for an application for revocation to be made to VCAT by any person whom VCAT is satisfied has a proper interest in the matter. An enduring guardian may, in addition, seek advice from VCAT in relation to the scope and operation of the instrument.

Empowering a person to appoint an enduring guardian will ensure that, if they later become disabled, they will have a trusted person able to make decisions made about them which enhance their quality of life.

Consent to medical and dental treatment

The bill introduces reforms to recognise the validity of consent given by certain family members and carers to medical and dental treatment on behalf of a person with a disability who is incapable of giving such consent.

These amendments recognise the important role that families and carers play in the life of a disabled person. They ensure that the welfare of disabled people will be paramount in any decision made in the provision of medical and dental treatment on their behalf.

At common law outside an emergency, a medical practitioner can lawfully carry out a medical procedure only where the patient has given informed consent. Without such consent, a medical practitioner can be subject to civil or criminal liability.

The Guardianship and Administration Act 1986 regulates medical consent to major medical procedures in relation to a person who has a guardian who can consent to health care matters. Consent to these procedures must be given by both VCAT and the guardian.

The Mental Health Act 1986 establishes procedures regarding consent to psychiatric and non-psychiatric treatment of persons with a mental illness.

The Medical Treatment Act 1988 makes provision for the appointment of an enduring power of attorney (medical treatment) who can make decisions about the medical treatment of a person including the refusal of medical treatment. There are many circumstances where consent to medical treatment of a person with a disability is not regulated by the above laws. Many disabled people do not have a guardian, do not or cannot appoint an enduring power of attorney (medical treatment) and are not subject to the Mental Health Act 1986. In these situations, families and carers tend to make decisions about treatment in consultation with medical and dental practitioners. Where there is uncertainty about the appropriateness of this consent, applications are made to VCAT for the appointment of a guardian to provide formal consent. The uncertainty regarding consent results in many applications being made to VCAT for relatively minor procedures.

The bill inserts a new part 4A in the act to provide a comprehensive scheme for consent to medical and dental treatment in relation to people with disabilities who are incapable of giving informed consent, whether or not that person has a guardian.

The bill establishes different categories of treatment and sets out where consent is required and who may provide that consent. In summary, the bill:

provides that no consent is required for emergency procedures;

renames the category currently called 'major medical procedures' as 'special procedures' and allows them to be carried out only with the approval of VCAT; and

regulates the procedure that may be adopted to obtain consent for the carrying out of any other medical or dental treatment.

Other treatment may be consented to by the person responsible. A person responsible is a new concept under Victorian guardianship law. A person responsible will be someone empowered to give consent for treatment for a patient who cannot themselves consent. The bill provides for a list of persons one of whom will be the person responsible for the patient. In most circumstances, a health practitioner will seek and obtain consent for the carrying out of other treatment from the person responsible. In some circumstances, however, the health practitioner will not be able to obtain that consent, for instance, because there is no person responsible or the person responsible cannot be contacted.

If there is no person responsible, the health practitioner may proceed to give treatment to the patient if he or she considers the treatment to be in the patient's best interests. The practitioner will be obliged to notify the Public Advocate of his or her intentions in this regard. Collating these notifications, the Public Advocate will be able to monitor the type and volume of services which practitioners give to incompetent persons who lack someone to provide consent on their behalf. Furthermore, the Public Advocate will be able to monitor any perceived overservicing of patients by practitioners. This will allow the Public Advocate more fully to fulfil its current functions under the act, such as the protection of persons with a disability from abuse and exploitation.

If the person responsible does not give consent to the treatment and the practitioner, despite this, considers the treatment to be in the patient's best interests, the practitioner will be obliged to give to the person responsible and to the Public Advocate a written statement which outlines why the practitioner considers the treatment is in the patient's best interests. In these circumstances, either the person responsible or the Public Advocate will be able to approach VCAT to have the decision of the practitioner reviewed.

The practitioner must not proceed if VCAT determines that the treatment is not in the patient's best interests. The practitioner may proceed if VCAT determines that the treatment is in the best interests of the patient or if no application to VCAT is made.

A competent person will continue to be able to appoint an agent under the Medical Treatment Act 1988 to make medical decisions on their behalf. This will remain the case irrespective of whether the person chooses to appoint, additionally or instead of, an enduring guardian under the Guardianship and Administration Act 1986.

Nothing in the bill affects the operation of the Medical Treatment Act 1988. Accordingly, a suitably empowered Medical Treatment Act agent will always be able to prevent the patient receiving any medical treatment. This will be the case even in emergencies. There are current provisions in the Medical Treatment Act 1988 which permit VCAT to review the decisions of a Medical Treatment Act agent.

Other amendments

The bill makes a number of other amendments to the Guardianship and Administration Act 1986. These amendments will:

allow for the registration of interstate guardianship and administration orders;

modernise terminology used in the act to reflect current usage;

require VCAT to have regard to the views of the family of the disabled person and the importance of preserving existing family relationships when considering whether to make a guardianship order;

allow VCAT to appoint persons other than the State Trustees to examine accounts and require an administrator to produce accounts for examination at any time.

Section 85 statement

I wish to make the following statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section.

The bill will allow an enduring guardian or a person responsible to approach VCAT for an order, directions or advisory opinion. An enduring guardian may, for example, seek an advisory opinion from VCAT as to the scope of his authority to make decisions on behalf of the disabled person. A person responsible may, again for example, seek directions from VCAT as to whether the provision of certain medical treatment would be in the best interests of a patient.

Clause 12 of the bill inserts new section 35E(4) into the act. That section provides that an action does not lie against an enduring guardian who, in good faith, does or fails to do anything in pursuance of any order, directions or advisory opinion of VCAT. Clause 14 inserts new section 42I(5) into the act. In a similar manner, that section provides that an action does not lie against a person responsible who, in good faith, does or fails to do anything in pursuance of any order, directions or advisory opinion or VCAT.

The bill seeks to encourage both enduring guardians and persons responsible to seek the opinion or direction of VCAT when they have doubts about their authority or their views on what would be in the best interests of a disabled person over whom they hold authority. They should be encouraged to follow the ruling of VCAT in these circumstances without fear that an action will subsequently lie against them.

The act already provides for identical protection to be offered to guardians and administrators. These provisions merely extend that protection to enduring guardians and persons responsible.

