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FIFTY-FOURTH PARLIAMENT

FIRST SESSION

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[1] Resigned 3 November 1999
[2] Elected 11 December 1999

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Tuesday, 2 May 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 2.06 p.m. and read the prayer.

CONDOLENCES

Ian Francis McLaren

The SPEAKER — Pursuant to the new practices set down in the sessional orders I advise the house of the death of Ian Francis McLaren, OBE, member of the Legislative Assembly for the electoral district of Glen Iris from 1945 to 1947, member for the electoral district of Caulfield from 1956 to 1967 and member for the electoral district of Bennettswood from 1967 to 1979. He was Deputy Speaker and Chairman of Committees from 1973 to 1979.

In accordance with the new sessional orders I ask members to rise in their places as a mark of respect to the memory of the deceased.

Honourable members stood in their places.

The SPEAKER — Order! I ask honourable members to take their seats.

I indicate to the house that I shall convey our message of sympathy from the house to the relatives of the late Ian Francis McLaren.

BUSINESS OF THE HOUSE

Webcasting of proceedings

The SPEAKER — Order! I wish to advise the house that I have given permission to the Department of Treasury and Finance for the use of a third camera in the chamber to enable a webcast of the Treasurer's budget speech today.

Mr Maclellan — I raise a point of order in regard to a sessional order adopted in a resolution of the house on 18 February 1998 and amended on 27 May 1999 in respect of the televising and broadcasting of proceedings from the house.

Under the first provision sound and other transmissions are permitted. The second provision states that:

> … the following conditions be required to be observed by media organisations making sound and/or visual transmissions or broadcasts from the Legislative Assembly chamber …

The document goes on to specify what must be provided for, Mr Speaker: firstly, that transmissions or broadcasts must be accredited by you; secondly, that the sound must be recorded in respect of proceedings and not in respect of points of order et cetera. Further, it provides that:

> (e) Visual and/or sound recording of any particular proceeding must provide equality between government and non-government members.
>
> (f) Visual and/or sound transmissions or broadcasts of, or broadcasts or rebroadcasts of recordings of, proceedings shall be such as to provide in context a balanced presentation of differing views and …

The section continues on matters not related to the context before the house. Under (k) the document states:

> Media personnel are required to obey any instruction given by Mr Speaker or Mr Speaker's delegates;

Mr Speaker, your letter to the Treasurer dated 27 April indicating your intention to approve of the arrangement just announced to the house included the following statement:

> Additionally, I also draw your attention to paragraph 2(e) of the Legislative Assembly televising and broadcasting resolution …
>
> > 'Visual and/or sound recording of any particular proceeding must provide equality between government and non-government Members'.
>
> Accordingly, I trust that this will be taken into consideration when facilitating the live webcast event.

You might also have included 2(f), Sir.

I have drawn your attention to the fundamental documents, Mr Speaker. The issue is that you, Sir, have to be satisfied that the media organisation — in this case the Department of Treasury and Finance — is going to provide fair and equal opportunity to both sides to present both points of view in a context of a fair representation of the proceedings of the house. You have indeed raised that issue with the Premier as Treasurer in your letter to him, Mr Speaker, and I seek your guidance as to whether you are satisfied that that will be honoured by giving both sides equal opportunity in respect of the matter.

Honourable members interjecting.

Mr Batchelor — On the point of order, Mr Speaker, much of what the honourable member has put to you is an historical retelling of the origins of sessional orders and does not address any of the issues he attempted to raise in the alleged point of order. The issue for you to

consider, Sir, is whether permission will be given to all parties in the house who request it.

The government has sought and been granted your permission to broadcast on the web the proceedings of today's budget presentation by the Premier. The request has come from the Department of Treasury and Finance. If the opposition requested permission to broadcast the reply of the Leader of the Opposition or the shadow Treasurer the government would not oppose it. The opportunity is available, although I am not aware that any request has been directed to you, Sir. In anticipation of the request I foreshadow that the government has no opposition or objection and requests Mr Speaker to grant such a request from the opposition.

Dr Napthine — On the point of order, the matter raised by the honourable member for Pakenham relates to the fact that media organisations given permission to make such recording and broadcasts must, under the agreement, provide equal opportunity for both sides of the house. It is not a matter of equality of access: whoever has given permission must provide — —

Honourable members interjecting.

Dr Napthine — It is clear from paragraph (2) of the document headed 'Televising and Broadcasting of Proceedings' — —

Mr Hulls interjected.

The SPEAKER — Order! The Attorney-General!

Dr Napthine — Paragraph (2) reads:

> the following conditions be required to be observed by media organisations making sound and/or visual transmissions or broadcasts …

The media organisations are required to meet the requirements under paragraph (2). Subparagraph (e) states:

> visual and/or sound recording of any particular proceeding must provide equality between government and non-government members.

It is not about equality of access. The organisations that are permitted to make a recording of or transmit or broadcast a recording by whatever medium must give both sides of the debate.

Opposition members welcome the transmission of the Treasurer's speech on the Internet. We think it is a positive move for the Parliament and should be applauded. However, under sessional orders it is imperative that the opposition lead speaker on Treasury matters, the Deputy Leader of the Opposition, be given equal rights by the same media organisation and be allowed to have her speech in response to the budget similarly broadcast.

Mr Thwaites — On the point of order, Mr Speaker, subparagraph (e) of paragraph (2) provides that there be equality in recording. It does not require equality in transmission. The opposition wants to read into the provisions something that is not there — and it seems to want to force other organisations to pay for it. I am sure that if the opposition applies to have proceedings recorded, the Speaker will treat the application properly.

Mr McArthur — On the point of order, I welcome the Deputy Premier's reference to the resolution of the house on 27 May 1999, and in particular to paragraph (2)(e). However, I suggest he read paragraph (2)(f), which states:

> visual and/or sound transmissions or broadcasts of, or broadcasts or rebroadcasts of recordings of, proceedings shall be such as to provide in context a balanced presentation of differing views …

The house clearly anticipated the issue when the former Leader of the House, Mr Gude, moved the motion on 27 May 1999. I inform honourable members that the motion was passed by the house without debate — in other words, that the members of the Labor Party — now members of the government — agreed to the motion with no debate and no questions and without expressing any concerns. They supported the idea that any broadcast of proceedings should provide for coverage of all the points of view, in context and in balance.

Mr Speaker, I suggest that the rules adopted by the house on 27 May last year give you a clear guide on what the house expects whenever you have the opportunity to permit the broadcasting of proceedings, and they also give you the clear authority to direct that any media organisation which records or broadcasts the proceedings of the house must do so in a way that provides equal coverage of the diverse views in the house, in context and in balance.

The SPEAKER — Order! I have heard sufficient on the point of order. The honourable member for Pakenham has raised a matter relating to the resolution on the televising and broadcasting of proceedings that was adopted on 18 February 1998 and amended on 27 May 1999, and in particular to paragraphs (1)(d), (2)(e) and 2(f).

The Speaker, being cognisant of those requirements when approached by the Department of Treasury and

Finance for permission to allow the webcast and in granting such permission, drew to the department's attention the requirements for the broadcasting and televising of proceedings as adopted by the house.

To this point the Speaker has not received any formal response to that advice. However, I point out to the house that in allowing the webcast to proceed today and in drawing those matters to the attention of the Department of Treasury and Finance, the Speaker is not in a position to draw or reach a conclusion on whether there has been any breach of those requirements.

I further point out to the house that I, as Speaker, took the decision to allow the webcast to take place because, as the house is well aware, the information technology subcommittee of the House Committee is currently looking at all IT issues involving the Parliament. I believe that today's exercise will be a catalyst and a good pilot for the subcommittee to examine with a view to recommending longer term arrangements for the webcasting of the proceedings of the chamber.

I find that there is no point of order.

Mr Maclellan — On a further point of order, Mr Speaker, and to help you with the context, I refer to paragraph (2) of the resolution:

> the following conditions be required to be observed by media organisations making sound and/or visual transmissions or broadcasts from the Legislative Assembly chamber or sound and/or visual broadcasts or rebroadcasts of recordings of proceedings … pursuant to paragraph (1)(d) and any breach of the exceptions and these conditions may result in the immediate suspension of privileges by Mr Speaker.

Mr Speaker, I ask that unless you are satisfied that the conditions will be agreed to and abided by, you suspend the media organisation.

The SPEAKER — Order! That is a similar point of order to the one the honourable member raised previously. At this point the Speaker is not in a position to ascertain whether there has been a breach of any of the requirements for the broadcasting or televising of proceedings. There is no point of order.

QUESTIONS WITHOUT NOTICE

Bonlac Foods

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the unfortunate closure of Bonlac's milk processing plants in Toora, Drouin and Camperdown and ask what assistance the government will give to those communities directly affected by the closures.

Mr BRACKS (Premier) — I thank the Leader of the Opposition for the question. I share his concerns for the communities affected by the closure of the plants, on which Bonlac has briefed the government and, I understand, the opposition parties. The closures have been in the pipeline for some time and are obviously due to the competitive environment in the area.

As the opposition leader knows, they are not related to the deregulation of the dairy industry, which is supported by all sides of the Parliament. The government will be providing support and assistance to those communities affected through various means. For example, through the Regional Infrastructure Development Fund, the Better Regions, Better Cities and Better Suburbs projects and the other facilities it has provided the government will actively seek to support those communities in regional and country Victoria. We will work with them and the local councils to see what we can achieve to make sure that skills training and support for families are in place, including assistance for new jobs.

Melbourne Aquarium: legionnaire's disease

Mr CARLI (Coburg) — I refer the Minister for Health to the tragic legionnaire's disease outbreak at the Melbourne Aquarium and ask him to tell the house what action the government has taken in relation to the outbreak.

Mr THWAITES (Minister for Health) — The number of people confirmed as having contracted legionnaire's disease as a result of the outbreak associated with the Melbourne Aquarium has now reached 47. Tragically, 2 people have died and 9 are in a critical condition. Of the 47 people confirmed with the disease, 46 had visited the aquarium and the other person, a man aged 26, had walked by it.

On behalf of the government and, I am sure, all members of Parliament, I extend my sympathies to the families of those who died and to all people who have been affected by this tragic incident.

We must do everything we can to ensure that the patients get the very best care possible, and that is the reason the department has promptly set up a system to ensure early treatment for anyone who may be affected.

On the evening of 26 April the public health division of the Department of Human Services was first notified of the cases of legionnaire's disease, and by the following morning investigations into the case histories had

already commenced and it was learned that the patients had visited the Melbourne Aquarium. The public health division staff immediately attended the aquarium to inspect the cooling towers and collect for testing water samples from the towers and other sources. They also requested immediate disinfection of the cooling towers. The final results of the tests will be known shortly. However, the fact that so many of the affected people have been associated with the aquarium makes it clear that it is the source of the legionella.

A legionnaire's disease hotline has been established and an estimated 5000 calls from the public have been answered by the public health division. I thank all of those who have helped on the hotline and the doctors and other members of the public health division who have worked almost nonstop on this issue for the past week.

A health alert has been sent to all hospital intensive care units and emergency departments. Interstate health departments have also been alerted. The government wants to ensure that anyone with possible flu-like symptoms should come forward, and I can report that the public health campaign has been successful. Five recent sufferers of the disease who sought prompt treatment have not required hospitalisation.

The government is also undertaking workplace surveillance at the aquarium to ensure that workers are not affected. To date there are no confirmed cases among the staff, but two are under investigation. The department is carrying out an urgent investigation to try to ascertain the cause of the spread of legionnaire's disease in this case. I expect preliminary advice by the end of this week, and I hope that will narrow down the range of possible causes. The full advice as to the possible cause may take longer because it is sometimes difficult to determine exactly what has caused the disease. There are a number of hypotheses about dust contamination and other possibilities, but none of them have been established yet.

The government is concerned to put in place a proper regulatory framework for ensuring that legionnaire's outbreaks are minimised. When I became the Minister for Health I established an expert working party to improve the regulatory framework relating to water cooling towers and the spread of legionnaire's disease. That working party is considering a number of issues, including upgrading regulations and increasing penalties, ensuring guidelines for maintenance are fully regulated, providing ongoing legionella education targeted at building owners, and establishing a statewide register of cooling towers and a program of inspection and auditing.

The expert working party is meeting again this week to determine whether any factors in the aquarium tragedy need to be taken into account in making final recommendations to the government. I expect to receive the recommendations shortly and will then inform the public.

Lake Eildon

Mr RYAN (Leader of the National Party) — Will the Minister for State and Regional Development inform the house what government programs are available to assist local tourism operators in the Lake Eildon area who are suffering financial difficulties due to the extremely low level of the lake and whether they will be implemented?

Mr BRUMBY (Minister for State and Regional Development) — I thank the honourable member for his question. I am surprised he did not direct a question about tourism initiatives to the Minister for Major Projects and Tourism, who I understand has visited the area on a number of occasions, including yesterday. It is a very timely question as the minister's visit indicates the full support of the Bracks government to assist tourism operators in the area.

It is worthy of note that the extraordinarily dry conditions in the Lake Eildon area have created enormous difficulties for tourism operators, although in recent weeks the fact that the media has worked with the industry and the government to publicise the plight of those operators has seen an enormous number of people visiting Lake Eildon, particularly Bonnie Doon, to look at the old homestead. Those unique sights will probably not be visible again for another 50 to 100 years. Indeed, the government hopes this is literally a once-in-a-lifetime opportunity of which people will avail themselves. As the Minister for Major Projects and Tourism has been saying to the Victorian people, this is a unique opportunity to visit Lake Eildon. It is very dry at the moment but it will not stay that way for long. People should get out there and enjoy the sights while the opportunity exists.

The Minister for Major Projects and Tourism has taken a very close interest in the area, and I can assure honourable members and the Leader of the National Party, who raised the issue, that the Premier's budget speech today will contain further initiatives to support the growth of the domestic tourism industry in Victoria.

Health and Safety Week

Ms ALLAN (Bendigo East) — I refer the Minister for Workcover to the fact that this is Health and Safety

Week and ask him to inform the house of the latest action the government is taking to prevent workplace accidents, particularly in regional Victoria?

Mr CAMERON (Minister for Workcover) — I thank the honourable member for Bendigo East for her question and for her ongoing support of the culture of health and safety in workplaces, particularly in regional Victoria. No doubt it is one of the reasons the honourable member did so well at the last election.

This is Health and Safety Week — the biggest the state has seen. Naturally, it is a tripartite arrangement with businesses, unions and government being involved. Equally, it is occurring in both country and city areas. Many activities are being conducted all around the state, including a hypothetical as to whether safety is affordable, with which VECCI has been involved, and a moot court on industrial manslaughter. One of the commitments of the Bracks government was to introduce the crime of industrial manslaughter, together with ensuring that Victoria has the toughest occupational health and safety laws in Australia. Such a commitment complements the fact that the government has increased the number of inspectors so that there will be greater implementation of the law.

The government wants to ensure a culture of health and safety across the board. Many good companies have the right culture, and as a result they do not experience workplace injuries. Obviously that is good from a business point of view because those companies do not have employees who cannot work, but it is equally good for the workers because they are prevented from suffering injury.

I highlight that fact by outlining that, a fortnight ago, I was with the Minister for Energy and Resources when a Premier's commission was given to Worsley–ABB, a joint-venture company with an average of 300 workers on oil rigs. It is involved in a dangerous industry, but not a day has been lost as a result of injury in 10 years. Honourable members would understand why that outstanding effort earned a Premier's commission. Obviously the government would love to see that culture embraced across the entire state.

This week a range of events are taking place in Victoria. The government is very keen to see an improvement in health and safety in regional Victoria. Nearly two-thirds of the events on the week's program are in regional areas, which is very important because all too often not as many health and safety representatives are seen in regional areas as are seen in the city. That means there is no extra impetus at work places to ensure an improvement in the health and safety culture. Another factor affecting regional Victoria is the unnecessarily high rate of injuries and death in the farming industry. Only 5 per cent of the work force is involved in farming but, unfortunately one-third of industrial deaths are in that area. Sadly, there was a death in Gippsland yesterday involving a farmer and a tractor. That is why the government is promoting the culture of health and safety in the country through Workcover.

About a fortnight ago the government announced a farm safety course, which it is keen to promote. A subsidy will be provided for the course, and the government is establishing a farm safety aid program so people will be available in country Victoria to promote farm safety. I am pleased that the Victorian Farmers Federation is very encouraged by what the government is doing and has taken an active role in the past few years. The government is very keen to work with the VFF to ensure we are getting the message across to as many people as possible.

A great range of activities are taking place during Health and Safety Week, and I encourage people to take part. The government is determined to work with businesses, unions and workplaces around Victoria to improve the culture of health and safety.

A. V. Jennings

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the fact that home builder A. V. Jennings has decided to shut up shop in country Victoria and ask: did the government offer any incentives or inducements to A. V. Jennings not to close its operations in rural Victoria; if so, what were they?

Mr BRACKS (Premier) — The A. V. Jennings closure affected something like 20 staff around the state as part of the consolidation that is happening in the building industry more broadly. Even though it is a small location in Victoria, it is regrettable. A. V. Jennings did not seek direct support from the government, but of course the government will provide assistance and support to those communities affected.

Port Phillip Prison: deaths

Mr WYNNE (Richmond) — I refer the Minister for Corrections to the coroner's findings last week that the former Kennett government and a private prison operator were partly responsible for the death of several prison inmates. Will the minister inform the house what action the government is taking to examine and act on those findings?