Conclusion

The Guardianship and Administration (Amendment) bill draws on the experience of other states and territories to introduce a number of significant reforms in the field of guardianship and administration law. These reforms give recognition to the valuable contribution made by families and carers of people with disabilities, they promote self-management and improve the operation of the guardianship list of VCAT.

I commend this bill to the house.

Debate adjourned on motion of Ms CAMPBELL (Pascoe Vale).

Debate adjourned until Thursday, 6 May.

FINANCIAL SECTOR REFORM (VICTORIA) BILL

Second reading

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

In 1997 the commonwealth government's financial system inquiry report, or Wallis report, recommended changes to the regulation of the Australian financial system to establish a more modern, competitive, flexible and efficient financial system. In particular the commonwealth has now sought to create a flexible regulatory structure that is responsive to emerging forces for change, especially technological advances and globalisation of financial markets.

In addition, it was recognised that a more neutral regulatory treatment of competitors from different institutional sectors is required. This ensures the regulatory structure is responsive to innovation and competition so that the most efficient products and institutions flourish.

To achieve these objectives the commonwealth established a single national prudential regulator, the Australian Prudential Regulation Authority (APRA) on 1 July 1998, which has responsibility for prudentially regulating all deposit-taking institutions, as well as insurers and superannuation funds. This is a functional rather than institutional approach to regulation and recognises the diversity of financial services offered by single banking and insurance groups. The Australian Securities Commission was renamed the Australian Securities and Investments Commission (ASIC) on 1 July 1998. It retained responsibility for Corporations Law and gained responsibility for regulating the conduct, disclosure and consumer protection aspects of financial institutions.

To achieve a single national regime for financial institutions, the commonwealth government proposed transferring responsibilities for the corporate and prudential regulation of building societies, credit unions and friendly societies to the commonwealth. The states, territories and the commonwealth subsequently agreed to give effect to this proposal. The commonwealth has introduced legislation to effect the transfer and it is anticipated that it will be passed and be ready to commence as soon as the states have legislated. The target date is 1 July 1999.

State legislation has been necessary in order both to support various aspects of the commonwealth

legislation, and to deal with issues arising in the states consequential upon the transfer of supervision. The commonwealth has enacted transfers of business legislation to enable one financial institution to take over the business of another. Because of constitutional limitations state legislation is necessary to ensure that the receiving financial institution is the successor in law of the transferring institution.

State legislation is also necessary to facilitate the transfer of staff from the financial institutions scheme to the commonwealth regulators, and to enable commonwealth regulators to act as the enforcement agencies for any regulatory action in progress under the financial institutions scheme at the transfer date.

Finally, state legislation is necessary specifically to deal with issues such as references in state legislation to building societies and credit unions, which will no longer exist as such after the transfer date, and to ensure that existing friendly society pharmacies can continue to operate pharmacies after the transfer date.

The bill also provides for the repeal of the legislation underpinning the financial institutions scheme, the winding up of the Victorian Financial Institutions Commission (Vicfic) and the winding up of the industry and supervision funds. Any unspent supervision levies from industry will be returned to industry during the winding up of Vicfic. Similar legislation in other states and territories will wind up their regulators. The Queensland bill will also provide for the wind-up of the Australian Financial Institutions Commission.

The state will retain responsibility for supervising cooperative housing societies. Although the commonwealth has agreed to supervise cooperative housing societies under contract, Victoria will remain responsible for regulation and industry policy. The bill provides for the regulation of cooperative housing societies to be carried out by a registrar who is to be located in the Department of Treasury and Finance. The state will also remain responsible for supervising trustee companies. The regulation of trustee companies will also transfer to the registrar located in the Department of Treasury and Finance.

The cost of supervision of the cooperative housing society industry will be covered by industry levies, which will be paid into an industry supervision fund established by this bill. Part of the government's contribution of capital to Vicfic will be paid into this fund for the initial supervision of trustee companies. In future years it is proposed the trustee companies industry will also pay a levy into the industry supervision fund.

I commend the bill to the house.

Debate adjourned on motion of Mr MILDENHALL (Footscray).

Debate adjourned until Thursday, 6 May.

MENTAL HEALTH (AMENDMENT) BILL

Second reading

Mr W. D. McGRATH (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

Achieving better mental health outcomes for people with a mental illness is a major priority in Victoria. Mental health services have undergone significant change since the government adopted a new framework for mental health service delivery in 1994.

This change process has fundamentally influenced the structure and nature of service delivery by Victoria's mental health services. Major reforms include: the relocation of stand-alone psychiatric hospitals into community-based services or services within general hospitals; the introduction of new management arrangements for mental health services in mainstream general health settings; the shift in focus of service delivery to community-based services, thereby enabling more appropriate care, treatment and support in response to consumer need; and the introduction of consistent approaches to case management across services.

The process of mainstreaming mental health services by aligning them with general hospital services has emphasised the different roles and responsibilities of purchaser and provider in mental health. A major role of the Department of Human Services within the new management framework is to monitor the quality of services provided.

The Mental Health Act 1986 provides the legislative framework which guides and regulates the provision of services to people with a mental illness in Victoria. The bill amends the act to:

clarify provisions concerning the quality assurance functions and powers of the Chief Psychiatrist and authorised officers;

remove limitations concerning access by the Chief Psychiatrist and authorised officers to records held by defined psychiatric services under section 106 of the act;

comply with Victoria's competition policy commitments following a national competition policy review;

clarify the functions and powers of the Mental Health Review Board concerning persons subject to community treatment orders and restricted community treatment orders;

make a number of housekeeping amendments.

Victoria has a number of strategies in place to monitor the effectiveness of mental health services. These include quality assurance activities undertaken by the Chief Psychiatrist, purchasing standards, key performance indicators and an increasing emphasis on outcome measurement across the service system. Together these provide an indication of the effectiveness of service delivery as well as fostering an ethos of continuous quality improvement.

The Chief Psychiatrist is appointed under the act. Section 106 contains powers which enable the Chief Psychiatrist and authorised officers to examine whether the treatment and care of mentally ill people in defined psychiatric services is consistent with the Mental Health Act. Authorised officers with extensive expertise in mental health service delivery are appointed by the Chief Psychiatrist to exercise powers under this section.