Mr HAERMEYER (Minister for Corrections) — The findings of the coroner last week relate to the tragic situation where a number of people died at Port Phillip Prison over a fairly short period of time as a result of suicide. The coroner's findings are a damning indictment of the mismanagement, arrogance and blind ideology with which the previous government handled the prison system in this state. It reflects a repeated failure of the private prison system, and Port Phillip Prison in particular, to meet prison service agreement requirements.

I have learned that the previous government approved the design requirements that are condemned in the coroner's report — that is, the design faults that were built into the prison were actually approved and ticked off by the previous government. It was a hands-on exercise by the previous government.

I note that eventually the previous government, something like 21 months after the first suicide, issued a default notice relating to security issues, including failure to appropriately contain prisoners in a safe and secure manner as evidenced by the number of prisoner deaths due to unnatural causes and the extent of self-harm incidents, failure to control the entry of contraband evidenced by the level of illicit drug-taking in the prison and failure to comply with the Victorian prison drugs strategy.

The former government constantly informed honourable members that everything was rosy and hunky-dory and not worth worrying about. The former government approved the design of the prison. Therefore, it comes as no surprise that 21 months elapsed before the issue of a default notice. Clearly, it was reluctant to act.

The Bracks Labor government welcomes the report of the coroner. The coroner's recommendations are being considered with a view to their full implementation. The government has nothing to hide and does not run away from the issues. The running of the private prison industry raises serious concerns, particularly management, security, safety and operational issues that go beyond those addressed by the coroner.

I have ordered an independent investigation of the operations and management of the three Victorian private prisons, together with a more rigorous contract management arrangement. The former regime of ticking off a set of flimsy contractual performance criteria will no longer operate. The government will require the contract monitors to advise on whether it is receiving good correctional management from the prisons.

The Victorian private prison industry is on notice. The government will not tolerate poor security or poor occupational health and safety, prison management and practice. It will rigorously pursue the options available under both the contracts and the law to ensure that the prisons meet their obligations. The free ride for private prisons is over.

Rural Victoria: doctors

Mr DOYLE (Malvern) — Will the Minister for Health advise the house how many doctors have been recruited and placed in rural Victoria under the Victorian overseas-trained doctors recruitment program since the Labor government came to power?

Mr THWAITES (Minister for Health) — The government supports the overseas-trained doctors recruitment program, as did the former government. However, for the program to proceed the support of the federal government is required. The government is still waiting for that support.

Harness racing

Ms BEATTIE (Tullamarine) — I refer the Minister for Racing to the government's commitment to grow Victoria's harness racing industry. Will the minister inform the house of details of a summit on 15 May to discuss the future of harness racing?

Mr HULLS (Minister for Racing) — I thank the honourable member for Tullamarine for her ongoing interest in Victoria's racing industry. The harness racing industry is important to Victoria statewide. In addition to the weekly program at Moonee Valley, country race meetings involving 35 licensed and picnic country clubs hold more than 400 meetings each year. Of the more than 3000 licensed trainers and drivers many are at grass-roots level, racing one or two horses as a hobby. Whether it be the Inter-Dominion final or a country picnic meeting, harness racing remains a unique and exciting spectacle.

The government came to power with a policy of supporting all Victorian racing, and it intends to deliver. Unlike the thoroughbred and greyhound racing industries the harness racing industry has no strategic plan. I advise the house that the Harness Racing Board has agreed to my proposal to hold a harness racing summit in Victoria on 15 May.

Although it may be of no interest to opposition members, harness racing is important to country Victorians, particularly those in Benalla — but don't mention the war! My office has received many telephone calls, letters and submissions from people

wanting to be involved in the future of harness racing which indicates no shortage of interest in or opinion on its future.

The summit will be open to the public. I encourage everyone who is interested in harness racing to participate and contribute in a positive way. A series of workshops will tackle stake money, race programming and industry management issues.

Several vacancies will shortly occur on the Harness Racing Board. Following the summit an entirely new government structure for Victorian harness racing may occur. The government will advertise for expressions of interest to fill available positions. The government wants a broader cross-section of board representation, including women and young people. The government wants to bring on the next generation of leaders for this important sporting industry.

Members of the harness racing industry need to work together to advance the sport towards a common long-term vision and the summit, which will take place on 15 May, represents an important starting point in the process.

Budget: webcast

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the letter addressed to him as Treasurer by Mr Speaker in relation to the Internet broadcast of the budget speech. Has he responded to the Speaker's letter, and in keeping with traditions of budget and budget reply broadcasts will the government offer the same facility of an Internet broadcast funded by Department of Treasury and Finance for the speech to be given by the shadow Treasurer?

Mr BRACKS (Premier) — Mr Speaker, I know that you have ruled on a related matter to this question. The facility that has been mentioned by the Leader of the House and the government side is open for the opposition for its budget reply.

An honourable member interjected.

Mr BRACKS — I will come to that. If the opposition believes that it is a high priority, it has a global budget from which it can take that funding in the future.

Mrs Peulich — That is democracy at a price!

The SPEAKER — Order! The honourable member for Bentleigh shall cease interjecting.

Post-compulsory education and training: ministerial review

Ms GILLETT (Werribee) — Will the Minister for Post Compulsory Education, Training and Employment advise the house on the interim report of the ministerial review into post-compulsory education and training pathways in Victoria, and the public response following the release of the documents?

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — Honourable members will recall that at the beginning of this year I appointed a ministerial review into post-compulsory education and training pathways. The review has looked at ways in which the government can improve the post-compulsory years and provide education for young people so that more of them are connected to education, training and employment than was the case under the previous government. The review is chaired by Mr Peter Kirby, whom I am sure would be supported by all honourable members. He has done a magnificent job.

The review has undertaken detailed consultations. To date it has received 223 submissions, conducted 12 principal forums across the state and scheduled 16 hearings — 10 in rural Victoria and 6 in metropolitan locations — 5 of which have been completed. More hearings will take place in regional Victoria than in metropolitan areas — something the opposition would not understand! Members of the review have had discussions with over 17 organisations and there are youth forums planned. It is a well-researched review.

The review has provided me with an interim report indicating that things need to change, that the current system does not look after enough young people and that the boundaries between schools and training need to be broken down so there are more options for young people. The government is very supportive of that.

The public response to the interim report has been positive. The government hoped it would have bipartisan support for the report, but that has not happened. Last Wednesday evening on radio 3LO I spoke about the interim report. I was happy to take talkback calls, unlike opposition members, who do not like to hear anything, and there was a phone call from the honourable member for Hawthorn — Talkback Ted. I think he was a bit surprised to get on because when he was asked whether he had read the report he said, 'No' and that he had been unable to do so because the report was not available on the web site. The

compere's response was 'Oh, that's where I got it from this afternoon'.

In fact the interim report was available on three web sites, not one. In addition, the government sent the report out to a range of people. The honourable member for Hawthorn made a bit of a fool of himself. Even worse, he indicated there seemed to be no problem with the fall in retention rates in Victoria under the previous government. He said that the retention rates had fallen only marginally in the past seven years. That is correct, but they actually fell from just over 86 per cent in 1992 to just over 81 per cent in 1999. He also did not seem to have much of a concern about unemployment and said that unemployment had fallen dramatically since 1992. Not for teenagers, it has not — and that is what the government is concerned about!

The member for Hawthorn was so desperate to be heard that he did not worry about what he had to say. The government is greatly encouraged by the interim report and I hope to get support from others on the opposition front bench. I hope they do not take their lead from the member for Hawthorn but support the government and Mr Peter Kirby and this interim report. I look forward to receiving a final report from the Kirby review.

The SPEAKER — Order! The time for questions has expired. A minimum number of questions and answers have been asked and answered.

Dr Napthine — I am reluctant to raise this point of order, but it is very important.

Honourable members interjecting.

Dr Napthine — I am not seeking and do not want to delay the budget speech, which I look forward to hearing. However, in response to an earlier point of order, Mr Speaker, you said you could not make a decision because you could not anticipate how the media organisation to which you had given permission to provide the Internet broadcast would respond to the letter you wrote to it. In response to a question today the Premier advised the house that the media organisation to which you have given permission to provide the Internet broadcast will not meet the requirements of the broadcasting guidelines passed by the former government.

Honourable members interjecting.

Dr Napthine — The Premier has now admitted that one can purchase coverage of the proceedings of this house.

Honourable members interjecting.

Dr Napthine — The purpose and intent of the guidelines for the televising and broadcasting of proceedings adopted by the house on 18 February 1998 are clearly specified in their wording. Paragraph (2) of those guidelines provides:

> … the following conditions be required to be observed by media organisations making sound and/or visual transmissions or broadcasts from the Legislative Assembly chamber …

Media organisations to which you, Mr Speaker, give permission are required to meet certain responsibilities, one of which is contained in paragraph (2)(e) which provides:

> Visual and/or sound recording of any particular proceeding must provide equality between government and non-government members.

That requirement of the guidelines specifically sets out their purpose and intent. Paragraph (2)(f) provides that visual or sound transmissions or broadcasts or rebroadcasts of proceedings shall be made in such a way as to provide a balanced presentation of differing views. The media organisation is required to present not only one side of the budget debate; it is a requirement and the purpose and intent of the guidelines that it not do so.

It is important that the budget speech be transmitted on the Internet. It is a positive move for the Parliament. However, I will give the Premier and Treasurer the opportunity to advise the house that contrary to the answer he gave during question time he will now provide similar funding from the Department of Treasury and Finance to meet the requirements of these provisions of the guidelines so that the Internet broadcast can go ahead as members on this side of the house want it to.

To meet the requirements of the guidelines we want to ensure equality of opportunity and that similar opportunity is provided to government and non-government members. We want the Department of Treasury and Finance to provide the media organisation that you, Mr Speaker, have approved to undertake this Internet broadcast with the necessary funding to meet the requirements of the house — that is, to provide a balanced coverage to both sides of the house.

In answer to the question the Premier has said that will not be done. I ask the Premier to provide the opportunity for that broadcast to go ahead. I ask him to get on his feet and say to the house that, yes, he will extend the same privilege to the opposition.

The SPEAKER — Order! The Leader of the Opposition may not ask the Premier a further question. He is raising a point of order.

Dr Napthine — Unfortunately, if the Premier is not able to provide that opportunity to the house, Mr Speaker, I put it to you that you have no alternative but to act to ensure the conditions and intent of the sessional order are upheld. If the media organisation to which you have given permission to do the broadcast is going to provide only a biased broadcast of one side, you have no alternative but to discontinue its involvement in the broadcast, which would be most unfortunate. I would prefer that the Premier and Treasurer advise the house that a similar opportunity will be provided to the shadow Treasurer, and then the house can proceed.

Mr Thwaites — On the point of order, Mr Speaker, the Leader of the Opposition is just repeating the point of order he raised previously. He is desperate to hold up the budget. He does not want the good news to get out.

It is clear the opposition is getting what it has asked for. The opposition has been offered exactly what the Leader of the Opposition has asked for — equality of opportunity. The opposition is seeking something that is not mentioned in the resolutions — it wants funding; it wants extra dollars. Clearly there is equality of opportunity for that recording. That is what the opposition has but it is deliberately delaying the proceedings of the house. It does not want the good news in the budget to get out.

Mr McArthur — On the point of order, Mr Speaker, in your ruling prior to question time you clearly ruled twice that you are unable to anticipate what the media organisation would do and how it would treat the broadcast of the budget speech. Members of the opposition can accept that ruling because we accept that, while the Chair is responsible for the orderly conduct of the house and has at all times done so even-handedly and with balance, it cannot be expected that you could anticipate the actions of others.

In his answer to the question from the Leader of the Opposition the Premier, who is also the Treasurer and who is the head of the Department of Treasury and Finance — the very organisation that you, Sir, authorised to provide the broadcast and to lodge it on the web at 3 o'clock or thereabouts today — clearly said that the Department of Treasury and Finance would not provide the same coverage for the opposition response to the budget speech. That gets over your problem of anticipating the actions of the Department of Treasury and Finance. The head of the Department of Treasury and Finance has stipulated in this place that the Department of Treasury and Finance will not fund or provide that broadcast. If the opposition wants to have that broadcast the opposition must fund it out of its own resources.

On behalf of the Opposition I put it to you, Mr Speaker, that that overcomes your difficulties in anticipating the actions of the Department of Treasury and Finance. I also put it to you that the statement by the Premier clearly contradicts the resolution of the house agreed to by all members on 27 May 1999, which the Labor Party when in opposition agreed to without dissent and without question. That leaves you with two options, Mr Speaker. You are now clearly aware that the Department of Treasury and Finance intends to flout the resolution of the house and that it does not intend to take into account the resolution of the house, which states:

> visual and/or sound recording of any particular proceeding must provide equality between government and non-government members.

That is a quote from a resolution of the house — one to which the Treasurer has now responded, saying, 'No, that will not be done'. Mr Speaker, that gives you two options. One is to withdraw your approval of the broadcast. I hope that does not happen. I do not seek that. The opposition would like the broadcast to proceed. The second option is contained in clause (2)(k) of the resolution of the house on 27 May 1999, which I quote for the benefit of those who were not members of the house at the time:

> Media personnel are required to obey any instruction given by Mr Speaker or Mr Speaker's delegates;

Mr Speaker, it is open to you now to issue an instruction to the Department of Treasury and Finance that coverage must be provided for the speech of the Deputy Leader of the Opposition when she responds to the budget on Thursday, 11 May. Your doing so will enable the broadcast to proceed, as all members of this place wish and in compliance with the resolution of the house passed on 27 May 1999 — a resolution that all members are required to abide by. That is an attractive option and one that gives everybody — —

Honourable members interjecting.

Mr McArthur — For the benefit of those opposite who were not here on 27 May last year, I point out that that option would allow the resolution of the house to be complied with, would fulfil the wish of the Premier and Treasurer to have the budget broadcast live on the web and would meet the requirement of the house's

resolution that coverage be given evenly to all sides of the debate.

Mr Batchelor — On the point of order, I would like to bring some commonsense back to the debate. Mr Speaker, the government sought your permission for the broadcast to proceed, and that has been granted. That should have been the end of the matter. Essentially the opposition is now seeking to go over the same grounds that were gone over earlier.

The government indicated at the beginning of the session that it had no objection to the opposition being given permission to broadcast. If it would like to organise the broadcasting over the web of the shadow Treasurer's budget response it should do so — in fact, the government encourages the opposition to do so. Its response ought to be shown worldwide. It will be illuminating. It ought to be compulsory viewing! Perhaps the opposition would like us to pass a law compelling everybody to watch it. The government will go as far as not only not objecting, but encouraging the opposition to do that.

But the opposition is substantially funded from the public purse. Over $500 000 in funding is provided to the opposition. What it is seeking today is not permission, because if it had wanted permission it would have already applied to you, Mr Speaker. The opposition would not have sent you a written request for permission, because what it is doing today is asking the government to put its speech on the government's web site because the opposition's site is no longer there. Gone is www.jeff.com.au. The opposition does not have a web site, and it wants us to put its budget reply on our site. If it does not want that it wants us to fund it. The opposition is already getting the funding. If it had been an important priority the opposition would reallocate the resources from within the existing funds given to the Leader of the Opposition to carry out such activities.

You should reject it. We should get on with the budget so they can hear the fantastic news that is about to be delivered.

Mr Perton — On the point of order, Mr Speaker, you have been left in a most difficult position.

Government members interjecting.

Mr Perton — Indeed, the laughter of members opposite and the contempt for Parliament being shown by the minister is — —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order.

Mr Perton — Your job, Mr Speaker, is to defend the Parliament against the executive. You and I had a conversation on Friday during which you made it clear to me that you believed the rules relating to media organisations also relate in these circumstances to the Department of Treasury and Finance. I will not raise the additional point of whether the Department of Treasury and Finance can be a media organisation, but it is clear the advent of the Internet and web sites throws up new constitutional issues.

You have written to the Treasury requiring it to comply with the broadcast rules. In that sense you have ruled that Treasury is a broadcast organisation. In his answer to the last question without notice the Treasurer, who is the head of that department, made it clear that he would not comply with your requirement.

A web broadcast is not a simple matter. You expressed your frustration to me, Mr Speaker, that the Parliament's information technology unit has shown itself manifestly incapable of producing a web broadcast. As a result, by arrangement with the media you have given the Department of Treasury and Finance permission to use the television camera in the Hansard box as well as the camera in the public gallery. In addition, another expensive Internet camera and other equipment necessary to undertake the web broadcast have been set up in the gallery. You have not been informed about how much is being paid as a media fee.

You have ruled, Mr Speaker, that the Department of Treasury and Finance is a media organisation, and you have required it to comply with the rules. You now have the head of that department saying to you that he will not comply with your rules.

Mr Bracks interjected.

Mr Perton — By way of interjection he now says, 'I did not say that', but the media is up there in the gallery and members of the media have recorded his words.

In my submission, Mr Speaker, you have only one option, which is to require the Treasurer to get to his feet now and give you an undertaking that as the head of that organisation he will provide exactly the same broadcasting facilities to the opposition as have been provided to the government.

I note that the honourable member for Gippsland South was conversing with members of the front bench. If the

Premier wants to go further and provide that sort of coverage to the Independents, that would be appropriate, too. In fact, it is probably appropriate to have the whole budget debate broadcast.

You are now in an impossible position, Mr Speaker, unless the Treasurer gets to his feet and gives you the undertaking you required by letter from the Department of Treasury and Finance.