Clinical reviews of public area mental health services are one form of quality assurance activity conducted by authorised officers on behalf of the Chief Psychiatrist. During such reviews, authorised officers examine a range of clinical information and provide detailed reports to the Chief Psychiatrist concerning standards of treatment and care. Broad-ranging recommendations are made concerning any issues of concern, and best practice examples are identified. Such activities are a critically important means of enhancing standards of mental health service delivery.

Section 106 was originally drafted to deal with incident-specific investigations, and does not contain explicit provisions concerning routine quality assurance activities undertaken to monitor standards of mental health service delivery. It is therefore considered appropriate to clearly articulate these quality assurance functions in the act.

As such, clause 9 amends section 106, and establishes a quality assurance committee under section 106AC. The committee consists of the Chief Psychiatrist and authorised officers appointed under section 106. The function of the committee is to oversee and monitor standards of mental health services. When the Chief Psychiatrist considers it necessary to do so in the course of duty as a member of the committee, he may visit a psychiatric service as defined in section 106.

It should be noted that the proposed amendments do not broaden the definition of psychiatric service contained in section 106. The definition does not include health services such as those provided by general practitioners in private practice.

In addition, authorised officers cannot visit a defined psychiatric service for the purposes set out in section 106 or exercise the powers contained in that section unless the Chief Psychiatrist:

has reason to believe that a person with a mental disorder is not being provided, or was not provided, with proper medical care by the service; or

has reason to believe that the welfare of a person with a mental disorder is being, or has been, endangered by the service; or

considers it necessary to do so in the course of the duty of the Chief Psychiatrist or authorised officer as a member of the quality assurance committee.

The powers exercisable by the Chief Psychiatrist and authorised officers in such circumstances are those contained in existing section 106–106AB.

As I have indicated above, the Chief Psychiatrist has significant responsibilities in relation to the care and treatment of people with a mental illness. In exercising these responsibilities, it is critical that the Chief Psychiatrist and authorised officers are able to access clinical records held by a defined psychiatric service when necessary in the circumstances outlined previously. Section 106 currently permits a person other than an involuntary patient in an approved mental health service to refuse the Chief Psychiatrist or authorised officers access to such records. This could potentially hamper the investigation of a serious incident or the conduct of the important monitoring and quality assurance activities referred to previously. Clause 9 removes this provision. This amendment will not restrict the rights of a person to access such records under current Victorian law.

A national competition policy review of the act was undertaken in 1998. The review panel recommended

that the community support service registration requirements in division 3 of part 6 are unnecessarily restrictive in their current form and are not necessary to achieve the objectives of the legislation. The panel recommended that such services no longer be registered or funded under this act.

Clause 8 amends the act by removing the current power to fund these agencies from the act. The definition of 'community support services' is amended by the bill so that these services can be funded under the Health Services Act 1988 as are other non-government services. This allows streamlined and consistent funding across agencies.

As community support services will continue to be defined under the act and funded by the department, the guiding principles contained in the act remain. They provide important standards in relation to service provision. Similarly, the power to appoint an administrator — where, in the opinion of the minister, the service is inefficiently or incompetently managed, has failed to give effect to the principles, or has breached a provision of the funding and service agreement — is to remain in the act.

The Mental Health Review Board is an independent body whose functions include:

hearing appeals from involuntary patients subject to community treatment orders and restricted community treatment orders who wish to be discharged;

reviewing all involuntary and security patients within eight weeks of admission and all continuing treatment involuntary patients within two weeks of their detention to decide if they should continue to be detained; and

reviewing all involuntary and security patients at least every 12 months to decide if they should continue to be detained.

The board has requested clarification concerning exercise of its functions and powers as they relate to persons subject to community treatment orders and restricted community treatment orders. Accordingly, clause 4 clarifies and consolidates the criteria the board must take into account when conducting an appeal or review in such circumstances and consolidates the majority of the board's powers on appeal or review of involuntary patients into one section.

Clause 7 of the bill extends the duties, functions and immunities conferred or imposed on the authorised psychiatrist and Chief Psychiatrist under the act to include powers conferred under any other act. This will enable appropriate delegation of powers of the authorised psychiatrist and Chief Psychiatrist under the Crimes (Mental Impairment and Unfitness to be Tried) Act 1997.

The remaining amendments, including those in relation to licensing of ECT premises, are of a housekeeping nature and are intended to clarify minor ambiguities, rectify typographical errors or remove redundant provisions.

Over the last five years, mental health services in Victoria have undergone significant reform. These reforms have resulted in a redeveloped service system which is more responsive to a broad range of needs. In addition, there is a strong focus on monitoring service and consumer outcomes in order to promote quality and effectiveness in service delivery. Our service system has moved to a point where it is now regarded as a world leader. This bill further consolidates these achievements by clarifying, and thereby enhancing, the capacity of the Chief Psychiatrist to monitor standards of treatment and care provided to consumers of mental health services and by generally improving the operation of the act.

I commend this bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Debate adjourned until Thursday, 6 May.

DENTAL PRACTICE BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The Dental Practice Bill unifies all of the dental professions in one bill under one board.

The principles of the bill are to minimise the community's exposure to the health risks in dentistry and to promote the community's access to dental care.

The dental professions of prosthetists and dental technicians, auxiliaries — dental therapists and dental hygienists — dentists and specialists and dental assistants are a coherent team which together can achieve the best quality clinical care. The provisions of this bill recognise that professional team and the implications of a team approach in the dental work force.

The bill provides for a single regulatory authority to replace the existing three bodies — the Dental Board, the Dental Technicians Licensing Committee and the Advanced Dental Technicians Qualifications Board. The new Dental Practice Board will comprise all dental professions. There are to be 11 members — 5 registered dentists, 2 registered prosthetists, 1 registered dental auxiliary, 1 lawyer and 2 persons who are not registered dental care providers.

The board will have three advisory committees to provide expert advice on dental care matters. One will relate to the specialist branches of dentistry recognised by the board, the second to dental care provided by dental auxiliaries and dental assistants, and the third to dental care provided by dental prosthetists and dental technicians. The board may also establish other advisory committees.

The board will be incorporated and independent of government. It will be responsible for recognising appropriate qualifications which lead to registration. The board will be responsible for the registration of dental care providers and for investigations into the professional conduct of registered dental care providers.

The bill includes a comprehensive outline of what constitutes unprofessional conduct and contains wide-ranging disciplinary powers for the protection of the public. It enshrines the board's ability to promulgate codes of practice to enhance the best quality provision of dental care.

The bill makes it an offence to direct an employee to provide dental care in a manner which could be detrimental to the welfare of a patient, or for anyone who is not a registered dental care provider to practise dentistry, or for anyone to use titles which may suggest that they are registered when they are not. There will also be protection of the titles of dental educational institutions. Such title and practice protection are measures through which the government can protect the public from unregistered people practising dentistry.

The bill, in terms of qualifications, duties and registration, is the immediate successor to the old acts and so preserves the present levels of dental provider competencies and qualifications which have served the public so well. Boundaries of practice for all dental care workers will remain as they are and only through clinical trialling, training and rigorous evaluation could changes be considered.

A further measure to enhance public safety is the board's ability to promulgate codes of practice. These codes may outline what is acceptable care — for example, a relevant code for the purchase of dental technicians' work should be that dentists may only contract with laboratories which employ qualified staff and follow appropriate infection control standards. Breaches of codes of practice will be considered as possible unprofessional conduct and may attract a range of penalties up to deregistration for dental care providers and substantial penalties for commercial operators.

Development of codes will be done through appropriate consultation with the professions and be based on sound evidence. The broader membership of the new board, with all registered members of the dental profession represented, will provide for wide-ranging input. Currently, Victoria is leading the way in Australia in infection control management because of promulgation of a relevant code of practice.

Stringent advertising provisions are included in the bill to further facilitate protection of the public. The bill also creates a power for the board to prepare guidelines for minimum acceptable standards for advertising dental services.

The bill observes Victoria's obligations under the national agreements on mutual recognition and competition policy.

I now wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons for altering or varying that section by clause 55(3) of this bill. Clause 97 expresses the intention of clause 55(3) to alter or vary section 85 of the Constitution Act 1975.

Clause 55(3) of the bill operates to alter or vary section 85 of the Constitution Act 1975 by providing that no action for defamation lies against the board or its members for giving a notice under clause 55(1).

Clause 55(1) requires the board to notify any determination to impose conditions, limitations or restrictions on the registration of a dental care provider, suspend or cancel the registration of a dental care provider:

in the *Government Gazette*;

to registration authorities in other states and territories and in New Zealand;

to the Health Services Commissioner;

to the employer of the dental care provider, where that dental care provider is an employee;

to a dental registration authority outside Australia or New Zealand if the board has received a request for information about the dental care provider from that authority.

The purposes of the act will not be fulfilled if dental care providers whose practice have been restricted or who have been suspended or deregistered can continue to practise either in Victoria or elsewhere because notice of the board's action has not been communicated to the relevant authorities. This provision is essential to ensure that the board and its members can communicate vital information to the relevant authorities without the threat of civil action for defamation against them.

Development of this bill has involved an extensive process of consultation and discussion. The current board and all professional associations have been most helpful and constructive in the shaping of this comprehensive model of dental practice legislation.

I commend this bill to the house.

Debate adjourned on motion of Mr HULLS (Niddrie).

Debate adjourned until Thursday, 6 May.

STAMPS (AMENDMENT) BILL

Second reading

Mr STOCKDALE (Treasurer) — I move:

That this bill be now read a second time.

The purpose of the bill is to make amendments to the Stamps Act 1958.

As members would be aware, the commonwealth government's national tax reform package includes the abolition of a number of stamp duties from 1 July 2001. As a result, it has been decided to defer finalisation of the rewriting of stamp duties legislation so that the new principal legislation includes only those stamp duties to be retained beyond 2001.

This bill contains a series of measures that the government considers warrant attention at this time and fit into the following broad categories of:

providing concessions, extending existing exemptions and removing the potential for double duty;

protecting state revenue; and

providing clarity of current provisions with a consequential reduction in taxpayer compliance costs.

I will now address specific amendments in greater detail.

The bill widens the definition of IR, or instalment receipt, in the act to include any marketable securities quoted on the Australian Stock Exchange, not merely those connected with disposal of shares by the commonwealth. This approach has been developed in conjunction with other jurisdictions and the Australian Stock Exchange.

The bill also amends the act to counter possible avoidance practices involving the reduction in the value of shares prior to sale of a company. Such schemes involve the parties entering into arrangements so that assets are sold to the purchaser or an associate prior to the transfer of shares, thus reducing the stamp duty payable.

The amendment allows the Commissioner of State Revenue to calculate the amount of duty payable on the transfer of shares in a company by adjusting the value of the shares to include the value of assets sold by the company prior to the sale of its shares, in the particular circumstances outlined in the bill.

A number of technical amendments are made to the act to improve efficiency and reduce compliance and administration costs. These include changes to the document returns system provided for under the act.

The bill also inserts new provisions into the act to provide a consistent approach in the area of overpayments of duty by taxpayers under the returns-based systems. These include offset and refund provisions in relation to stamp duty paid on insurance premiums, Transport Accident Commission charges and dutiable documents.

As announced by a press release on 4 January this year, the bill also amends the act to ensure that duty is payable in circumstances arising from changes of beneficial ownership in real property under unit trust schemes where the transactions are conducted as part of a scheme or arrangement to avoid stamp duty. The provisions will only apply where the commissioner is of the opinion that the scheme or arrangement under consideration is made with a collateral purpose of reducing the stamp duty that would otherwise be payable. This amendment is made in response to a specific scheme in New South Wales that had an acknowledged avoidance intent. It is not designed to affect the normal trading in unit trusts, including

redemption and issue of units not part of a scheme or arrangement to reduce stamp duty.

The intention for the measures to apply from 4 January 1999 was stated at the time of the press release.

Amendments are also made that extend the family farm exemption from stamp duty to include transfers of primary production property from a family-owned company to a natural person who is a relative of a shareholder of the company. To qualify for the exemption, all shareholders in the company must be related natural persons. The amendment provides increased consistency in the treatment of transfers to family members and is in line with the government's intention of providing relief from duty on the transfer of farms to younger generations.

The bill makes amendments to the act to strengthen the land-rich provisions, which are designed to ensure that conveyance duty cannot be avoided through the transfer of shares in a company.

The bill amends the insurance duty provisions of the act to ensure consistent treatment in regard to fire service levies paid or payable in connection with insurance. The bill provides that duty will apply on the insurance premium including the fire service levy, whether it is paid through insurance companies or directly to the fire authorities.