The SPEAKER — Order! The point of order provided for a wide-ranging debate about the problems associated with information technology issues involving the Parliament. In raising the point of order the Leader of the Opposition sought an assurance that the equal balance requirement in the televising and broadcasting rules of the Parliament would be applied.

In the debate on a previous point of order I advised the house of what I perceived the current situation to be. The Leader of the Opposition seemed to rely on an answer provided by the Premier during question time today. I was listening intently to the answer provided by the Premier and I heard him say he would be willing to make available the facilities required for the broadcasting or webcasting of proceedings on a future occasion. However, the question of costs was not satisfactorily resolved.

I believe that in the current predicament in which the house finds itself I have little choice but to proceed with the webcast today as previously arranged and to take on board, for the House Committee to address, the whole host of IT issues that have arisen as a result of the point of order. There is no point of order.

Honourable members interjecting.

The SPEAKER — Order! I remind honourable members that they should remain silent at all times when the Speaker is on his feet.

Mr Phillips — Turn on your microphone.

The SPEAKER — Order! Particularly the honourable member for Eltham!

BENALLA: BY-ELECTION

The SPEAKER — Order! I advise the house that on 18 April I issued a writ for a by-election for the electoral district of Benalla, to be held on 13 May.

PETITIONS

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

Scotchmans Creek

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 we urge the government to ignore an ill-conceived petition currently being submitted on the subject of Melbourne Water's proposal to clean up Mount Waverley Creek, downstream (east) of Regent Street, Mount Waverley.

Your petitioners therefore pray that the government supports the long-term health of our creeks and the proposals by the Friends of Scotchmans Creek on this issue, which include:

close cooperation with Melbourne Water

retention of weeping willows but removal of basket willows which have caused parts of the creek to become heavily silted up, stagnant and smelly; and

carrying out minor creek re-establishment and revegetation of the affected area with acceptable native and aquatic plants.

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

By Mr SMITH (Glen Waverley) (116 signatures)

Scotchmans Creek

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:

We protest against the proposal of Melbourne Water and the City of Monash to poison and cut down willow trees in Scotchmans Creek reserve (*Melway* reference page 70).

We call on the government to prevent this from occurring.

Further we call on the government to ensure that Melbourne Water and the City of Monash provide and maintain an environment in which the willows can thrive and regenerate for the length of the creek reserve, being from the Regent Street and Waverley Road corner up to the entrance to the Holmesglen TAFE nursery.

Further that the government ensures that Melbourne Water and the City of Monash provides a clear view of the willows by clearing and pruning any vegetation as necessary. The willows must be visible from Regent Street, Waverley Road, Lawrence Road, Blackburn Road and Bunker Avenue and any residence, other buildings or place that might overlook the willows.

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

By Mr SMITH (Glen Waverley) (375 signatures)

Police: Emerald station

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

The humble petition of the undersigned citizens of the state of Victoria sheweth the need for additional and continuing police services in Emerald and the surrounding area.

Your petitioners therefore pray that the Minister for Police and Emergency Services provides the necessary resources to ensure that the Emerald police station is fully staffed and provides a 24-hour service to the community.

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

By Mr MACLELLAN (Pakenham) (276 signatures)

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 5

Ms GILLETT (Werribee) presented *Alert Digest* No. 5 of 2000 on:

Accident Compensation (Common Law and Benefits) Bill
Adoption (Amendment) Bill
Agricultural and Veterinary Chemicals (Control of Use) (Amendment) Bill
Chinese Medicine Registration Bill
Disability Services (Amendment) Bill
Electronic Transactions (Victoria) Bill
Environment Protection (Enforcement and Penalties) Bill
Equal Opportunity (Breastfeeding) Bill
Equal Opportunity (Gender Identity and Sexual Orientation) Bill
Essential Services (Year 2000) Act 1999
Federal Courts (Consequential Amendments) Bill
Local Government (Governance) Bill
National Taxation Reform (Further Consequential Provisions) Bill
Planning and Environment (Amendment) Bill
Vocational Education and Training (Council Membership) Bill
Witness Protection (Amendment) Bill

together with appendices.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Mr Hulls presented by Command of His Excellency the Governor:

County Court — Report for the year 1998–99 — Ordered to lie on the Table.

Ballarat Health Services — Report for the year 1998–99

Barwon Health — Report for the year 1998–99 (two papers)

Bendigo Regional Institute of TAFE — Report for the year 1999

Box Hill Institute of TAFE — Report for the year 1999

Central Gippsland Institute of TAFE — Report for the year 1999

Chisholm Institute of TAFE — Report for the year 1999

Council of Adult Education — Report for the year 1999

Crown Land (Reserves) Act 1978 — Section 17DA Orders granting under s. 17D — leases by the Southern Grampians Shire Council (two orders)

Djerriwarrh Health Services — Report for the year 1998–99 (two papers)

Driver Education Centre of Australia — Report for the year 1999

East Gippsland Institute of TAFE — Report for the year 1999 (two papers)

East Wimmera Health Service — Report for the year 1998–99

Financial Management Act 1994:

Reports from the Minister for Environment and Conservation that she had received the 1998–99 Annual Reports of the:

Eastern Regional Waste Management Group

Northern Regional Waste Management Group

South Eastern Regional Waste Management Group

Western Regional Waste Management Group

Report from the Minister for Health that he had received the 1998–99 Annual Report of the Edenhope and District Memorial Hospital

Report from the Minister for Post Compulsory Education, Training and Employment that she had received the 1999 Annual Report of the International Fibre Centre Ltd (IFC)

Financial Management (Financial Responsibility) Act 2000 — Budget Paper No. 2 — 2000/01 Budget Statement

Gordon Institute of TAFE — Report for the year 1999

Goulburn Ovens Institute of TAFE — Report for the year 1999

Hepburn Health Service — Report for the year 1998–99

Holmesglen Institute of TAFE — Report for the year 1999

Kangan Batman Institute of TAFE — Report for the year 1999

Mercy Public Hospitals Incorporated — Report for the year 1998–99 (four papers)

National Crime Authority — Report for the year 1998–99

Northern Melbourne Institute of TAFE — Report for the year 1999

Planning and Environment Act 1987:

Notice of approval of the new Frankston Planning Scheme

Notices of approval of amendments to the following Planning Schemes:

Boroondara Planning Scheme — No. C7

Darebin Planning Scheme — No. C5

Kingston Planning Scheme — No. C1

Stonnington Planning Scheme — Nos L67, L68

Yarra Ranges Planning Scheme — No. L120

Portland and District Hospital — Report for the year 1998–99 (two papers)

Rural Northwest Health — Report for the year 1998–99

South West Institute of TAFE — Report for the year 1999

Statutory Rules under the *Magistrates' Court Act 1989* — SR No. 27

Subordinate Legislation Act 1994 — Ministers' exemption certificates in relation to Statutory Rule Nos 112/1999, 27

Sunraysia Institute of TAFE — Report for the year 1999

West Wimmera Health Service — Report for the year 1998–99 (two papers)

William Angliss Institute of TAFE — Report for the year 1999

Wodonga Institute of TAFE — Report for the year 1999

Wonthaggi and District Hospital — Report for the year 1998–99.

GOVERNOR'S SPEECH

Address-in-reply

The SPEAKER — Order! As directed by the house, on 27 April 2000 I waited upon His Excellency the Governor and presented to him the address of the Legislative Assembly agreed to on 16 March 2000 in reply to His Excellency's speech on the opening of Parliament.

His Excellency was pleased to make the following reply:

Mr Speaker and honourable members of the Legislative Assembly:

In the name and on behalf of Her Majesty the Queen I thank you for your expressions of loyalty to Our Most Gracious Sovereign contained in the address you have just presented to me.

I fully rely on your wisdom in deliberating upon the important measures to be brought under your consideration, and I earnestly hope that the results of your labours will be conducive to the advancement and prosperity of this state.

James Gobbo
Governor of Victoria.

Honourable Members — Hear, hear!

ROYAL ASSENT

Message read advising royal assent on 18 April to:

Corporations (Victoria) (Amendment) Bill
Education Acts (Amendment) Bill
Financial Management (Financial Responsibility) Bill
Flora and Fauna Guarantee (Amendment) Bill
Prevention of Cruelty to Animals (Amendment) Bill
Prostitution Control (Planning) Bill
Renewable Energy Authority Victoria (Amendment) Bill
Road Safety (Amendment) Bill

APPROPRIATION MESSAGES

Message read recommending appropriations for:

Accident Compensation (Common Law and Benefits) Bill
Environment Protection (Enforcement and Penalties) Bill
National Taxation Reform (Further Consequential Provisions) Bill

APPROPRIATION (2000/2001) BILL

Message read recommending appropriation and transmitting estimates of revenue and expenditure for 2000–01.

Estimates ordered to lie on table.

Introduction and first reading

Mr BRACKS (Treasurer), pursuant to standing order no. 169, introduced a bill to appropriate certain sums out

of the consolidated fund in respect of the financial year 2000–01 and for other purposes.

Read first time.

Second reading

Mr BRACKS (Treasurer) — I move:

That this bill be now read a second time.

Introduction

This is the first budget of the Bracks Labor government.

It's also the first budget speech in any Australian Parliament to be broadcast 'live' on the Internet.

But more importantly, this is the first time that all Victorians, wherever they live in the state, have been able to directly participate in the proceedings of their own Parliament.

I'm proud to welcome all of you who are watching this historic broadcast.

Election commitments delivered in full

Mr Speaker, at the last election my team promised to deliver on four key pillars:

responsible financial management;

promoting growth across the whole state;

delivering improved services; and

restoring democracy.

These four key pillars formed the basis of the 115 service delivery initiatives that were promised at the last election, and described in *Labor's Financial Statement*.

I am proud to say that this budget — our first budget — delivers on those commitments.

It delivers on each and every one of our commitments in education, health and community safety.

It delivers on Labor's commitment to the people of regional Victoria.

There are no 'core' and 'non-core' promises here.

There's no wriggling and twisting around to get out of our election promises.

In the election campaign, we said we would only promise what we could deliver. In this budget, we have delivered what we promised.

Prior to the election, we undertook a rigorous and disciplined process of policy development and consultation.

We went to the electorate with clear and responsible commitments.

We put before Victorians a full plan for our term in office.

We chose a new style of political campaigning, because we wanted to be a new style of government. One that Victorians could trust.

This budget honours that trust.

What's more, the 2000–01 budget documents put the state's finances before Victorians in an unambiguous and open manner.

For the first time in Victoria, the budget papers include a scorecard, measuring the government's promises against what we have delivered.

For the first time, the budget papers set out estimates of revenues forgone through exemptions and concessions included in tax legislation.

Victorians can now see very clearly what those exemptions and concessions cost.

And for the first time since the move to accrual accounting, the budget papers detail the cost of each individual output.

Victorians can now understand how and where their money is being spent.

The 2000–01 budget lifts the veil of secrecy surrounding recent budgets and marks the start of a new era in open and honest budget documentation.

Responsible financial management

As promised, this budget delivers a financially responsible and socially progressive blueprint for Victoria.

It provides a sound and stable financial basis to enable the whole state to grow.

Central to our election platform was the commitment to maintain a substantial operating surplus. The first

Bracks Labor government budget delivers on this promise.

We have fully funded our election commitments at a cost of $426 million in 2000–01.

After allowing for that — and for unexpected and unavoidable expenditure on key services — a budget operating surplus of $592 million is forecast for 2000–01.

Looking further ahead — surpluses averaging more than $450 million are projected over the remainder of the forward estimates period.

An operating surplus of this level will ensure that the government's target of an ongoing surplus of at least $100 million is resilient to moderate economic downturns.

Responsible financial management also involves keeping state liabilities at prudent levels.

Victoria's triple A rating was affirmed by Standard and Poor's on 20 December 1999, and awarded by Moody's Investors Service on 8 February 2000.

Both ratings agencies cited Victoria's exceptionally low debt levels, strong fiscal position, and the government's commitment to financial responsibility as the key reasons for awarding Victoria their highest credit rating.

The government is committed to retaining these financial settings.

The 2000–01 budget further reduces state liabilities.

Budget sector net financial liabilities are expected to fall from 10.9 per cent of GSP as at June 1999 to 7.7 per cent by June 2004.

In particular, the government is putting $250 million of the 1999–2000 surplus towards fully funding the Emergency Services Superannuation Scheme.

The government is adopting a new funding framework for superannuation, with the aim of achieving 100 per cent funding of the Victorian government's superannuation liabilities by 2035, 15 years ahead of previous estimates.

Finally, state government net debt is expected to decline from $6.2 billion to $4.7 billion over the forecast period.

The critical elements of financial responsibility are in place.

So too are the economic fundamentals.

Growing the whole state

Robust Victorian economic growth is expected to continue, although at a more sustainable pace — 4¼ per cent this year and 3½ per cent in 2000–01.

On the back of this growth, the Victorian unemployment rate is forecast to keep improving, making the government's 5 per cent target achievable.

Private investment remains robust. Latest Australian Bureau of Statistics expectations data indicate a rise in Victorian capital expenditure of around 20 per cent in 2000–01.

This government wants to ensure that all Victorians share in the benefits of the state's economic prosperity. Unfortunately over the last seven years, large areas of Victoria have missed out.

Since the start of 1994, employment in metropolitan Melbourne has grown almost 17 per cent, compared with 8 per cent in the rest of the State.

Despite the fact that Victoria is now gaining population from other states for the first time in 25 years, many regions in the state have experienced very low rates of growth, and even losses of population, in recent years.

We have a clear plan for growth across Victoria. It is a vision that was endorsed at the recent Growing Victoria Together Summit.

This is a pro-business budget.

Opposition members interjecting.

Mr BRACKS — Breaking all conventions again! We didn't do this to Stockdale!

It focuses on a plan to improve Victoria's competitiveness, attract new investment and generate jobs.

The key components of that plan are investment in world class economic infrastructure, a fair and competitive taxation system and a skilled work force — underpinned by a sound state financial performance.

Our plan also targets key drivers of growth.

Since coming to office the government has introduced a set of coordinated and complementary strategies to enable Victoria to take advantage of opportunities from evolving economic, industrial and technological trends.

These include: Linking Victoria — an integrated transport infrastructure program to revitalise the state's rail, roads and ports; Skilling Victoria — a program that recognises the importance of education and training to the long-term growth prospects and individual aspirations of Victorians; and Connecting Victoria — a strategy for growing the state's information and communications technology industry and for sharing the benefits of these technologies across the entire Victorian community.

This budget includes two major initiatives to facilitate the implementation of this plan.

The first provides for business tax cuts totalling at least $400 million over the next four years.

From July 2001 business taxes will be cut by $100 million, increasing to $200 million per year by July 2003.

This cut will keep Victoria's taxes broadly in line with the national average and below New South Wales.

Details of the business tax cuts will be determined following a review of Victoria's tax system — the first since 1983 — which will report by the end of 2000. The terms of reference for this review will be released in the coming weeks.

The second initiative is the establishment of a new $1 billion infrastructure reserve, Growing Victoria. This represents a 20 per cent boost to infrastructure investment, over and above the level of investment planned for the next four years.

Capital expenditure of $190 million has already been allocated from Growing Victoria for school modernisation and rail projects.

Future investments of considerable economic and social benefit to the state will focus primarily on the capital components of Linking Victoria, Skilling Victoria and Connecting Victoria.

Some other key infrastructure projects include:

- $240 million for accident black spots, half of which will be spent in regional Victoria;
- $70 million towards extending suburban train and tram lines and introducing flier trains to Dandenong, Ringwood and Frankston;
- $90 million towards regional and metropolitan arterial roads and the Dingley bypass stage 1;
- upgrades to the Frankston and Kyneton hospitals — at a cost of $23 million; and
- $37 million for the development, upgrading or replacement of a number of police stations and facilities.

In 2000–01, total spending on infrastructure projects will amount to $1.2 billion, rising to $1.9 billion by 2003–04. This is a major boost to Victoria's economic and social infrastructure and a substantial and long overdue commitment to the economic development of this state.

Other key initiatives that will be implemented in this budget to further enhance the competitiveness of Victorian business include:

- a strategic audit of Victorian industry;
- the new Manufacturing Industry Consultative Council to advise on strategic directions for this long-neglected sector; and
- a new Victorian Economic and Social Advisory Council, which will advise on the economic and social development of the state.

By Growing Victoria together, the government is also delivering on its commitment to rebuild rural and regional communities.

This budget is about a fair share for rural and regional Victoria. It reverses years of neglect and it provides the proof that this is a government ready and willing to give regional areas the support they need to unlock their potential and build for the future.

In addition to the investments that will be undertaken from the Growing Victoria reserve, this government has also introduced specific initiatives, such as:

- a $170 million Regional Infrastructure Development Fund to enhance economic infrastructure in rural and regional areas;
- a $35 million Living Regions–Living Suburbs Support Fund to assist local social and economic projects;
- a boost of $15 million over four years to strengthen regional development organisations and better promote regional investment; and
- more than $22 million over four years for various statewide tourism initiatives.

Regional Victoria will also benefit from the government's strong commitment to information technology, delivered through the Connecting Victoria strategy. We recognise the potential of new technologies to deliver both economic and social benefits to Victoria — to generate new industries, to revitalise existing ones and to create new jobs.

This budget acknowledges that potential through several major initiatives:

- $9 million to boost public Internet access, with a focus on regional areas and on those communities without convenient Internet access;
- a $3.5 million expansion of Skillsnet — a community-based program targeted at technologically disadvantaged Victorians; and
- the establishment of an Electronic Export Assistance Centre to help Victorian businesses in trade readiness, promotion and financing.