The bill also provides a new nexus in relation to life insurance. In line with other jurisdictions, the nexus for life insurance duty will be changed to the domicile of the insured at the time the policy is issued. This approach will overcome occurrences of double duty and protect revenue.

The bill makes an important change to reduce the level of stamp duty applying on taxis which have been specifically converted to provide wheelchair access and have not previously been registered. It is expected that this will provide a reduction in stamp duty on registration of such vehicles in the order of $1500, dependent on the market value of the original vehicle. This amendment will take effect from 1 May 1999, along with other amendments to the motor vehicle duty provisions made in the spring 1998 session.

Amendments are made to the mortgage refinancing provisions to include mortgages stamped under the law of another state or of a territory of the commonwealth as collateral mortgages. The amendment provides consistency with other jurisdictions and ensures that double duty is not payable where the mortgage stamped under that other law has been refinanced.

The bill also amends the mortgage refinancing provisions under section 137MC to ensure that the exemption applies to a number of emerging commercial situations.

In addition, the bill also extends the exemption for leases of residential property to include assignments of such leases.

I commend the bill to the house.

Debate adjourned on motion of Mr MILDENHALL (Footscray).

Debate adjourned until Thursday, 6 May.

Remaining business postponed on motion of Mrs HENDERSON (Minister for Housing).

ADJOURNMENT

Mrs HENDERSON (Minister for Housing) — I move:

That the house do now adjourn.

Gaming: bingo

Mr ROBINSON (Mitcham) — I ask the Minister for Housing to refer the Minister for Gaming in another place to the review that has been announced into the bingo regulations that came into effect last year. I urge the minister to provide details of that review as quickly as possible.

Some weeks ago, following representations by me and others, the minister indicated that a review would be conducted. That is welcome news to bingo operators across Melbourne. He indicated that a review had always been anticipated after 12 months of operation of the new regulations. However, no-one in the bingo industry — certainly no-one at the Victorian Casino and Gaming Authority, which is responsible for the review — had any notion that a review was anticipated. Nonetheless, it is welcomed. The absence of detail about the review is causing concern and greater detail needs to be provided as soon as possible.

During the past 12 months the bingo centres across Melbourne — in Box Hill, Clayton, Moorabbin, Footscray and elsewhere — and the large number of clubs that generate returns from bingo through those centres have been experiencing severe downturns in revenue. It is imperative that details of the review are known so that some confidence can be put back into the industry.

The absence of detail at this time terrifies the operators of the Blackburn Bingo Centre. A few days ago the honourable member for Bentleigh spoke up on its behalf. I will not suggest — because it would be unparliamentary — that the honourable member for Bentleigh was touting for business for that centre, but she was certainly giving a very good impression of doing so. She claimed in effect that the operators of the centre had been done over by the City of Whitehorse, which has been delaying development approval for some time. She did not mention that the bingo operators in Blackburn North had been suing the Blackburn North shopping centre and had been very litigious. The council was not negligent in that case, and the Blackburn Bingo Centre operators have certainly never raised the issue of council delays with me or with any other honourable member to my knowledge.

The minister urgently needs to provide details of the inquiry to put back into the industry the confidence that is sadly lacking at this time. I call on the minister to provide that detail as quickly as possible.

Aboriginals: employment and training

Mrs SHARDEY (Caulfield) — I raise for the attention of the Minister responsible for Aboriginal Affairs a matter concerning the employment and training of Aboriginals. Aboriginal communities remain disadvantaged, particularly in the areas of health, housing and education — and of course, economically. Some of the reasons for that include the breakdown in traditional family and social values as a result of Australia's colonisation, a high reliance on welfare and the lack of economic self-sufficiency.

Demographically, the highest proportion of Aboriginal people in Victoria are of working age. At least 60 per cent of Victorian Aboriginal people are under the age of 25, and only 12 per cent are over the age of 65. Statistics show that in 1994, 38 per cent of that comparatively large group of working-age Aboriginal people were unemployed, and 50 per cent relied on government benefits for their income. There has also been a great reliance on public housing, with more than 25 per cent of the Aboriginal community living in public rental housing compared to only 5 per cent of the broader community. Victoria's Koori population is growing. It is a community that takes great pride in its culture and heritage.

Last year at a meeting of state and federal Aboriginal affairs ministers it was recognised that sustainable improvement in Aboriginal health, education and employment could be achieved only if Aboriginal people were able to share in Australia's wealth by becoming successful in business. Many programs have been established over the years to try to achieve that and to make Aboriginal people economically self-sufficient.

I ask the Minister for Aboriginal Affairs to take action to ensure that the disadvantages suffered by Aboriginal people, particularly young Aboriginal people of working age, are overcome.

School buses: special school

Ms DELAHUNTY (Northcote) — In the absence of the Minister for Education I direct to the attention of the Minister for Housing a matter concerning two disabled children, Ashleigh Flowers and Cassie Deal, who live in Bacchus Marsh.

I ask the minister to overturn his intransigence in denying them the opportunity of using a bus that travels from their home in Bacchus Marsh to a special school in St Albans. Those two students have special needs. Ashleigh Flowers has a condition called Williams syndrome and has been assessed as requiring the programs and facilities supplied at the Jackson special school. Cassie Deal also has special problems. She has been diagnosed as having attention deficit hyperactivity disorder and experiences both learning and behavioural difficulties. Both those young women need as much help as they can possibly be given, and that help would be available from the Jackson school.

Both girls have been denied the opportunity of using the bus that travels past their front doors at Bacchus Marsh to the special school in St Albans. The bus has between 10 and 15 empty seats every morning, yet the government has not allowed either of the two young women to use the bus to attend the school of their choice. That is a somewhat cruel response, given the government's much-vaunted promise that students will be able to attend the schools of their choice. The girls' parents have strongly campaigned for the decision to be overturned, and Ashleigh Flowers' parents have even offered to pay for a seat on the bus. As a result of the girls being denied access to the bus the parents have had to drive to the school, often closely behind the half-empty school bus. That seems very cruel.

In December 1998 the Minister for Education promised that there would be a review of the departmental decision not to allow them access to the special bus. However, since that promise was given nothing has happened. No review has taken place, and the parents continue to drive their children the considerable distance from their homes in Bacchus Marsh to St Albans, and later they have to do the return trip.

I ask the Minister for Education to agree to allow the students to use the special bus.

Forest industry: Wongungarra

Mr A. F. PLOWMAN (Benambra) — I raise with the Minister for Conservation and Land Management the regional forest agreements constituted by the federal and state governments that provide a process for determining management of Crown land, particularly areas of state forests made available for logging.

The north-east regional forest agreement includes an area in Mount Murray that is identified as the Upper Wongungarra catchment area. It includes about 17 000 hectares, of which 4500 hectares could yield between 60 000 to 100 000 cubic metres. Royalties would be worth between $2.4 million and $4 million, and with value-adding the timber will be worth between $48 million and $80 million.

Environmental groups have proposed that logging be banned in the area for two reasons: firstly, for wilderness values; and secondly, the spotted tree frog colony in the catchment. The recently released north-east Victorian regional forest agreement directions report put out by the federal and state governments is available for public comment until 28 May. My concern is that in the report the Upper Wongungarra is incorporated into a special protection zone that excludes it from being logged. I have received an assurance from the minister that an alternative resource will be available.

Will the minister reconsider the decision to include the area in a special protection zone? I ask her to either return the area to a state forest that is available for logging under a special management zone or to retain it as a state forest area with a caveat to restrict production until it is clear that an alternative resource has been agreed on by both parties?

I make that request because the national goal for old growth forest is 60 per cent of Crown land. In fact, the report states that more than 80 per cent of wet forest is in that category. Another concern is that if the 1939 regrowth area is logged, it will be logged prematurely. That would be to the disadvantage of the state forest and the regrowth area.

Intervention orders

Mr HULLS (Niddrie) — I ask the Attorney-General to take action concerning people who misuse intervention order legislation in an attempt to intimidate and further stalk innocent women. I cite the case of Carmela Milone who has consented to her case being raised in this place. Carmela has taken out an intervention order against a male who has been stalking and assaulting her for a long period. He served a term of imprisonment for assaulting Carmela, yet upon his release he continued to stalk, intimidate and threaten her.

Carmela was granted a five-year intervention order against this person, but late last year the police knocked on her door and said they were there to serve her with an intervention order application issued by a Stephen Whittaker, a person unknown to Carmela. He claims he was being stalked by Carmela. She told police she had never heard of him and suspected that he did not exist. The police said that it was their job to serve her with the application.

Carmela then had to pay $800 for a barrister and solicitor to attend the Werribee court and, as expected, Stephen Whittaker did not appear. Although the application was struck out and Carmela was awarded costs, she cannot get them because Stephen Whittaker does not exist. Carmela fully expects that the person who used the name of Stephen Whittaker was the person who was stalking her and made a false application for an intervention order against her.

Carmela has been traumatised by that person's conduct. She has given me with a report from the Werribee clinic, which states:

> It is Ms Milone's opinion that this order —

that is, the intervention order application —

> is mischievous and was sought to further harass her and was made at the behest of ...

The report mentions the name of the person. It then continues:

> Ms Milone has been very distressed at these events, openly weeping and contemplating suicide.

I have met with Ms Carmela Milone and she has been traumatised by these events.

I ask the Attorney-General to ensure that when in future applications are made for intervention orders steps are taken to ensure that the people making the application are acting bona fide. The man in question was able to walk into court and without showing any identification make an application for an intervention order in the full knowledge that he was going to continue stalking Carmela Milone. He has used the legal system to continue stalking her and action must be taken.

Rail: Sunbury service

Mr FINN (Tullamarine) — I raise a matter with the Minister for Transport, and in his absence the Minister for Housing. It is a matter that I have previously raised in the house concerning the urgent need for a late-night train service from Melbourne to Sunbury. At the moment the last train leaves the city for Sunbury at 9.40 on weeknights and at approximately 7.30 on Saturday nights. For many years it has been impossible for Sunbury people to enjoy a night out in the city and return home using public transport. By way of example, people going to the MCG tomorrow night from Sunbury to see Richmond give the Doggies a good, old-fashioned bark would not be able to get home if they wished to watch the entire game; they would have to leave at half-time.

Mr Hulls — On a point of order, Mr Acting Speaker, the honourable member for Tullamarine has been speaking for almost a minute and the point of the adjournment debate is to ensure that honourable members ask the minister to take some sort of action.

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

Mr FINN — If the dill from Niddrie had been listening — —

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member will refer correctly to the honourable member for Niddrie.

Mr FINN — That is what we are supposed to call him, but I know there are a number of — —

The ACTING SPEAKER (Mr Jasper) — Order! Would the honourable member for Tullamarine please address his remarks through the Chair.

Mr FINN — People travelling from Sunbury to the game tomorrow night would have to leave at half-time, thereby missing Matthew Richardson's last six goals. That would be disappointing. A similar problem exists in the summer months for cricket lovers.

Ms Campbell — On a point of order, Mr Acting Speaker, the adjournment debate is for the raising of matters of public importance, not items that are of personal interest to the honourable member for Tullamarine.

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

Mr FINN — The honourable member for Pascoe Vale shows a complete ignorance of and contempt for the some 27 000 people who live in Sunbury. Is it any wonder that the people of Sunbury have increasingly voted against her party in election after election?

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Pascoe Vale on a point of order, and I hope it is not a frivolous point of order.

Ms Campbell — Mr Acting Speaker, I find the honourable member's comments offensive and I ask him to withdraw.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Pascoe Vale has found the comments of the honourable member for Tullamarine offensive, and I ask him to withdraw.

Mr FINN — My time has expired.

The ACTING SPEAKER (Mr Jasper) — Order! I ask the honourable member for Tullamarine to withdraw his comments.

Mr FINN — Out of deference to you, Mr Acting Speaker, I withdraw, although it does not change the truth of what I said.

The ACTING SPEAKER (Mr Jasper) — Order! It is a matter of withdrawing because the honourable member for Pascoe Vale has taken offence to the comments you made. I ask you to withdraw your comments.

Mr FINN — I have withdrawn.

Fort Queenscliff

Ms GARBUTT (Bundoora) — I raise with the Minister for Conservation and Land Management the future of Fort Queenscliff.

Honourable members interjecting.

The ACTING SPEAKER (Mr Jasper) — Order! If the honourable members for Pascoe Vale and Tullamarine wish to have discussions they should leave the chamber immediately.