We promised to be a forward-looking and innovative government when it comes to information and communications technology.

We promised to develop strategies for sharing the benefits of these technologies across the entire Victorian community.

We promised to begin the work of positioning Victoria as the knowledge capital of the knowledge nation.

This budget — along with the Connecting Victoria strategy — delivers on those commitments.

Delivering improved services

The Bracks government is determined that all Victorians have access to the services, resources and opportunities necessary to fulfil their potential.

Over the past seven years, Victorians have seen substantial erosion in their health, education and community services.

The quality of basic infrastructure has declined and many services are unable to keep pace with growing demand.

Funding cuts have undermined our capacity to deliver the standards of services that Victorians expect. They have also had a damaging effect on the wider community.

The Growing Victoria Together summit supported this government's view that a successful, productive and growing economy is built on an inclusive society, one in which people feel they have a say and a stake. This budget begins the critical task of building a more inclusive society by delivering improved services to the people of Victoria.

After allowing for new expenditure responsibilities taken on from the commonwealth as a result of their new tax system, this budget delivers a 5.2 per cent increase in expenditure.

This increase in spending will deliver improved services in several key areas.

Education and training

Victoria needs a strong education and training system. Such a system underpins the development of a skilled work force capable of adjusting to economic change and opens pathways to emerging job opportunities.

The government is committed to ensuring that all Victorians have the knowledge and skills they need to participate as responsible, informed and productive citizens in our society.

Investments in education and training are not only necessary to improve the competitiveness of the Victorian economy, but are critical to creating a culture of lifelong learning and restoring a sense of community.

To achieve these objectives the budget provides for a range of initiatives including:

- $165 million over four years to employ an additional 350 teachers in primary schools as part of our goal of reducing class sizes from prep to grade 2 to an average of 21 students;
- $121 million for the modernisation of school and TAFE facilities;
- $65 million over four years to expand the pathways open to our young people in the post-compulsory years of education;
- $72 million to assist private and public employers to train and employ a further 16 000 new apprentices and trainees over the next four years; and
- $43 million over four years to employ student welfare coordinators in every secondary college.

Health and community services

Nothing is more important than the health and wellbeing of the Victorian community.

The government faces a major challenge in responding to community demands for a real improvement in hospital service levels and quality while at the same time addressing the financial viability pressures hospitals face as a result of past funding reductions.

This budget marks the end of a long period of decline in Victoria's public hospital system.

In this budget we begin the task of building a world-class hospital system with a $176 million public hospital strategy that includes:

- opening 360 beds and easing the pressure on hospital emergency departments during the winter period;
- treating an additional 20 000 patients;
- creating a sound financial basis for hospitals by boosting the price paid for casemix-funded services, sub-acute beds and rural hospitals;
- funding an extra 70 00 outpatient and other services; and
- addressing the falling quality of public hospitals by attracting and retaining nurses, improving cleaning and infection control and expanding hospital-to-home support services.

The government has also initiated a major new capital works program to rebuild Victoria's health infrastructure. As well as the Frankston and Kyneton hospital upgrades, projects include the redevelopment of the Royal Women's Hospital, nursing home upgrades and community care centres in Sunshine and Preston.

The government is currently reviewing options for a major redevelopment of the Austin and Repatriation Medical Centre, with $5 million allocated to the redevelopment from the budget of the Department of Human Services.

This government will also ensure that patients discharged from hospital receive the community care they need to make an effective recovery through a new hospital-to-home program and an additional $45 million over four years for community health programs.

We have also committed $39 million over four years to provide better services for older Victorians, including home and community care, rehabilitation and geriatric assessment beds and health promotion initiatives.

As part of its overall anti-drug strategy the government has committed an additional $75 million over four years to prevent illicit drug use, save lives and improve treatment and rehabilitation services.

This government will ensure that families receive the support they need to nurture the next generation of Victorians.

We are restoring and expanding support services for families, with an additional $35 million in 2000–01 for early childhood services, community services, juvenile justice programs and child protection.

Under this government people with a disability, their families and carers will receive the support and assistance to which they are entitled.

In 2000–01, an additional $28 million will be spent to reduce the backlog of disability services, improve support to carers and expand community-based accommodation support options.

The budget also provides an additional $90 million over three years to expand the level of public and community housing by 800 units.

Safer communities

It is fundamental to the government's vision for the state that Victorians are safe and feel secure in their homes, streets and communities.

The budget delivers on Labor's commitment to build safer communities by:

- allocating $64 million over four years to place an additional 800 operational police on the streets;
- providing an additional $37 million over three years to develop, upgrade and replace police stations and facilities;
- establishing the Office of the Emergency Services Commissioner to facilitate greater coordination of all Victoria's fire and emergency services; and
- enhancing public transport safety and accessibility, including an extra 100 railway staff and an additional 100 tram conductors across tram networks.

These measures mark the first steps towards meeting Labor's aim of making our homes, streets and public transport safer.

Restoring democracy and accountability

The Bracks government has pledged to return Victoria to open, transparent and accountable government.

Already we have moved swiftly to strengthen the power of independent watchdogs and increase community participation in the decision-making process:

We have restored the independence of the Auditor-General.

We have guaranteed the independence and powers of the Director of Public Prosecutions and the Ombudsman.

We have given local governments greater autonomy, allowing a stronger community voice in local issues.

We are restoring compensation for victims of crime.

We are restoring common-law rights for seriously injured workers.

The government has also introduced financial responsibility legislation, setting new standards in government accountability and transparency.

The Auditor-General has been given new powers to review the budget financial statements.

Under this legislation, the Auditor-General reviews the budget and reports to Parliament on budget day whether the estimated financial statements:

are consistent with the stated accounting policies;

are consistent with the government's key financial targets;

are properly prepared on the basis of the assumptions that underlie them; and

that the methodologies used to determine those assumptions are reasonable.

The Auditor-General has reviewed the financial statements under these new powers.

He has reported that nothing has come to his attention during the review that would cause him not to believe that the financial statements are properly prepared and consistent with the budget assumptions and targets.

This independent review is a major achievement in promoting open and transparent government in Victoria.

It is a world's first.

And it assures Victorians that the government's budget decisions are consistent, reasonable and properly prepared.

Appropriation bill

The Appropriation (2000/2001) Bill provides authority to enable government departments to meet their agreed service delivery responsibilities in 2000–01.

The bill supports a financial management system that recognises the full cost of service delivery in Victoria and is thus based on an accrual framework, which includes cash and non-cash assets.

Schedule one of the bill contains estimates for 2000–01 and provides a comparison with the 1999–2000 figures.

In line with recent practices, the estimates included in schedule one of the bill are provided on a net appropriation basis.

These estimates do not include certain receipts that are credited to departments pursuant to section 29 of the Financial Management Act 1994.

Conclusion

Right across the board, in each and every portfolio, this budget marks a new beginning for Victoria and a new era of open and accountable government.

This budget provides a sound financial platform for delivering key services and raising the living standards of all Victorians.

It includes $426 million to implement our election commitments in full, commitments that focus on improving education, health and community safety.

It locks into place the economic environment that will enable business to prosper: lower taxes, lower debt, a substantial surplus and a boost to economic infrastructure.

It provides for business tax cuts totalling $400 million over the next four years, meeting our commitment to benchmark these taxes to the average of other states.

It puts in place an additional $1 billion Growing Victoria infrastructure investment reserve, boosting infrastructure spending by 20 per cent over the next four years.

All these initiatives are fully funded, leaving a budget surplus this year of $592 million.

Finally, the Auditor-General has independently examined the budget — a process that sets new standards in financial transparency and accountability.

Mr Speaker, this budget passes every test we set ourselves.

We promised to deliver a substantial operating surplus — and we have.

We promised to deliver on our election commitments and to improve services in education, health and community safety — and we have.

We made a commitment to develop an economic framework to grow the whole of the state — and that is what we have done.

We promised to open the books for independent review by the Auditor-General — and we have done just that.

In each and every one of those areas, this budget delivers on Labor's commitments.

Mr Speaker, I am proud to commend the bill — Labor's first budget — to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 11 May.

APPROPRIATION (PARLIAMENT 2000/2001) BILL

Message read recommending appropriation and transmitting estimates of revenue and expenditure for 2000–01.

Estimates ordered to lie on table.

Introduction and first reading

Mr BRACKS (Treasurer), pursuant to standing order no. 169, introduced a bill to appropriate certain sums out of the consolidated fund for the Parliament for the financial year 2000–01 and for other purposes.

Read first time.

Second reading

Debate adjourned on motion of Dr NAPTHINE (Leader of the Opposition).

Debate adjourned until Thursday, 11 May.

PARLIAMENTARY PRIVILEGE

Complaint: misleading the house

The SPEAKER — Order! I desire to inform the House that, in conformity with the practice adopted on 19 April 1978, the member for Hawthorn lodged with me on 17 April 2000 written notification of a complaint against the Minister for Post Compulsory Education, Training and Employment.

The complaint alleges that the minister committed a contempt of the house by deliberately misleading the house in question time on Thursday 13 April 2000 when she stated she had not personally assisted in the drafting of a submission by Lavin Australia when it was clear that she had, and knew she had.

The member for Hawthorn has supplied certain documents supporting his claim. I should make the observation that the role of the Chair in this matter is to determine whether the complaint raised falls within the category of contempt.

The points made by the member for Hawthorn in support of his case are these:

(1) Despite her denial, the minister did personally assist in the drafting of a submission by Lavin Australia;

(2) Despite her denial, there is a prima facie case that the minister must be taken to have known when she gave her answer that it was untrue.

In relation to the first point that the minister did personally assist in the drafting of a submission by Lavin Australia despite her denial, the member for Hawthorn has produced a number of documents:

(1) a sworn statement from a person who attended a meeting in Parliament House with the member for Altona, where the member for Altona allegedly assisted with the writing of the document in question;

(2) a copy of the draft document demonstrating the alleged redrafting in the minister's own handwriting; and

(3) a copy of the final version of the submission which allegedly demonstrates that its contents reflect the handwritten redraft.

In relation to the second point, that the minister must be taken to have known when she gave her answer that it was untrue, the member has produced argument with documented supporting evidence. I will make copies of the member's complaint available to the house.

The House of Commons has treated the making of a deliberately misleading statement as contempt. I am

satisfied that the matter raised falls within the category of such a contempt.

Further, in determining whether the complaint should be granted precedence over other business of the house, it is incumbent on the Chair to be satisfied that the matter has been raised as soon as is reasonably practicable. In this case, the action complained of relates to a ministerial answer supplied in question time on 13 April 2000 which the member placed before me on 17 April 2000. In my opinion the member has raised the matter in reasonable practical time.

I call upon the member for Hawthorn to now proceed in accordance with the practices of the House.

Mr BAILLIEU (Hawthorn) — I move:

> That the complaint made by the member for Hawthorn on Tuesday, 2 May 2000, be referred to the Privileges Committee for examination and report.

I make a simple allegation. In question time on Thursday, 13 April 2000, the Minister for Post Compulsory Education, Training and Employment, the honourable member for Altona, deliberately misled the house when she emphatically denied she had not when in opposition personally assisted in the drafting of a submission by Lavin Australia, a submission that she later as minister rejected.

The allegation comes with indisputable evidence that the minister assisted in the drafting. In simple terms, I hold up a copy of the submission, a copy of the draft submission covered with handwriting — —

Mr Batchelor — On a point of order, Mr Speaker — —

An Honourable Member — You don't like it.

Mr Batchelor — I don't like you — of course I don't! I do not like the member at all.

The honourable member for Hawthorn has displayed a number of documents. I understand from his opening comments that he is going to rely on those and other documents. Earlier today, prior to the commencement of the debate, the government, through me, asked for copies of those documents to be made available. In the interests of natural justice I asked that the documents be made available to the government and to the minister in particular so she could understand the nature of the allegations to be levelled against her.

The opposition advised the honourable member for Hawthorn not to make the documents available to us. Mr Speaker, I ask you to require the honourable member for Hawthorn to make available to the house at the commencement of the procedure all documents that he will quote from or base his arguments on — all documents in his possession regarding the matter. To do otherwise would demonstrate the mockery he is proposing to make of a serious procedure.

The SPEAKER — Order! The process in the house has been for a document to be made available upon request by any honourable member. The practice has also been that in cases involving privilege the document be made available upon its being referred to by an honourable member.

Earlier in the day in chambers I asked the honourable member for Hawthorn to have copies available for the benefit of honourable members as he refers to the documents, as those documents will be relied upon by honourable members in making a decision on the motion put forward by the honourable member for Hawthorn. I ask the honourable member for Hawthorn to provide to the house the documents as he refers to them.

Mr BAILLIEU — I am happy to provide those documents, and do so now.

As I said, I have a draft submission covered with handwriting and a sworn statement indicating that the drafting of the draft document was assisted by the honourable member for Altona and that the handwriting that appears on the draft is her handwriting. The allegation comes with the indisputable evidence that the minister assisted in the drafting; it comes also with a series of events that make it clear that the minister was fully aware of her role. The series of events is detailed in correspondence, and I will make it available as I refer to it.

I have said before that this place is special. I may be a recently elected member of Parliament but I, too — —

Mr Batchelor — A short-lived member of Parliament.

Mr BAILLIEU — I suspect not short! I have spoken to student groups attending Parliament. On many occasions students have asked about the nature of the Parliament and in particular the adversarial nature of question time and other events. I have consistently told those students that the chamber has an adversarial atmosphere because it is the place where truth is tested. All members, when they stand in the chamber, particularly when they stand at the table adjacent to the mace, have an obligation to observe the forms of the house and the basic premise that all members shall tell the truth.

A special obligation is imposed on ministers. Former Labor Premier John Cain said on 31 August 1983:

> Ministers carry a particular obligation to exercise the responsibilities of their commissions and their duties under statute in a higher manner in which the public can have full confidence.

Former Prime Minister Gough Whitlam said on 15 October 1975:

> The principle is that the Parliament must be able to accept assurances given to it by a minister, and if those assurances prove to be misleading the minister concerned must be held responsible.

The chamber is the place to test the truth. Decent ministers deal with the truth; dud ministers deflect it — —

Honourable members interjecting.

The SPEAKER — Order! A privileges matter is very serious, if not the most serious matter that can come before the house. I ask the house to quieten down and I ask members on the government benches to cease interjecting.

Mr BAILLIEU — Decent ministers deal with the truth; dud ministers deflect it — but dodgy ministers deliberately deny the truth. The case is simple. The minister has intentionally, wilfully, consciously, knowingly and deliberately misled the house. The matter has been raised — —

Honourable members interjecting.

Mr Cooper interjected.

The SPEAKER — Order! The call for the house to quieten earlier also applies to members on the opposition benches, particularly the honourable member for Mornington. He shall cease interjecting.

Mr BAILLIEU — The minister deliberately misled the house. She deliberately sought to deceive the house to disguise her hypocrisy on a matter of major public policy and disguise her embarrassment at what she had done. She thought she could get away with it. She took a punt. It would be her word against Lavin's word. She assumed no record of her dealings with Lavin had been kept. She assumed incorrectly.

Mr Cameron interjected.

The SPEAKER — Order! The Minister for Workcover.

Mr BAILLIEU — This case is not a trivial matter. *Erskine May* is the touchstone of parliamentary behaviour, administration and procedure. It says that deliberately misleading the house is a serious and grave contempt. This is not a trivial issue but a matter of serious public policy. It involves a matter of training and, in particular, the funding of student contact hours, discounts for health card holders and infrastructure. It involves the issue of government support for private providers who represent 20 per cent of the training market. These are public issues: they have been raised in a variety of forums.

By way of example, a letter in the *Bendigo Advertiser* of 13 April from David Kippen, president of Future Employment Opportunities, states:

> The minister's spokesman is also reported as saying funding '… is not designed to support infrastructure …'
>
> …
>
> … infrastructure has to be paid for.
>
> If it is not paid for by the business activity undertaken, then someone else has to pay for it.
>
> Does the spokesman mean his department expects someone else to subsidise the state government program by paying for the required infrastructure?

These matters have also been raised in the Schofield ministerial inquiry and the Senate inquiry into training. The minister has provided for the government's perceived underfunding of public providers in training. She has recently included a compensation package for funds to reimburse TAFE colleges for TAFE cardholders, but only for public TAFE colleges.

This is not a case of the forging of the minister's handwriting; the sworn statements suggest otherwise. It is not a matter of a slip of the tongue. The preamble to the minister's answer to the question asked on 13 April clearly demonstrates her emphatic denial. It is not an inadvertent incident. The matter has been raised several times in the house and in correspondence, and the minister's answer was considered. This case is not one involving a lapse of memory because the minister boasted to the house in earlier responses and demonstrated a full knowledge of her involvement with Lavin before and after the election.

This is not a matter of confusion. The minister has met with Lavin only once and has refused to meet or speak with Lavin since, but has met privately with Lavin's competitors. This is not a matter of misinterpretation but a matter clearly raised previously, and the minister has demonstrated a knowledge of her involvement with Lavin. The business has gone, as have the students.

It is not possible to comprehend the actions of the minister without understanding what Lavin is. Lavin

Australia Pty Ltd is a private company. It trades as Lavin Institute and also as Health Services Training. It is a training organisation registered with the Department of Education, Employment and Training.

In May 1997 Lavin obtained approval from the Nurses Board of Victoria to conduct the two-year course for Certificate IV in Health (Nursing) in traineeship mode. That course provides qualifications for registration as a division 2 nurse or state-enrolled nurse (SEN). I understand Lavin was the first private provider to achieve that approval. Previously, training for division 2 nursing was the province of TAFE colleges.

Lavin became the largest private provider of aged care nursing trainees in Victoria. In 1999 Lavin had more than 250 trainees working in more than 100 nursing homes. In 1999 the Office of Training and Further Education advised that there were 575 division 2 trainees in Victoria, reinforcing the fact that Lavin is one of the major providers. It operates from two campuses — one in Hampton, the other in Bulleen. Lavin was well regarded in the industry.

Ms Kosky interjected.

Mr BAILLIEU — The Minister for Post Compulsory Education, Training and Employment says I am joking. If she thinks I am joking, I table a letter from Brian Spencer, executive director of the Community Services and Health Industry Training Board, dated 1 December 1999, addressed to Meredith Sussex, the director — —

Mr Batchelor — What about tabling it?

The SPEAKER — Order! The Leader of the House shall cease interjecting.

Mr BAILLIEU — The letter is addressed to Meredith Sussex, the director of the Office of Training and Further Education (OTFE). It states:

> The Community Services and Health Industry Training Board supports the delivery of the certificate IV in health (nursing) as a new apprenticeship, with on-site assessment.
>
> Lavin Australia have pioneered much of the delivery of the new apprenticeship and has worked hard to develop quality delivery and appropriate student and employer support. The organisation is well placed to continue to deliver the course as a new apprenticeship with industry support.
>
> The ITB —

that is, the Industry Training Board —

> believes that it is vital that funding is provided to deliver all the notional SCHs and fully meets the actual costs associated with meeting the requirements of the OTFE and the Nurses Board Victoria.

I also table for the information of the house a letter from the Australian Nursing Homes and Extended Care Association–Victoria, dated 29 November 1999. It is signed by John Brooks, the chief executive of ANHECA, and addressed to Meredith Sussex. It states:

> I understand you are reviewing the delivery of the above course by private providers, in particular Lavin Australia and accordingly I would ask that you consider the following:
>
> > ANHECA–VIC fully supports the operation of Certificate IV in Health (Nursing) in traineeship mode with on-site evaluation which is relevant to residential aged care;
> >
> > fully supports Lavin Australia as an organisation which is industry driven to deliver the course in traineeship mode;
> >
> > recognises Lavin Australia as an approved provider of health traineeship programs offering support and flexibility to our members in providing tailored employer outcomes;
> >
> > supports Lavin Australia in its request to have traineeship programs fully funded so that the trainees of our members are able to be registered as division 2 nurses with the Nurses Board of Victoria.

It goes on:

> As a peak industry body, ANHECA–VIC recognises the importance of continuing work force education opportunities in addition to the more traditional institution-based learning and accordingly firmly believes in the opportunities afforded through traineeships on the job.
>
> It is imperative that the funding base available for traineeships does not afford a second-class status, in particular the recognition of certificate IV traineeships by the Nurses Registration Board.

As I said, the letter is signed by John Brooks, the chief executive of Australian Nursing Homes and Extended Care Association Victoria.

Lavin has industry support. Its first students graduated on 1 September 1999; but sadly, it appointed a voluntary administrator on 1 March 2000 and suspended operations.

I now come to the details of the allegation.

Honourable members interjecting.

The SPEAKER — Order! The honourable members for Polwarth and Melton will cease interjecting.

Mr BAILLIEU — On 13 April I asked the minister the following question in question time:

> Did the Minister for Post Compulsory Education, Training and Employment, when in opposition, personally assist in the drafting of a submission by Lavin Australia, a submission that she later, as minister, rejected — yes or no?

Omitting her introductory remarks, the minister answered as follows:

> The honourable member for Hawthorn has taken the wrong approach to this issue because he actually believes all the information that Lavin has provided him with. The honourable member for Warrandyte knew not to do that. Unfortunately the honourable member for Hawthorn has not taken that advice. The answer is no.

The questions to resolve are as follows. Was there a submission? Yes, there was. Was it by Lavin? Yes, it was. Did the minister assist with its drafting? Yes, she did. Was that when she was in opposition? Yes, it was. Was it unsuccessful? Yes, it was. Was the minister aware of these matters at the time of her answer? Yes, she was.

An honourable member interjected.

Mr BAILLIEU — Indeed, her answer should have been yes.

The case for the minister's assisting in the drafting is clear and indisputable. Despite her denial, the three documents prove that the minister assisted substantially in the drafting of a submission by Lavin Australia. She did so in late August or early September 1999 in her own handwriting after she met with Mr and Mrs Jenkings from Lavin Australia in the parliamentary dining room at her own invitation! I am advised that the meeting took place on either 31 August or 1 September. The Jenkingses signed the visitors' book at the reception desk: it was lattes with Labor in the parliamentary dining room!

I refer again to the three documents. The first is the final version of the submission and is headed 'Notes for the Honourable Phil Honeywood, Minister for Tertiary Education and Training, 1 September 1999, re: Lavin Institute'. The second document is a draft of the first. It has no typed heading, is three pages long and has handwritten markings all over it. The third is a statement by Elizabeth Jenkings dated 12 April 2000 swearing to the origins of the other two documents. Elizabeth Jenkings is, as I understand it, a beneficial shareholder of Lavin Australia. Attached to her sworn statement are the final version and the draft version of the submission. The sworn statement reads as follows:

> I, Elizabeth Jenkings, do solemnly declare that the attached document headed 'Notes for the Honourable Phil Honeywood Minister for Tertiary Education and Training, 1 September 1999, re: Lavin Institute' was written with the active assistance of Lynne Kosky around late August 1999 in her capacity as shadow Minister for Tertiary Education and Training.
>
> The draft of that document, which is also attached, was altered in the Victorian parliamentary dining room by Lynne Kosky in the company of myself and Richard Jenkings.
>
> All handwriting displayed on that draft with the sole exception of the words '70 per cent of market share', 'ring Marie', 'CERT IV' (and 'by OTFE' as found as an addition in '1. Unfunded hours') is without exception the handwriting of the said Lynne Kosky.
>
> Elizabeth Jenkings, 12 April 2000.

I understand Richard Jenkings is a director of Lavin Australia Pty Ltd.

The draft document, copies of which are now available to members, is significantly covered with handwriting, and the handwritten comments closely reflect the text of the finished document.

What alterations did the minister make to the draft? The draft document, as I said, did not have a heading, so she wrote on the top of the draft 'Notes for the Honourable Phil Honeywood Minister for Tertiary Education and Training, 1 September 1999'.

Significantly, the draft document made no requests or recommendations. However, the handwriting on the third page indicates an addition by the honourable member for Altona and is headed 'What we request'. It states:

1. Full funding for … course for 952 hours as required by the Nurses Board of Victoria.
2. In relation to each trainee with a health care card, reimbursement of difference between tuition fee and $40 charged for health care card holder.
3. Recognition of previous gap in funding and reimbursement.
4. Infrastructure.

These are all matters of significant public policy and particularly important to private providers. Bear in mind that this was during the election campaign: the now minister, the honourable member for Altona, was indicating her view on these important matters of public policy.

In addition, on the first page of the document the handwritten insertions read as follows:

TAFE requirement	780 hours (per OTFE) for certificate of attainment

Adjacent to the words '952 hours (per Nurses Board of Victoria)' are the handwritten words 'for nursing registration (required for nursing employment)'.

The handwritten alterations on page 1 demonstrate a detailed appreciation of the issues concerning Lavin. The reference to the draft document on page 2, item 6 is also significant. It states:

> Gippsland TAFE
>
> Gippsland TAFE were in real financial difficulty and received $2 million additional funding.

The item was crossed out by the honourable member for Altona. It seems it would have been an embarrassing admission that the previous minister did something useful in the context that this minister has accused the previous minister of not having done that.

The documents prove that the honourable member for Altona, when in opposition, assisted in the drafting of a submission by Lavin Australia. Her answer was indeed misleading.

There is a compelling case that the minister knew she was misleading the house and therefore deliberately misled the house. A series of events leads to the inescapable conclusion that the honourable member knew of her action eight months ago. It is highly unlikely she would forget being so proactive on a submission in Parliament House, particularly when she has met only once with representatives of Lavin. The plight of Lavin has been raised with the minister on a number of occasions since her alteration of the draft submission, by both Lavin Australia and me, thereby keeping her knowledge of the submission and her previous relationship uppermost in her mind.

The minister's responses to these matters make it clear she remembered her past relationship with Lavin in detail. I refer to the series of events that kept Lavin Australia and its submission foremost in her mind. On 27 September 1999 under a covering letter by Liz and Richard Jenkings the honourable member for Altona was sent the submission as she had redrafted it. It was headed 'Notes for Phil Honeywood' because it had been prepared before the election. In part, the letter read:

> We would also like to thank you sincerely for your concern and understanding, and seeing us at such short notice … We did prepare a letter to Phil Honeywood along the lines of your advice. We enclose a copy for you marked 'A'.

Honourable members interjecting.

Mr BAILLIEU — The letter further states that the business partners had voted to follow their understanding of protocol and not give the submission to Mr Honeywood on the night — the graduation night of the Lavin students on 1 September — on which the honourable member for Altona, now a minister, had encouraged Lavin to deliver the submission.

On 20 October Lavin wrote again to the honourable member, now the minister, seeking another meeting and noting its funding difficulties. The letter read, in part:

> Thank you for you wonderful encouragement and support prior to the election.

On 21 October the honourable member was sent another letter by Lavin Australia seeking a funding review and stating:

> Dear Minister
>
> We refer to Richard's recent letter to you requesting an appointment as soon as possible to discuss our situation regarding funding.

On 23 November Lavin wrote again to the minister noting its claims and stating:

> Dear Minister
>
> I write to you concerning discussions that you and your staff have had with Mr and Mrs Jenkings regarding our unfunded hours.

On 14 December the minister wrote to Lavin Australia regarding course requirements and hours. On 31 January Lavin wrote to the department in response to the department request for more information.

On 8 February the minister wrote to the federal minister regarding an inquiry referred by the federal member for Menzies to the federal minister and noting concerns about funding tuition fee concessions and private providers. The minister wrote to the federal minister stating:

> … one private provider in particular has been active in vigorously but unsuccessfully lobbying my department for additional funding …

The SPEAKER — Order! Electronic devices are not permitted in the chamber. I ask the honourable member responsible to remove himself from the chamber.

Mr BAILLIEU — The letter went on to say:

> It is the only private provider to regularly raise this funding issue.

From 8 February to 21 February Lavin wrote several times to the department, supplying further information and seeking assistance. On 24 February Lavin again

wrote to the minister, announcing the impending administration and stating that:

> More than 300 new apprentices will not be able to continue their studies with us from Monday 28 February 2000. More than 120 aged care facilities will not have access to the provider of their choice.

It stated further:

> If you wish us to continue trading it is imperative that our requests are approved. We would appreciate an urgent call to arrange a meeting today.

On 28 February Lavin wrote to the department advising that trading had been suspended. On 7 March on 3AW Richard Jenkings of Lavin raised the matter with the Premier, who undertook to examine the matter. I understand that despite repeated requests there has been no response from the Premier.

A few days later the minister, unprompted by me, warned me privately not to ask her questions about Lavin — a warning that would have remained private save for the minister raising it herself in her response during the adjournment debate of 14 March. I did not ask her questions; I raised the closure during the adjournment debate on 14 March. I took the minister at her word. So I raised the closure of Lavin for the first time on 14 March, focusing on the plight of the displaced students.

As I said, the minister mentioned that she had advised me not to raise the issue of Lavin. In her response she demonstrated a clear and detailed recollection of Lavin's background. She noted its concerns about its ability to provide training, and she said she knew Lavin had tried to contact the former minister before the election. She demonstrated her understanding of its financial difficulty and stated:

> That organisation has … been in touch with me several times …

She also stated:

> … I talked with them about the issues they needed to address.
>
> As soon as we came into government I addressed those concerns. They were among the first issues I asked my department to deal with, and we looked at them in detail.

In her response she continued to detail her interaction with Lavin.

On 6 April I again raised the matter during the adjournment debate, specifically referring to the matter of a submission. I stated:

> A submission prepared in September sought full funding of all required course hours.
>
> …
>
> The submission sought reimbursement of the required fee discounts for health card holders and some recognition of infrastructure funding. The election intervened and the submission did not go to the former Minister for Tertiary Education and Training, it went to the new minister.
>
> …
>
> The other significant issue is that I believe the minister wrote the submission advocating funding changes. I ask the minister to explain why she then rejected her own recommendations.

The minister again demonstrated in her response a clear and detailed recollection of the issues relating to Lavin and the submission. She said:

> I have advised the house of the circumstances surrounding Lavin previously.

She also showed her detailed understanding of the problems facing Lavin immediately prior to the election — at the very time when she was helping to redraft Lavin's submission. Interestingly, despite the remarks I made in raising the matter, she chose not to address the issue of the submission.

She acknowledged that since becoming minister she had not met with Lavin, thereby confirming that her detailed knowledge came from her pre-election meeting.

On 11 April, following her adjournment response on 6 April, the minister found it necessary to make a personal explanation about the appointment of an administrator to Lavin Australia. On 12 April I gave notice of a motion to condemn the minister for misleading the house in her 6 April response by saying that the previous minister had reduced student contact hour rates when in fact they had increased from 1997 — —

The SPEAKER — Order! The honourable member shall desist from debating motions on the notice paper — moved by him or otherwise — that relate to other issues. I ask him to contain his remarks to the privilege issue contained in the question.

Mr BAILLIEU — With your indulgence, Mr Speaker, I raised those matters not to debate them but to indicate that the matter of Lavin was current on continuous days. I am happy simply to refer to my notices of motion 24 and 25 relating to Lavin and the minister's previous response. It is not my wish to debate those motions now but simply to draw attention to the fact that the matter continued to be current.

As I said, Mr Speaker, those events clearly demonstrate the minister's state of mind at the time the question was

asked. She was entirely familiar with the Lavin matter. All the issues surrounding her involvement with Lavin, even the question itself, had clearly been raised previously. The minister had detailed knowledge of the matter at hand at the time the question was asked.

The issue involves substantial matters of public policy, which I have already referred to in detail — the packaging of the training course, student contact hour rates, concessions for health card holders and infrastructure funding. TAFE colleges have been active in seeking compensation or a more even distribution of the public sector income forgone as a result of health card concessions. That is as much a matter for the TAFE colleges as it is for private providers.

TAFE colleges enjoy an advantage over private providers with regard to infrastructure funding. The minister's support or otherwise is again an important matter of public policy. As I said, private providers would be particularly interested to know that during the election campaign the current minister supported Lavin's claims in those areas.

The balance of training funding committed to private providers in traditional TAFE colleges is also an important issue. The matter has recently been raised extensively in the Senate inquiry and by the minister herself, who has made public statements in that regard.

In that context, the closure of the largest private provider of certificate IV health nursing courses is significant. The support or otherwise given by the government to those private providers is also significant. It is notable that the department has advised former Lavin students to seek enrolment with three TAFE colleges or two private providers to complete their courses. Those two private providers are Care Training Australia and Employment Links Health Training. Information provided under freedom of information shows that between them those two organisations had only 35 trainees in 1999 and none in 1998.

They are the two private organisations to whom the department is currently directing displaced Lavin students. In those same years Lavin had 576 and 351 trainees respectively and was among the top 10 per cent of training organisations by trainee numbers.

There is every likelihood that Lavin's closure will represent a shift of trainees away from the private provider market for Certificate IV in Health (Nursing) training. The support or otherwise of the minister for this shift is a significant matter. Given the ultimate departure of Lavin, the minister's support for Lavin when she was in opposition and definitively for its claims at that time is a significant matter for the training industry.

The SPEAKER — Order! The honourable member is now beginning to debate wider issues. He must relate his remarks to the question of privilege.

Mr BAILLIEU — As such, the potential embarrassment for the minister represented by the draft document on the training industry provides ample motivation for her to conceal the true depth of that inconsistency. It is not unreasonable to conceive that the minister would have assumed that the draft submission bearing her own handwritten alterations would not still exist. In the perceived absence of that definitive evidence it would not be unreasonable to believe that the minister thought it would be easy and in fact quite safe to answer no to the question I asked.

In question time on 13 April the minister made a considered response. She deliberately misled the house when she stated categorically that she had not assisted in drafting a submission by Lavin Australia. She knew precisely what she was doing. She gambled on their being no evidence of her involvement. The minister believed it would only be her word against Lavin. In her answer on 13 April she actually said Lavin could not be believed. She taunted the house: believe me, she said, not Lavin.

It was not her word against Lavin; it was her word against her own handwriting. She was wrong. She deceived the Parliament and she did so deliberately. She must be held to account and the matter should and must be referred to the Privileges Committee.

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — What a pathetic attempt! This is a pathetic allegation, and I am disappointed that it has even got into the house! I will deal with the facts and not the assumptions, which the honourable member for Hawthorn has done today. I make it clear that I did not mislead the house on 13 April in response to a question without notice from the honourable member for Hawthorn. Therefore, neither did I deliberately mislead the house.

I will deal with the facts. I did meet with Richard and Elizabeth Jenkings, directors of Lavin Australia, in the Parliament House dining room on 31 August 1999. I have never denied that. At the meeting the Jenkingses presented me with three pages of notes, headings and dot points they had prepared for a brief discussion they were hoping to have with the then Minister for Tertiary Education and Training the following evening at a

graduation ceremony. They provided me with details of their business and financial problems and their views as to why those problems existed.