Ms GARBUTT — I seek a commitment that the minister will allow consultation with the Queenscliff community about the decision-making process to ensure an acceptable use of the site and to secure the $7 million of federation funding promised by the federal Minister for Employment, Workplace Relations and Small Business, Peter Reith.

As the minister will be aware, the federal coalition government has decided to close the army staff training college within the next two years.

Mr Finn — On a point of order, Mr Acting Speaker, as you will be aware, the adjournment debate provides the opportunity for members to ask ministers to act within the realms of their own administration in Victoria. It is not an opportunity to speak on federal matters. Clearly, the honourable member for Bundoora is delving into commonwealth areas and so is completely out of order.

Ms GARBUTT — On the point of order, Mr Acting Speaker, I ask you to overrule the point of order.

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

Ms GARBUTT — But I wish to make the point — —

The ACTING SPEAKER (Mr Jasper) — Order! The point of order has been overruled. The honourable member for Bundoora, on the issue she wishes to raise.

Ms GARBUTT — I ask the minister to undertake public consultation. The college is an important facility in the area, with $19 million coming back to the community. The ALP candidate for Bellarine, Kerri Erler, is actively seeking community input because the current local member is doing absolutely nothing to look after the community. If we are not careful the community will lose that promised $7 million.

The minister has not even visited the site, as has Kerri Erler, who is consulting the community. The minister is not getting out there and visiting the community.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member's time has expired.

Princes Highway: Hallam bypass

Dr DEAN (Berwick) — I ask the Minister for Housing to request the Minister for Roads and Ports in the other place to give further serious consideration to the building of the Hallam bypass, a $150 million project. If I may plead the case for what is a major project, I point out that the proposed bypass has been on the planning books for nearly 15 years. The former Labor government completely ignored the process and did not even put the Hallam bypass on a priority list. That set the project back many years.

I am pleased that the Kennett government placed the construction of the road among the first 10 on the priority list, and then within the first five about two years ago. Now, through Vicroads, the government has made a submission to the federal government that the Hallam bypass be built some time next year.

Ms Garbutt — On a point of order, Mr Acting Speaker, the matter being raised by the honourable member concerns federal responsibility. The adjournment debate — —

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

Dr DEAN — As a consequence of the former government's failure to put it on a priority list, the construction of the bypass has been delayed. The government has said it is looking seriously at building it in 2000. Therefore, I ask the minister to give serious consideration to constructing the bypass. The constituents of Berwick need to use it because they are required to go off the Mulgrave Freeway onto the Princes Highway and negotiate about 10 sets of traffic lights before they can get onto the Berwick bypass. The Hallam bypass would not only add to the pleasure of motorists being able to use the magnificent City Link project, which is about to be opened, but would also enable the people of Berwick to have quick access to Melbourne. They would no longer have to cope with the existing traffic congestion in the area.

The council supports the application and I have made many representations to the minister and his predecessor on this matter. The current minister has received those delegations and has provided much assistance.

Police: strength

Mr HAERMEYER (Yan Yean) — I refer the Premier to his so-called review of police numbers and resources and ask him to provide a statement advising the house why it should believe any commitment to additional numbers he may give as a result of the review process will be any more believable than his 1992 promise to increase the size of the Victoria Police Force by more than 1000 to 11 000. We all know how that particular commitment was dishonoured. Some 800 police have left the force in the past two years. Police numbers are down to 9650, which is a long way short of 11 000. It takes at least nine months — —

Mr Finn — On a point of order, Mr Acting Speaker, the honourable member for Yan Yean has raised a matter for the Premier. The nature of the matter suggests that it should be referred to the Minister for Police and Emergency Services. It is not within the Premier's portfolio responsibility.

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

Mr HAERMEYER — It takes at least nine months to advertise for, recruit and deploy police officers. Whatever commitment the Premier may give in the budget in a fortnight's time there will be no new police on the ground until after the election. This bears all the trademarks of another Kennett government stunt to try to con the public that it is serious about law and order when in fact it is as soft as a marshmallow. The chief commissioner let the cat out of the bag last week when he confirmed that the police force was committing to only 360 additional police officers to arrest the rate of attrition of police numbers.

Given that during the first six months of the new financial year the police academy will be dedicated to training those 360 officers to prevent further attrition it will be well into the next millennium before the Premier would be in any way obliged to provide any additional police officers. By that stage his promise will have disappeared into smoke, like his last commitment.

Asperger's syndrome

Mr WELLS (Wantirna) — I raise a matter with the Minister for Housing and ask her to direct it to the attention of the Minister for Health in another place.

I have been approached by Dr Janine Manjiviona, who is researching Asperger's syndrome and dealing with children who have the disease and their families. The doctor is requesting a grant from the Minister for Health to produce a video for medical professionals and the general community explaining Asperger's syndrome.

Asperger's syndrome is diagnosed as a childhood psychological disorder. It is poorly understood by both health and educational professionals, which leads to families and schools carrying the considerable burden of caring for sufferers.

It is an autistic disorder in children of relatively normal intelligence who have severe and disabling social impairments, obsessive preoccupations, and learning and communication difficulties. The disorder is chronic, and as the children move into adolescence and adulthood special help is still required to help them to lead as normal a life as possible.

The parents of children with Asperger's syndrome say their children have fixations — for example, they might know *Melway* inside out, or be obsessed about marine animals or AFL footballers. That might seem fine for a young child, but when it comes to teaching them, while the teacher is teaching English or mathematics or something else these children are occupied by the fixations I mentioned earlier. The sad part about it for some of the children is that they are bullied in schools and outside because they are seen as different, and they have great difficulty in making friends. That puts an incredible amount of additional stress on the families and children.

The advantage of providing a grant for the video is that it could be used to explain to teachers, parents and other children the workings of an Asperger's syndrome child. I encourage the minister to look at this favourably so that we can get the video up and running to assist these families.

Mrs McGill — On a point of order, Mr Acting Speaker, correct me if I am wrong, but I want to ask whether the honourable member for Yan Yean made a request of the Premier in raising his matter. If he did, I stand to be corrected, but if he did not — —

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

Mr Haermeyer — On a point of order, Mr Acting Speaker, tonight and the other night members of the government sought to use up as much as possible of the precious 3 minutes available to each member to raise issues of concern during the adjournment debate by raising points of order, and that has met with some retaliation from members of the opposition. I have had to raise this matter during previous sessional periods.