At that stage it was very clear that Lavin Australia was in real financial trouble and had been for quite a long time. The Jenkingses asked me to read the three pages of notes, and in response to the information provided to me I suggested several major changes.

Dr Napthine interjected.

Ms KOSKY — I added a couple of sentences, suggested a reordering of the dot points and provided a heading — 'Notes for Phil Honeywood'. Elizabeth and Richard Jenkings were difficult to understand about what they wanted the then minister to do, so I asked them to clarify the situation, and I wrote down several points in response to their comments. I effectively acted as a scribe for the Jenkingses.

Honourable members interjecting.

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

Ms KOSKY — It is very clear, Mr Speaker, that members of the opposition are prepared to make the allegations but not prepared to listen to the response.

On the basis of the facts, I refute the three accusations in the honourable member for Hawthorn's allegation. The first relates to the claim by the honourable member for Hawthorn that I drafted a document.

Mr McArthur — You personally assisted.

Ms KOSKY — I personally assisted! I did not personally assist to draft a document.

Honourable members interjecting.

Ms KOSKY — Yes, I did personally assist the Jenkingses in clarifying their thoughts and, yes, I did write on some notes prepared by them, but I did not draft nor assist in the drafting of the notes. I jotted down some comments they provided to me, the difference being — —

Honourable members interjecting.

The SPEAKER — Order! I ask the Leader of the Opposition to cease interjecting forthwith; similarly the honourable member for Monbulk.

Ms KOSKY — The difference being that a draft is the initial preparation of a document. Comments jotted down on their notes, or their draft, is not drafting. Even in his argument to you, Mr Speaker, the honourable member for Hawthorn no longer suggested that I assisted in drafting the document. He is now saying I assisted in redrafting it. There is a difference.

I refer to the letter from the honourable member for Hawthorn. Honourable members need to be very clear about it. He asked me a question in the house, to which I responded. He has now altered his argument to support the allegation. He asked a question, which was:

> Did the Minister for Post Compulsory Education, Training and Employment, when in opposition, personally assist in the drafting of a submission by Lavin Australia, a submission which she later as minister, rejected — yes or no?'

He says in his letter to you, Mr Speaker:

> I enclose indisputable evidence that the minister substantially redrafted a Lavin Australia submission in her own writing when she met with Mr and Mrs Jenkings from Lavin Australia …

He does not use the word 'draft', he uses the word 'redrafted'. He then goes on to say:

> … the second document is a copy of the draft submission clearly demonstrating the redrafting made in the member's own handwriting.
>
> The alteration constituted a major redrafting of this submission …

He finishes by saying:

> While it is for the Privileges Committee and the house and not the Speaker to decide whether the member has deliberately misled the house it is clear on the evidence that the member has redrafted a submission.

The honourable member for Hawthorn has dropped his accusation in his allegations to you, Mr Speaker, that I assisted in drafting the notes. Instead, he refers to redrafting. That is a basic inconsistency in his argument.

What I did when in opposition was what any decent member of this house would do to assist a constituent — that is, help — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Doncaster is being disorderly. He is interjecting out of his place, and is far too loud. I ask him to cease forthwith.

Ms KOSKY — What I did was what any decent member of this house would do to assist constituents — that is, help them clarify their thoughts and explain how they could best take their issue further — no more and no less. I make it clear to the house that at no stage did I

indicate that I agreed with the views or demands of Lavin Australia. I indicated that I understood their situation and I listened, as any good member of this house would do — something the honourable member for Hawthorn is yet to understand.

To highlight that point — it was part of the case the honourable member for Hawthorn put before this house that I supported the requests of Lavin Australia — I never wrote a letter of support to the previous minister on behalf of Lavin.

Honourable members interjecting.

Ms KOSKY — The second allegation I wish to refute relates to the word 'submission'. The honourable member for Hawthorn has also alleged that the notes on which I added some words constitute a submission. I disagree. Following the meeting with the Jenkingses I received a letter by fax on 27 September, while I was still a member of the opposition. Included was a copy of the revised notes that have been referred to by the honourable member for Hawthorn, still headed 'Notes for Phil Honeywood' and dated 1 September 1999. Also included was a letter from Lavin Australia indicating that the notes — to use its words, the letter — were never handed to the then minister. The notes referred to above were never forwarded to the previous minister, nor myself as minister, and the honourable member for Hawthorn has that information in the letters he has referred to.

The only submission that has been received from Lavin Australia and seen by me as minister is a substantial document of some 13 pages, which was sent to me on 22 October 1999, the day after I was sworn in as minister, and written by an employee of Lavin Australia, Ms M. Barrie, a woman I have never met. The submission had also been presented to the previous minister on 5 October 1999.

That submission bears no resemblance to the notes I assisted the Jenkingses with. The accusation is that I assisted in the drafting of a submission. At no stage did I believe the notes I wrote on were anything other than notes, which is why I suggested the header, 'Notes'. If I had believed it was a submission, then I would have suggested a header such as 'Submission'. I did not. I repeat: the notes I wrote were a record of what the Jenkingses had said to me. My understanding was that the notes were intended to inform a brief verbal discussion that Lavin Australia was hoping to have with the then minister at a graduation ceremony the following evening.

The Jenkingses did not alter that heading, thus confirming they also considered them to be notes. The notes consisted of three pages of headings and dot points addressed 'Notes for the Honourable Phil Honeywood'.

I turn now to the statutory declaration. I understand the definition of the words but I believe the honourable member for Hawthorn does not. The declaration states:

> I, Elizabeth Jenkings, do solemnly declare that the attached document headed 'Notes for the Honourable Phil Honeywood …

It is referred to as a document, not a submission. The statutory declaration further states:

> The draft of that document which is also attached …

Lavin Australia never refers to the document as a submission. I made it clear that while I had provided assistance I had not drafted nor had I been involved in the preparation of a submission.

The third accusation I wish to refute is my alleged rejection as Minister for Post Compulsory Education, Training and Employment of the submission from Lavin. In his allegation the honourable member for Hawthorn not only asked whether I assisted in the drafting of a submission by Lavin Australia but also questioned whether I had rejected the alleged submission. His question states:

> Did the Minister for Post Compulsory Education, Training and Employment, when in opposition, personally assist in the drafting of a submission by Lavin Australia, a submission which she later as minister, rejected — yes or no?

The answer to the second part of the question is as simple as the answer to the first part — that is, no. The former Minister for Tertiary Education and Training never received the notes nor did I as minister or the department. That is supported by a letter from Lavin referred to by the honourable member for Hawthorn in his allegations. The letter states:

> We did prepare a letter to Phil Honeywood along the lines of your advice. We enclose a copy for you marked 'A'. Our business partners voted to follow their understanding of protocol and not give the letter to Mr Honeywood on the graduation night he attended. However, the letter was given to our local federal member, Mr Kevin Andrews, at a meeting we organised for him for Friday 10 September 1999.

On its own admission Lavin Australia indicates that the letter was never given to the former Minister for Tertiary Education and Training, nor was it sent to me as Minister for Post Compulsory Education, Training and Employment. Therefore, I could never reject a

submission I never received. The honourable member for Hawthorn knew that.

I received a copy of a detailed document totalling 13 pages and what I consider to be a submission presented to the former minister which, and as I said earlier, bears no resemblance to the notes. In response to both parts of the question the answer — no — is appropriate which is why my response was so emphatic. It is also why the honourable member for Hawthorn is wrong.

I turn now to legal advice received by me. It refers firstly to a statement by Dr Coghill in 1994 that states:

> (i) There have been two occasions in the history of the Westminster system where members have been found to have deliberately misled the house. The first was the Profumo case in England, and the second was Mr Peter Spyker.
>
> In the Profumo case, the member admitted he deliberately misled the house. In the Spyker case, the member provided the evidence in his statement to the house.
>
> (ii) To find that a member deliberately misled the house, requires evidence to prove that —
>
> (a) the member's action was deliberate, not just some incidental or inadvertent action, and
>
> (b) the member's actions misled the house.

The advice further states:

> Whether a member deliberately misled the house will depend on the evidence the opposition can prove including any statements or admissions made by the member.
>
> The first matter is: did the minister mislead the house?
>
> In reply to this first matter, the critical question appears to be whether the minister did 'assist in the drafting of a submission by Lavin'. The facts or reasons the minister relied on in answering the question as she did, will provide the best evidence that she did not mislead the house … I expect those facts or reasons to be as follows:
>
> (i) 'Submission' is defined in the *Macquarie Dictionary* as 'that which is submitted'.
>
> (ii) The document which was submitted by Lavin and which comprised the submission, was not drafted nor prepared by the minister …

Mr Honeywood — On a point of order, Mr Speaker, the Minister for Post Compulsory Education, Training and Employment is clearly reading a legal advice document. Will the minister table that document as did the honourable member for Hawthorn following a request from the government?

The SPEAKER — Order! Is the minister prepared to make the document available?

Ms KOSKY — I am happy to do that. It may enlighten opposition members who perhaps should have obtained legal advice before they proceeded down their present path.

As I said, point (ii) states:

> The document which was submitted by Lavin and which comprised the submission, was not drafted nor prepared by the minister, nor did the minister assist in the drafting of that document.

The legal advice goes on to say:

> The above supports the conclusion that the minister was correct in answering the question as she did, and her answer did not mislead the house.

One might ask about the motivation of Lavin Australia, or more precisely the advice of Elizabeth and Richard Jenkings, in signing the statutory declaration. However, as I said, when one looks at the declaration one sees they have not suggested that there was a submission, that I assisted them with. They very clearly refer to a document. However, I have absolutely no doubt that the Jenkingses and Lavin Australia are in enormous financial difficulty and have been so for quite some time, since well before I assumed office. They are clearly very distressed about their situation and have made an enormous effort to speak to anyone who will listen to them. Unfortunately they are bitter and confused.

Elizabeth Jenkings may have believed that I assisted her and Richard Jenkings to draft a submission, or a document, as they stated, but I never did. They may also not understand the important distinction between the action of assisting to draft and the jotting down of notes on an existing document. Further, as I have previously pointed out, they do not refer to the notes as a submission. The allegation made by the honourable member for Hawthorn about a submission has clearly been blown out of the water.

I would have preferred not to outline to the house the financial situation of Lavin Australia, but unfortunately I am left with no alternative because it goes to the matter of this allegation before the house. On 19 November 1999, 29 days after I came to office, an auditor was appointed to conduct a comprehensive financial and management appraisal of Lavin Australia. The auditor found, and it was reported by my department to Lavin on 21 December 1999, that the company had major financial problems. Those problems included: significant operating losses for

every year of its operation since 1997; a total deficiency of $828 972 — that is, negative equity; an overdraft of $380 000; unpaid group tax of $150 000; unpaid superannuation of $48 000 for up to seven months; and other unpaid accounts totalling $250 000 — that is, 20 per cent of its annual turnover.

Lavin had insufficient funds to sign off the annual return to the Australian Securities and Investments Commission (ASIC) on 31 January. It had a working capital ratio of 0.11 compared with 1. The auditor also found that Lavin had a lack of up-to-date financial records. I am happy to table that information, as well. The financial situation of Lavin Australia was extreme, so one can start to understand Elizabeth Jenkings' motivation for signing the statutory declaration.

On 23 December 1999 Lavin was advised that it should show cause as to why it should continue to be registered as a training organisation. On 14 February the auditor advised my department that the information provided by Lavin did not provide confirming evidence of its capacity to meet financial commitments as they became due. Finally, on 1 March an administrator was appointed to manage Lavin's affairs. The organisation was and continued to be in extreme financial difficulties when I met with its directors last year.

I will demonstrate to the house the organisation's confusion, which might explain the reason it signed the statutory declaration. The confusion of events was evident in the meeting that took place between directors of Lavin and officials from my department on 21 December 1999, when the company was provided with the final copy of the auditor's report I referred to earlier. Department officials reported concern to me at the time that despite the gravity of their financial situation the Lavin directors had expressed appreciation and gratitude for the assistance provided — that is, they were extremely thankful for such bad news. That is bizarre.

Further evidence of their confused state is contained in a letter sent from Lavin Australia to ASIC on 28 January. It states, in part:

> There are two points to note:
>
> > There is an amount of $406 000 relating to unfunded training hours that we believe the Victorian government owes the company. We are currently having discussions about this matter and hope that it will be resolved in our favour shortly. Should this occur, the company would be very solvent.
> >
> > Our business plans for the year 2000 show a very positive cash flow.

Lavin Australia wrote to ASIC with that information, despite my constant comments to the company while I was in opposition that it could never expect retrospective payment from the then government for additional training that was provided outside the contract. The company directors confused my meeting with them and advice as support for them, which is clear evidence that they were confused.

They just do not listen; confusion reigns and they could do with a good reality check. That goes to some of the motivation for Elizabeth Jenkings signing a statutory declaration which suggests that I assisted in the drafting of a document. That does not reflect my view.

However, Richard Jenkings was never confused about his political affiliations. Richard Jenkings is a member of the Liberal Party.

Honourable members interjecting.

Ms KOSKY — That is further evidence of the motivation of Lavin Australia. Included in a series of documents faxed to me and referred to by the honourable member for Hawthorn was a letter addressed to the Honourable Rob Knowles, the then Minister for Health. It states:

> Dear Mr Knowles
>
> As a member of the Bulleen branch of the Liberal Party, I was in attendance at a cocktail party on Wednesday, 8 September 1999, in support of the recently endorsed Nicholas Kotsiras, at which the Premier, Mr Kennett, was present.

Honourable members interjecting.

Ms KOSKY — The letter continues:

> The Premier indicated to us we should contact you in your capacity as Minister for Health …

Honourable members interjecting.

Ms KOSKY — It further states:

> We look forward to hearing from you with the earliest possible meeting date and time and wish you every success in the forthcoming election.
>
> Yours sincerely
>
> Richard Jenkings
>
> Liberal Party Bulleen branch.

The letter has already been tabled.

Mrs Peulich — Therefore it is okay to tell fibs?

Ms KOSKY — Speaking of telling fibs, in the same bundle there was a letter addressed to me, which states:

Dear Lynne

Our heartiest congratulations on your own personal electoral success as the local member for Altona.

Your overall party result in the words of your leader, Steve Bracks, 'a return to decency and the end of the one-man-band show', is the opportunity to return to democracy and a sense of fairness.

Honourable members interjecting.

Ms KOSKY — It continues:

Richard was successful in being able to speak on 3AW Thursday morning, 23 September 1999, introducing himself as a very frustrated Liberal Party supporter and as a director of a private provider of TAFE. Both Richard and myself are proud to say that we voted Labor at the recent election.

Honourable members interjecting.

The SPEAKER — Order! The Leader of the House and the member for Berwick will cease interjecting forthwith. The honourable member for Springvale shall cease interjecting.

Ms KOSKY — I am speaking to the credibility of the evidence and the motivation of Richard and Elizabeth Jenkings. Clearly Richard Jenkings is a member of the Liberal Party — and he was prepared to identify himself as such to many people. However, in the same breath he was anxious to tell me that he voted Labor at the last election.

Who does he think he is fooling? He wants to ingratiate himself with whoever is in power in the mistaken belief that that is how governments do business. The previous government may have done business in that way; this government does not.

As I have said, I made it clear to Lavin Australia that it would not be able to expect retrospective payment outside the conditions of the contract. Also I never wrote a letter in support of Lavin Australia to the previous minister. Contrary to suggestions by members on the other side of the house, those people did not have a reason for payback to me because I had not provided the sort of support they had expected.

Those people are desperate because of their financial situation. I understand that. But at some point they will have to take responsibility for their own actions and poor business practices and not continue to blame others — something the honourable member for Hawthorn is not assisting with. He continues to string them along, giving them false hope that their organisation will be treated differently from any other training organisation in Victoria. By supporting them and continually raising the matter in the house, the honourable member is suggesting they will be treated differently and paid far more than the contract stipulates. That is not the way the government operates.

Let us now come to the motivation of the honourable member for Hawthorn. Honourable members need to understand why he has brought a trivial matter to the house. Since he came to office the honourable member for Hawthorn has struggled to be relevant inside and outside the Parliament. He has barely been heard — —

Mr McArthur — On a point of order, Mr Speaker, as you are well aware, you have already announced to the house that you have found a prima facie case exists and that this is a serious matter — something a number of members of the house are well aware of.

Mr Batchelor interjected.

Mr McArthur — That is for me to determine. Mr Speaker, I point out to you that the minister is now straying far and wide from the question before the house, which is whether the complaint of the honourable member for Hawthorn should be referred to the Privileges Committee. The complaint has nothing to do with the wishes, motivations, desires or dreams of the honourable member for Hawthorn; it has everything to do with the actions of the Minister for Post Compulsory Education, Training and Employment.

The SPEAKER — Order! I am not prepared to uphold the point of order at this time. So far both the honourable member for Hawthorn and the minister have stuck within the general ambit of the privilege matter. I ask the minister not to deviate from the parameters of the question and of the material that has been provided by the honourable member for Hawthorn in raising the matter as well as the material that has been provided by the minister during debate.

Mrs Peulich — Which means you cannot impute motives.

Ms KOSKY — The honourable member for Bentleigh suggests I cannot impute motives, which is clearly what the matter is about.

The SPEAKER — Order! If the minister wishes to proceed down that track she must do so by way of substantive motion.

Ms KOSKY — The honourable member for Hawthorn is raising the issue to pursue his own political ambition. He has attempted to spoil a magnificent budget brought down in the house earlier today. He clearly hoped to thwart the introduction of the budget — —

Mr McArthur — On a point of order, Mr Speaker, if the minister had paid any attention to parliamentary procedure she would know that a privilege complaint must be made at the first practical opportunity. This occasion is the first possible and practical opportunity to raise the issue; it has nothing to do with convenience or anybody's political motives.

Mr Batchelor — On the point of order, Mr Speaker, the honourable member for Monbulk raises the issue of this being the first practical opportunity. I put to you, Mr Speaker, that the statutory declaration signed by Elizabeth Jenkings is dated 12 April. A question was asked in the Parliament the following day, which is when the minister responded. It was practical during the remainder of the day to have the matter dealt with there and then.

The SPEAKER — Order! It appears to the Chair that the Leader of the House is raising a completely separate point of order. He should be speaking to the point of order raised by the honourable member for Monbulk.

Mr Batchelor — On the point of order, the point I am making goes to the motives of the honourable member for Hawthorn in raising the matter today and not on 13 April, when he was already in possession of the statutory declaration. In those circumstances why was the raising of the matter delayed until budget day? That is the crucial issue. The government is entitled to examine the reasons for the delay and why the honourable member for Hawthorn chose today of all days to raise the matter. Accordingly the minister is entitled to pursue such issues in making her rebuttal of the scurrilous allegations levelled against her today.

Mr Smith — On the point of order, Mr Speaker, the Minister for Transport is obviously trying to mislead the house himself. You had to follow a procedure on the day before you eventually came to your decision that there was a prima facie case. There was no way in the world you could have made the decision on that day. The decision to bring the matter forward was in your hands, and this is the first available opportunity after that time to do so.

The SPEAKER — Order! The point of order raised by the honourable member for Monbulk related to a question of relevance and whether the minister was being relevant in canvassing issues regarding the raising of the matter by the honourable member for Hawthorn. The Chair has already indicated in the statement introducing the debate that the matter has been raised at the first practical opportunity. Therefore it is quite in order for the matter to be debated. The matters raised by the Minister for Transport are not relevant to the point of order raised by the honourable member for Monbulk. I ask the minister to continue her remarks, confining them to matters relevant to the possible breach of parliamentary privilege.

Ms KOSKY — The problem is that the honourable member for Hawthorn has been lazy in preparing his allegation. He has not done his research. He is so desperate to be heard that he has not worried terribly about what he has had to say. The frivolous motion before the house is an abuse of the Parliament. If the handling of the debate today is evidence of the honourable member's leadership potential, the opposition should give the honourable member for Hawthorn a wide berth.

Mrs Peulich — On a point of order, Mr Speaker, the minister continues to flout the standing orders of the house. No reflection on any member of either chamber or imputation of motive is allowed. The Speaker has tried to restrict the minister's comments and has given advice in that regard, but the minister continues deliberately to flout that ruling.

The SPEAKER — Order! Neither the minister nor any other member may make comments that impugn another member. The minister shall desist from doing so. However, before the point of order was taken the minister was concentrating on and addressing her remarks to the question before the Chair, expressing her views on the motion.

Ms KOSKY — If the honourable member for Hawthorn is serious about assisting his Liberal Party colleague Richard Jenkings, he should give him some sound financial advice or a handout — but not false hope, which is what he is doing.

Mr Lenders interjected.

The SPEAKER — Order! The honourable member for Dandenong North!

Ms KOSKY — In closing, Mr Speaker, I reiterate three points. I did not assist in the drafting of a submission.

An honourable member interjected.

Ms KOSKY — No, the honourable member for Hawthorn said redrafting. I did not assist in the drafting of a submission, which was the question I responded to in the house. The question was not whether I assisted with a redrafting but whether I personally assisted in the drafting of a submission by Lavin Australia. That was

the question, and it was to that question that I responded.

It is clear from what the honourable member for Berwick has just said that opposition members have misunderstood the question. The opposition is focusing on the allegations made to you, Mr Speaker, not referring to the question asked in the house to which I responded. That is the matter we are dealing with — not the allegation but the question asked by the honourable member for Hawthorn to which I responded. Opposition members would do well to remember that in their responses. I did not assist in the drafting of a submission, and there is no submission as alleged by the honourable member for Hawthorn.

In addition, I cannot as minister reject advice contained in a document when I have not received the document as minister. It is clear that the motion is a frivolous attempt to abuse parliamentary process. The honourable member for Hawthorn cannot even establish that I have misled the house, let alone that I did so deliberately — which would require a lot more effort than the honourable member has shown.

On all those grounds I call for the allegations not to be referred to the Privileges Committee, and I seek an apology not for myself but to the Parliament for wasting Parliament's time.

Dr DEAN (Berwick) — I find it sad that the minister feels she can get up in this place and say that a motion on a matter of privilege is trivial and then ask you, Mr Speaker, to apologise. When a motion is put before you with supporting evidence and you make a decision that there is a prima facie case to answer and the Parliament debates it, it is extraordinary for a minister to say it is trivial.

Mr Smith — And frivolous.

Dr DEAN — Yes, she said it is trivial and frivolous — and then asked for an apology! Is she really calling on you, Mr Speaker, to apologise for looking at the material presented for you — —

Mr Batchelor — On a point of order, Mr Speaker, at no stage did the minister ask you to apologise. For the honourable member for Berwick to continue to say so constitutes a misleading of the house. The minister asked that the honourable member for Hawthorn apologise to the house for wasting its time and that he be truthful.

Mr McArthur — On the point of order, Mr Speaker, the honourable member for Berwick was simply addressing the fact that the minister had complained that the issue was trivial. He was referring to the fact that at the start of this debate you reported to the house that you had considered the issue and found that a prima facie case of deliberately misleading the house existed. In doing so, you will have relied on the rules, advice, precedents and customs of the house.

I refer the Leader of the House to the ruling of Speaker Wheeler who said in 1978 that if the Speaker decides that a case does not fall within the general ambit of privilege or alternatively, even if it does, that it is too trivial to deserve precedence, he writes accordingly to the member. In other words, if the Speaker decides there is a prima facie case but that it is trivial, he should not give it precedence. You, Sir, have given this matter precedence; you have made a ruling and found that it is not trivial. The honourable member for Berwick is entitled to argue that the Minister for Post Compulsory Education, Training and Employment is clearly wrong when she argues that the matter is trivial, because you found otherwise.

The SPEAKER — Order! The Minister for Transport raised a point of order asking the Chair to bring the honourable member for Berwick back to order regarding remarks he was making in response to a statement by the Minister for Post Compulsory Education, Training and Employment, and the honourable member for Monbulk spoke to the point of order. However, the minister raised the appropriateness of this matter being before the house. I have already indicated in ruling on a previous point of order and in my statement bringing the matter forward that it is appropriate that the matter be before the house.

I do not uphold the point of order raised by the Leader of the House because the Chair believes that the honourable member for Berwick was responding to an opinion expressed by the Minister for Post Compulsory Education, Training and Employment.

Dr DEAN — The central theme of my point is that any matter concerning privilege is serious. It has to be subjected to the scrutiny of the Speaker and there are rules by which the Speaker operates. When it comes before the house it is clear that the matter has serious weight.

The definition of prima facie is effectively that at first appearance there appears to be a case to answer. The burden facing the minister was to respond to a prima facie case.

As the minister was laughing and taking it easy and having pot shots across the table, I thought she would say that she had not made any alterations to the

document or that she had not seen the document or that it was not her handwriting — things that might amount to a defence of the claim. The minister came up with this: yes, she was there; yes, the statutory declaration is correct; yes, a document was put before her which would make an application for funds to go to Phil Honeywood; yes, she altered it; yes, it is her handwriting — but that is not drafting or redrafting!

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Bentleigh and the honourable member for Gisborne should cease interjecting across the chamber.

Dr DEAN — Spurious defences of that nature generally get people into trouble. The minister's first point was that it was being argued that she was redrafting. She said, 'I definitely didn't redraft it. It was there but it was already drafted. I didn't redraft it'.

In her conclusion the minister had forgotten that spurious little point — it had turned 180 degrees and she said, 'I didn't do any drafting'. She now has a split position — whether it was drafting or redrafting, she does not know. The document is now distributed for everyone to see: it was a printed document and her handwriting is all over it — cutting out slabs; suggesting additions and effectively redoing the document completely.

The minister says, 'But that never came to me. They were notes that were not submitted'. Then she read out the letter — she was getting so much fun from the Lavin people saying how much they liked her and so forth — that enclosed the redrafted submission. What can be found by looking at the document submitted to her with the letter? In the document supplied to her, every alteration has been made according to her instructions, according to her drafting. Yet she has the audacity to say that she did not draft or redraft. 'I was there, Your Honour', says the burglar; 'I was in the house. You've got my fingerprints; I left my jumper there; someone saw me, but it's not me, Your Honour'. What absolute nonsense!

The minister then says, 'Hang on a tick. Even though the letter I personally read out includes a submission to me, it wasn't a submission. It had on the top "Notes for Phil Honeywood", and when I received it and was doing my alterations, how was I to know that was going to be a submission?'. Guess who suggested it should be headed 'Notes to go to Phil Honeywood'? The minister! She redrafted the document to put the heading on because she knew it was to be sent to Phil Honeywood — 'This is your submission and I am writing on the top what you should do'. What absolute nonsense for the minister to get up and say, 'My second defence is that it isn't a submission but I turned it into a submission with my very own handwriting'.

The minister then comes to a piece of legal advice and, knowing a lot about legal advice, I can say a piece of legal advice is only as good as the instructions. If the minister's statements to the house today were instructions, I am surprised the solicitor did not write a bit of Shakespeare as well. How could a written opinion from a solicitor, based on the instructions given in the house today, have any value? I was stunned by the minister's position because, as she knows, the matter is about a question asked of her — not about drafting or redrafting but about personally assisting with drafting.

Mr Cameron — What was that last word?

Dr DEAN — Personally assisting with drafting. And she didn't redraft, either.

The minister says, 'I stood up in the house and was careful not to mislead the house. I knew of the document. I remember being in the parliamentary dining room. I remember getting out my pen. I remember changing the submission and heading it "Notes for Phil Honeywood". I remember receiving it' — and of course that is what Lavin would do.

The former shadow minister drafted a submission that said, 'This will work if it goes to Phil Honeywood'. Why would she not send it when the last thing she expected was that she would end up being the minister?

She was asked whether she personally assisted with the drafting. As she stood up to answer the question she thought to herself, 'Well, I was there, yes; I got my biro out, yes; I changed it, yes; I put "Notes for Phil Honeywood" on the top, yes; and it came back to me in a letter. What will I tell the house? Will I say, "As a matter of fact I did alter a document, but it was not a submission", or will I say, "I altered a document but I didn't draft it"?'. Did she say any of the things she now says are important? No, she did not. She just said no. She said that because she did not think of any of that — the submission and the redrafting — even though she knew exactly what was going on because it had been raised during the adjournment — —

Mr Batchelor — On a point of order, Mr Speaker, you have said throughout the debate that the imputation of motives is inappropriate and you have ruled accordingly. I ask you to caution the honourable member for Berwick because he is imputing motives and attributing reasons for certain actions carried out by

the minister. He is not entitled to do that in accordance with your previous rulings.

Dr DEAN — On the point of order, Mr Speaker, you made no ruling on whether evidence could be given about why something happened. Clearly deliberateness is part of the issue in relation to which you have found there is a prima facie case. If deliberateness is part of the issue, motivation and reason must be essential parts of it. It is the mental element of the issue — which is known as mens rea.

The SPEAKER — Order! I do not uphold the point of order. The house is well aware that an honourable member may not impugn the motives of another honourable member. However, in a case of privilege, where a complaint has been brought against an honourable member, it is appropriate to refer to evidence and other matters in support of that complaint. If the honourable member for Berwick continues to debate along those lines, I will continue to hear him. However, he must not impugn motives to either the minister or others.

Dr DEAN — I could understand it if the minister had said, 'When I answered the question I had forgotten that I redrafted the document and forgotten the whole saga'. I would have understood if, when answering the question, she had made the point about it not being a submission. Surely when answering the question she would have thought, 'If I just say no it will sound as though I was not there or did not alter the document or that it did not come back to me as a submission. I do not want to mislead the house so I won't just say no, I will say "That's what I did, but I don't regard it as a submission" or "That's what I did, but it was not redrafted".'?

Because those listening do not know all the details and intricacies of someone's mind, when ministers are answering questions in the house they have an obligation to give positive answers so as not to mislead the house. It is not simply a matter of something not being said, it is a matter of how the answer is given.

The minister has clearly misled the house because so many of the claims made in the question have been proven to be correct. I could understand it if members of the opposition had gone way off the rails or made a false declaration and the minister had said, 'They didn't come here at all' or 'It was somebody else, Your Honour' — but there was none of that.

The house has been in existence for 144 years, during which very few matters of privilege have been raised. In the past 20 years five have been raised, and the last one was eight years ago. They are always serious. Normally a minister will stand up and say, 'I didn't mean to mislead the house' or 'If I did mislead the house, I apologise, because it was not my intention', and then the matter goes away. However if, as in this case, a minister says, 'No, they were not there. This is not right; I never touched the submission', it becomes a dispute about fact. Such disputes are as old as the hills: one side says, 'This is what happened', and the other side says, 'It isn't', and the matter goes to the Privileges Committee. That is what the committee is for.

Mr Smith — That's what she's frightened of.

Dr DEAN — Exactly. If the minister were convinced that she is right and that opposition members should realise there is a difference between a submission and 'Notes for Phil Honeywood', and if she really believed there is a difference between drafting and redrafting and that we should have seen that — most people would not, and you did not, Mr Speaker — she would say, 'Let's get it off to the Privileges Committee, because that is the only way the matter can be resolved and I can be shown to be correct'.

The minister has gone through an extraordinary process, including abusing the honourable member for Hawthorn among other things. However, putting that aside, when her argument is pulled apart it is clear that the minister is relying on the 'drafting' and 'redrafting' of a submission. I hope the Leader of the House, who is an experienced member, will say to the minister, 'The only way this matter will go away is if it is sent to the Privileges Committee. Let's send it to them. Let them decide. If they say there is nothing in it, everything is fine'.

However, if the government uses its numbers to stop the matter going to the Privileges Committee, three things will occur: firstly, it will be a massive break with tradition; secondly, it will be seen as using politics to thwart the ethics, privileges and foundations of this house; and thirdly, it will leave a smell — I was about to say 'stench' — that will waft through these corridors forever because it will never be resolved. The only way the matter can be resolved based on the traditions, ethics and sensible conduct of this place is to allow it to go to the Privileges Committee — unless of course the Leader of the House or the minister's advisers have decided that she is on such thin ice that the committee may censure her, in which case they believe the government should use its numbers to stop it. If that is what they think and that is what they do, they will be remembered for it. But let us make it clear that if the government takes that course and goes against all the traditions of the house, the matter will not go away!

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

Mr McArthur — On a point of order, Mr Speaker, during her contribution the Minister for Post Compulsory Education and Training quoted from legal advice, which, after being asked, she agreed to table. The Clerk has made that document available to me, and it is clear that although the minister has tabled part of the advice she has not tabled the full document — nor has she tabled anything that identifies the author of the advice. It has long been a tradition of this house that when a document is unsourced the honourable member tabling it identifies the source.

Further, the minister should make all the advice available because she was quoting from it and it was highlighted in type. There are only two pages in the document, which is simply headed 'Legal advice received'. It has no name and makes no reference to the author's title or position. It is totally unsourced, so I ask you to draw this to the minister's attention.

Mr Batchelor — On the point of the order, Mr Speaker, the minister was asked to table the document from which she was quoting. The document she was quoting from was handed to the Clerk. It comprised a couple — I think three — A4 pages stapled together. The parts she was referring to were highlighted in yellow. It was not a legal document; it was a document that contained legal advice. As I said, the document she was asked to table was tabled. The document she was quoting from, Mr Speaker, is the document you have in your hands.

It was tabled. The whole tenor of the opposition's support for its motion is to take the truth and distort it. The request was for the minister to table the document from which she was quoting. She tabled the document, and it is completely inappropriate for the honourable member for Monbulk to raise a point of order attempting to place on the parliamentary record that certain facts prevail. Members of the opposition are saying one thing and then trying to extrapolate into another area through untruth. The simple facts are that the minister was quoting from a document; she was asked to table it and she did so. It is absolutely reprehensible for the honourable member for Monbulk to suggest otherwise.

Dr Dean — On the point of order, Mr Speaker, I refer to a decision of Acting Speaker Coghill in *Rulings from the Chair — 1920–1989*:

> Unsourced photocopy — source to be provided later. As a member only had an unsourced photocopy of a document he was quoting, the Chair, after a point of order, asked the member to provide the information subsequently and stated that it is normal practice for a member to identify the source of any quote in the course of his speech.

Everybody knows I was around the traps in the legal profession for quite some time, and as a consequence there has been some mirth at my expense. However, sometimes that experience comes in handy. No solicitor or barrister would ever provide an advice without it being signed off because his or her reputation is at stake. Certainly he or she would never provide an advice without a heading on it stating it to be advice.

It looks as if someone has typed a document entitled 'Legal advice received' and included various paragraphs which appear to support the minister's case. A prima facie case of misleading the house has been found against the minister; I am sure she would be the last person to want someone alleging she had misrepresented the house a second time. Therefore, I have no doubt that she will be keen to provide the source and the original document. From experience I can tell that this is not the original document — it is not the legal advice she said she had!