I suggest that when these sorts of things occur, firstly, the clock should be stopped so that those precious 3 minutes are not used up in a vexatious manner by other members, and secondly, a firmer stand be taken with members who seek to abuse the adjournment debate in this way. If this practice is not checked I can only surmise that there will be attack and counterattack, which will mean that the adjournment debate will degenerate into nothing but a procedural battle.

Mr Finn — On the point of order, Mr Acting Speaker, the gross hypocrisy displayed by the honourable member for Yan Yean in raising this point of order must be brought to your attention.

During my attempted contribution to the adjournment debate points of order have been raised by members of the opposition, eating up the precious time mentioned by the honourable member for Yan Yean. My point is that by raising this point of order the honourable member for Yan Yean is displaying nothing but enormous hypocrisy.

The ACTING SPEAKER (Mr Jasper) — Order! I acknowledge the comments made by both the honourable member for Yan Yean and the honourable member for Tullamarine, but it should be made clear to the house that there have been difficulties when frivolous points of order have been raised by both sides of the house. It is up to members to be responsible for what they do and to be aware of the importance of allowing other members to raise issues of concern in the 3 minutes available to them.

So far as I am concerned, when I am in the chair in future I will seek to protect members from frivolous points of order. I will certainly ensure that these comments are brought to the attention of the Speaker, who may wish to make further comment at a later date.

Responses

Mrs HENDERSON (Minister for Housing) — The honourable member for Caulfield raised with me as Minister responsible for Aboriginal Affairs the disadvantages to the Aboriginal community in Victoria, particularly in the areas of employment, health and housing. The honourable member for Caulfield asked what action I could take to ensure that Aboriginal people can overcome such disadvantages.

In the brief time available to me I acknowledge the work of the honourable member for Caulfield in understanding the serious issues that confront the Aboriginal community. The Victorian government has formulated a strong policy to increase employment and training opportunities for Aboriginal people and recently announced a number of initiatives that should convey to the honourable member that the government will deal with the issues she raised with me.

I recently announced a successful program entitled In Train, which forms part of the Koori services improvement strategy. The program will provide 10 scholarships for undergraduate and postgraduate students, particularly those studying in areas of human services such as health, law, nursing and mental health. The program will provide opportunities for young Aboriginal people to ensure that they acquire a good skills base for entry to the public service. In addition, four scholarships will be offered to young people working in community organisations, and 15 trainees, young Aboriginal people, will be given 12-month placements with the Department of Human Services to give them some experience.

The honourable member for Caulfield very sensitively raised with me the issue of how to address the disadvantages of young people, and I thank her for her interest. I believe the scholarships and trainee positions I have mentioned will provide a good base for young people to work in the Department of Human Services.

The honourable member for Mitcham raised with the Minister for Gaming in another place an issue concerning a review of the bingo industry. He asked the minister to provide details of what he understands to be the review, and I will certainly pass that matter on to the minister.

The honourable member for Northcote raised with the Minister for Education an issue concerning bus transport for two disabled students who live in Bacchus Marsh and attend the Jackson Special School at St Albans. The honourable member suggested the minister had already taken this on board and would review the situation. I will bring that matter to his attention.

The honourable member for Benambra raised for the attention of the Minister for Conservation and Land Management a matter concerning regional forest agreements, particularly in the north-east of the state. The honourable member clearly outlined the issues connected with the regional forest agreements, referring in particular to the directions report, and asked that the minister reconsider the decisions in that report. I will pass that request on to the minister for her attention, and thank the honourable member for Benambra for the great work he does on environmental matters in north-eastern Victoria.

The honourable member for Niddrie raised for the attention of the Attorney-General a sensitive case concerning intervention orders, and stalking laws in particular. He explained that the person who is the subject of his question has been through a very distressing and traumatic period. I will certainly bring the matter to the attention of the Attorney-General.

I do not believe there has been a Victorian Attorney-General who has done more to protect women by introducing laws about intervention orders and stalking. All Victorian women applaud her work to raise the status of women and their standards of safety. I will bring the matter to the Attorney-General's attention. I am sure she will take it as seriously as she has all other issues.

The honourable member for Tullamarine raised for the attention of the Minister for Transport the provision of a late-night train service for the people of Sunbury. The petty interruptions during his request made his task difficult. He spoke of the urgent need for such a service, particularly for those people attending late-night events.

I am disappointed that the honourable member did not have more opportunity of speaking during the time allocated. The honourable member works hard for his constituents and this evening he had a raw deal. I will direct the matter he raised to the attention of the Minister for Transport.

The honourable member for Bundoora requested that the Minister for Conservation and Land Management provide a period of consultation on the proposed development of Fort Queenscliff. Fort Queenscliff is the responsibility of the commonwealth government. Apparently the Labor Party candidate is working in the area, but I am not aware that the Labor Party has done anything about Fort Queenscliff except cause difficulties. I acknowledge the work of the honourable member for Bellarine both in his electorate and on the future of Fort Queenscliff.

The honourable member for Berwick requested that the Minister for Roads and Ports in another place take on board the importance of the proposed Hallam bypass. When in government the Labor Party failed to put the Hallam bypass on a priority list, which is disappointing to the people who live in the east of the state. However, I know that the honourable member for Berwick has made strong and continuing representations to the Minister for Roads and Ports on their behalf. I will pass on his representation to the minister.

The honourable member for Yan Yean referred the Premier to police numbers. I will pass that on to the Premier.

The honourable member for Wantirna referred the Minister for Health in another place to the importance of a grant to produce a video explaining Asperger's syndrome, which the honourable member sensitively described as an autistic disorder. I am sure he will be pleased with his representations on the subject. It is important that members of the public, including young schoolchildren, understand the enormous anxiety of people who suffer from this unfortunate syndrome. A video will explain it to parents and children who, through lack of understanding, may be insensitive about people suffering from the syndrome.

I am pleased to advise that the Minister for Health has announced the provision of a one-off grant of $18 000 for the production of the video, funded by the Acute Health Division of the department.

I thank the honourable member for Wantirna for making such a firm representation. The video will certainly provide a great deal of benefit to many people who suffer from Asperger's syndrome.

Motion agreed to.

House adjourned 6.40 p.m. until Tuesday, 4 May.