The minister is a little like the worm on the hook desperately trying to get out of the situation. Having tabled a document she has said is legal advice but appears not to be, I cannot believe she would not rush to make sure the source was there for all to see. The opposition would like to know which barrister or solicitor gave this advice, because he or she may then come forward with the instructions they were given. It is not possible to understand a legal advice until you know what instructions have been given. It is central to the whole debate to know the answer to that question, and I implore you, Mr Speaker, to ask for the source of the material.

The SPEAKER — Order! The honourable member for Monbulk raised a point of order in relation to the request for the tabling of the document the minister was quoting from in her contribution, which tabling subsequently took place. I have received advice from the Clerk that during her contribution the minister handed over a document as the document she was quoting from. Therefore, there is no point of order.

Mr BATCHELOR (Minister for Transport) — Honourable members have seen today a tragic and pathetic attempt by the opposition to use the forms of the house and the privileges procedures which in all other circumstances before this occasion have been taken quite seriously.

Dr Dean — On a point of order, Mr Speaker, you have just ruled on a point of order that there was an

allegation that the document provided was not the right document, and your ruling is certainly accepted.

I wish to raise a further point of order which is not about whether the document is the correct one. It is quite clear it is the correct one, but standing orders allow a member in receipt of a document to ask the Speaker if he or she will seek to have the document sourced. I ask you, Sir, to ask the minister to source the document, in accordance with Acting Speaker Coghill's ruling as set out previously.

The SPEAKER — Order! The precedent quoted is Acting Speaker Coghill's ruling on 1 December 1994:

> As a member only had an unsourced photocopy of a document he was quoting, the Chair, after a point of order, asked the member to provide the information subsequently and stated that it is normal practice for a member to identify the source of any quote in the course of his speech.

The difficulty I have with that is that Mr Coghill was not the Speaker in 1994, he was the Acting Speaker. However, I note that a ruling has been made some time in the past requiring that the Speaker subsequently requests the sourcing of a document, and I will do that.

Mr BATCHELOR — It is clear that today's attempt has proved to be nothing but a monumental fizzer that is part of a grand strategy to firstly delay the Budget and secondly launch the honourable member for Hawthorn on to some platform to promote himself as a future and potential leader. It has been the biggest fizzer in parliamentary history, and it deserves to be ridiculed for the absolute failure it is.

The real question is very simple: the issue is whether the minister misled the house in an answer and whether she did so deliberately. What do members of this house have to use to make that judgment? We have the contribution to the debate thus far, and if one relies on the debate it is clear that the motion should be thrown out. The debate was pathetic and ill-prepared. It was presented without the relevant facts, without commitment and contained contradictory issues. Honourable members must agree that, on what has been presented thus far, there is no way the house could agree with the motion.

It is clear members of the opposition have already made up their minds. It will pursue the motion, notwithstanding the explanation put forward by the minister. The whole matter revolves around a number of issues. To understand why this matter must be absolutely and comprehensively rejected one must go back to the question that was asked and the answer that was given. It is all about whether the minister assisted in the drafting of a submission and then subsequently rejected that submission. It is very simple and easy to answer and explain.

The minister has done everything required of her, and she has left members of the opposition absolutely floundering, dithering, out of their depth and unable to take the matter anywhere at all. The opposition is continuing to struggle along, wasting the time of the Parliament. It should acknowledge that a mistake has been made and that it is unable to convert what it and you, Mr Speaker, regarded as a prima facie case. The opposition is unable to convert that into a deafening conclusion; the facts do not support it.

The motion should be rejected because there is no substance to the claim being made that the minister deliberately misled the house. On all the tests that have been put before the house thus far the motion will fail simply because the claims are not true, and the opposition now knows that. For the opposition to persist with this matter brings it no credit and indicates it is not in the pursuit of truth but has other objectives and motives at play which the house needs to address.

The opposition is unable to acknowledge that the minister met with representatives from Lavin Australia at Parliament House, in a public arena — something that has never been denied. Interestingly, members of the opposition have never asked, 'Minister, did you meet with the representatives of Lavin?' The former shadow minister and current minister was in a public arena. You cannot get much more public than the dining room of Parliament House. When the then shadow minister met with members of the Liberal Party in the dining room she was fulfilling her obligations to try to respond to a request for a meeting. Members of the Liberal Party in consort with the opposition are now working together to try to bring discredit on a hard working minister. They stand condemned.

A number of issues in the letter the honourable member for Hawthorn sent to you, Mr Speaker, need to be addressed, and the honourable member for Hawthorn has addressed only one. In order to carry the debate and convince the Parliament that what it is alleging is true the opposition must satisfy a number of tests.

The first component is that the minister misled the Parliament. The minister comprehensively destroyed that claim today.

The initial letter of the honourable member for Hawthorn, which is dated 17 April and flows from a question asked on 13 April, clearly shows that he has no confidence in the grounds he has put forward. Although the question directed to the minister refers to

'the drafting of a submission', the honourable member now talks about a 'redrafting'. At the first opportunity to convince the Parliament of the veracity of his claim, he shifts ground.

The second issue is whether a submission existed. The Minister for Post Compulsory Education, Training and Employment has destroyed the opposition's logic on that matter, and I cannot understand why it persists. Opposition members should, like mangy dogs, get out of the place as soon as they can with their tails tucked firmly between their legs. Opposition members have today devalued an important part of parliamentary process — that is, the privilege debate — and put it in the gutter, along with themselves.

There was no submission. The Jenkingses, who were to meet the former Minister for Tertiary Education and Training the following day, sought advice from the former shadow minister, who has acknowledged she advised them. In correspondence, and for whatever reason, it appears they did not meet the former minister or take up the advice of the then shadow minister.

The statutory declaration of Elizabeth Jenkings contains nothing to contradict what the minister has said; they are in furious agreement. It was the Jenkingses who drafted what they regarded as a document rather than a submission, and it was part of an ongoing plan by the proprietors of the company to pursue the matter. They were under pressure and wanted their mates in the former government to resolve the matter.

They went to the media, as part of which they rang 3AW. The media regards them as incoherent, confused and obsessed. Their business was failing and they wanted advice from the shadow minister on how to approach the then minister at a graduation ceremony the following night. The opposition now wants to crucify the Minister for Post Compulsory Education, Training and Employment. The opposition knows that the facts do not stack up. Members opposite should get out of the debate as soon as they can and not pursue the matter.

The most important issue relates to the word 'deliberately'. The honourable member for Hawthorn did not refer to that issue in his letter of 17 April. The matter should not be before the Parliament. It is incumbent on the honourable member for Hawthorn to prove that the minister deliberately misled the house. His saying that happened does not make it true. Nothing could be further from the truth. The honourable member for Hawthorn has failed to substantiate his claim. He has not addressed the question of why the minister deliberately misled the house — because it did not happen. The honourable member for Hawthorn and his opposition colleagues know that.

I refer to a letter dated 15 October 1996 from former Speaker Plowman to the honourable member for Werribee in response to her raising a matter of privilege. His rejection was based on the point that where a member of Parliament chooses to raise a matter of privilege in the form in which it has been raised on this occasion, the onus is on the member making the allegation to address the issue of deliberateness.

That has not happened. In that letter Speaker Plowman says:

> The member should be aware that a member commits a breach of privilege if the member can be shown to have deliberately misled the house.

He goes on to say:

> … I am not satisfied that there is any evidence which would indicate that the minister had acted to deliberately mislead the house in his answer to the member for Footscray. I therefore rule that a prima facie case has not been established.

I am making the point that irrespective of everything else, today's attack on a hardworking and decent member of the government fails both the test of deliberateness and the test of misleading the house. The fact that the matter continues to be here after opposition members have had it amply demonstrated to them that the facts as they misconstrue them do not stand up reflects badly on every one of them and on all who have been involved in the matter. It also reflects badly on those who are participating in it now, and there is a need to understand why that has occurred.

The company in question has Liberal Party proprietors. It was in grave financial difficulty, was thrashing around everywhere and ran into difficulties. As the honourable member for Berwick said earlier, this is the payback — it is the payback for a former shadow minister who tried to help the company. She made the mistake of dealing with a company the directors of which were members of the Liberal Party. They were active participants in the preselection contests in Bulleen. Opposition members have not come to the debate with clean hands and will not leave it with their hands any cleaner. They stand condemned for what they have done today.

Sitting suspended 6.30 p.m. until 8.03 p.m.

The SPEAKER — Order! On the point of order raised earlier this evening about a document which had been quoted by the Minister for Post Compulsory Education, Training and Employment, I advise the

house that the minister saw me in chambers during the dinner adjournment and provided me with a source copy of the document. The author of the document is Mr John Livi, the principal legal officer of the department. I make the document available to the house.

Mr McARTHUR (Monbulk) — On behalf of the opposition, I thank you for that advice, Mr Speaker. I do not intend to dwell on the facts or the context of this issue because the members for Hawthorn and Berwick outlined the facts which led to the laying of this complaint, the context of the minister's response and the legal definitions of issues such as prima facie and the requirement to go into the minister's state of mind and knowledge in determining deliberation, and did so effectively, clearly and to great effect.

There is little doubt that anyone dispassionately and objectively reviewing the contributions to the debate so far could fail to find that the Minister for Post Compulsory Education, Training and Employment has clearly, deliberately and intentionally misled the house. Sir, in your capacity as Speaker of this place investigating the complaint, you have found that a prima facie case exists.

Mr Cameron — That is not true.

Mr McARTHUR — I take up the interjection of the Minister for Workcover, who says that is not true. I refer him to the statement by the minister — —

Mr Cameron — On a point of order, Mr Speaker, the honourable member is being misleading. The material put before you was the material you relied upon. There was no investigation and no opportunity for the minister to make a response.

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

Mr McARTHUR — As I was stating before the Minister for Workcover mistakenly interrupted, Mr Speaker, you have found after reviewing the evidence and the complaint made by the honourable member for Hawthorn that there is a prima facie case of breach of privilege; in addition you have found that the prima facie case is not trivial. As a consequence of the rulings by Speaker Sir Kenneth Wheeler on 19 April 1978 when he established the new procedures for dealing with matters of privilege and contempt of the Parliament, you have decided that the prima facie case exists and you have referred the matter to the house and invited it to consider whether the matter should be referred to the Privileges Committee.

That is where the issue lies at the moment. It is not for you, Sir, as Speaker to decide the facts of the case. It is not for you to decide whether the minister has deliberately misled the house. It is for you to decide whether a prima facie case exists, and you have done so. It is not for the house to decide the outcome of the complaint. All that is required of the house in debate is to decide whether the matter should be referred to the Privileges Committee.

For centuries privileges committees in this Parliament and other Westminster parliaments around the world, including the House of Commons, have had the responsibility of deciding the outcome of such complaints and reporting their recommendations to the house — whether it be recommended that serious disciplinary action be taken against the minister; whether it be recommended that the issue, while proven, is not significant enough to warrant significant disciplinary action; or whether it be found that the issue is not proven. At this stage all such considerations are moot. It is not for us to decide on the facts. It is for us to decide whether the facts should be determined by the Privileges Committee.

I put it to you, Mr Speaker, and to honourable members of this place — members of the Labor Party, the Liberal Party, the National Party and the Independent members — that that is the very purpose of the Privileges Committee. That is the reason for its existence. If such matters are not referred to the Privileges Committee for determination and recommendation there is no point in having a Privileges Committee, and it should be dispensed with.

Let us consider why the house should refer the matter to the Privileges Committee. The question is not what the outcome of the complaint will be but what the house should do about it. What are the rules in this respect? What are the procedures and practices of the house? What does *Erskine May* suggest?

I refer honourable members to the 22nd edition of *Erskine May*. At page 111 of chapter 8, headed 'Contempts', it states:

> MISCONDUCT OF MEMBERS OR OFFICERS
>
> Members deliberately misleading the house
>
> The Commons may treat the making of a deliberately misleading statement as a contempt. In 1963 the house resolved that in making a personal statement which contained words which he later admitted not to be true, a former member had been guilty of a grave contempt.

That deals with the argument by the minister that the matter raised is trivial. For decades parliaments have

found that deliberately misleading the house is a grave contempt of Parliament and no laughing matter at all.

Let us consider what some other people have said about the duties, responsibilities and requirements of members of Parliament and ministers. I refer honourable members to the opinion expressed in a press release by the honourable member for Williamstown headed 'A new style of leadership'. In a letter to the honourable member for Mildura, commencing 'Dear Russell' and dated 12 October 1999 it is stated that a Bracks Labor government would:

> Introduce an improved code of conduct between government and all other members of Parliament.

The honourable member went on to state in the documentation attached to the letter that under a Bracks Labor government the Premier would introduce the following:

> A requirement that ministers actually answer questions during question time.
>
> As Premier in the Bracks Labor government I personally commit to the following:
>
> > instructing all ministers to answer questions directly and in a manner that does not waste the time of the Parliament, and;
> >
> > lead by example, by answering all questions specifically with the required detail to fully inform members of the Parliament of the issue raised.

Clearly the Premier, while he was Leader of the Opposition, believed members and ministers of this place had a responsibility to fully, frankly and openly provide details and information to members of the house. By inference the Premier believes that those ministers should be honest in answering questions and should not, either intentionally or unintentionally, mislead the house, honourable members or the public at large.

What has been the past practice of the house in dealing with such matters of privilege? As the honourable member for Berwick said, such motions are rare occurrences. A complaint of privilege has not been made since 1 October 1991 — almost 10 years ago. Five complaints on matters of privilege have been referred to the house by the Chair since 1982. I intend to go through them to outline how the house has dealt with such complaints in the past in the hope that members may take this as guidance on how to deal with the issue.

On 22 September 1982, Mr Ramsay, then the honourable member for Balwyn, made a complaint of molestation against Mr Simpson, then Minister for Property and Services. Mr Ramsay believed Mr Simpson had threatened him and his business in the course of interjections. The complaint was made, and the Speaker of the day found a prima facie case existed. The complaint was debated by the house and the minister, in responding to the complaint, made an unreserved and sincere apology. On the urging of Premier Cain and Mr Ross-Edwards, then Leader of the National Party in the house, Mr Ramsay withdrew the complaint. The minister apologised and said he had not expected his comments to be interpreted in that way. He unreservedly apologised for any offence given, and the matter was then resolved.

On 21 October 1986, Mr Pope, my predecessor in the seat of Monbulk, complained about Mr Brown, then the honourable member for Gippsland West, arguing that Mr Brown had not fully disclosed personal issues affecting his pecuniary interest declaration. That matter was investigated by the Speaker, who established that a prima facie case existed. The matter was debated in the house, which agreed to refer it to the Privileges Committee.

On 8 March 1988, Mr Kennett, then the honourable member for Burwood and Leader of the Opposition, complained about Mr Gavin, then the honourable member for Coburg. His complaint was that Mr Gavin had interfered with Mr Kennett's mail. The Speaker of the day, Dr Coghill, found that a prima facie case of breach of privilege existed. He invited the house to consider the matter; it was debated and the house agreed to refer it to the Privileges Committee.

On 28 March 1991, Mr Roper, then the honourable member for Brunswick, made a complaint against Mr Kennett, then the Leader of the Opposition, in relation to a threat. Speaker Coghill found a prima facie case existed. The house debated the issue at length and resolved that it should be referred to the Privileges Committee for investigation and report. That occurred.

The final case in the recent history of this Parliament was on 1 October 1991. In that case Mr McNamara, then the Leader of the National Party, lodged a complaint against Mr Spyker, then the Minister for Transport. The complaint was identical to that lodged today; the complaint was one of deliberately misleading Parliament. At that time Speaker Coghill investigated the matter, took advice, formed a judgment that a prima facie case existed and invited the house to consider the matter. The complaint was debated and referred to the Privileges Committee. That is the most recent case in this Parliament and is most directly comparable to the present case. It was also a most interesting case. I shall go into the details.

Peter Spyker, then the Minister for Transport, made a response to a question during question time, just as the present Minister for Post Compulsory Education, Training and Employment did on 13 April this year when she answered a question from the honourable member for Hawthorn.

Back in 1991, between making that statement and the end of question time, Peter Spyker realised he had made an error. At the end of question time he immediately approached the Speaker and said words to the effect of, 'I think I have said the wrong thing; I have said something that is incorrect and I would like to make a personal explanation'.

At the first available opportunity — at the next change of business — Peter Spyker made a personal explanation. He clearly, concisely and directly at the first available opportunity advised the house that he had misled the house in response to a question. Nevertheless, the complaint was made by Mr McNamara, a prima facie case of breach of privilege was adjudged by the Speaker of the day, and the matter was debated by the house. Despite the fact that the minister had, at the first available opportunity, corrected his statement in this place, the matter was still referred to the Privileges Committee — with the support, I should add, of members of the Labor government of the day.

I shall examine what has happened in this case. During question time on the last Thursday this house sat the honourable member for Hawthorn asked the Minister for Post Compulsory Education, Training and Employment a clear, direct and unambiguous question: did she personally assist in the drafting of a submission which was later rejected when she became the minister? He asked for a yes or no answer. In her response to the question, after some filibustering, the minister said — and I quote because I am entitled to do so in this debate:

> The answer is no.

The honourable member for Hawthorn has clearly outlined to the house that the reply was inaccurate and misleading. The answer was simply not true. Not only that, but the honourable member for Hawthorn has demonstrated to the house that the minister must have known at the time that her answer was not true. She was in no position to argue that the question was an ambush inquiry and that she was unaware of the facts. The issue had been brought to her attention time and again over a period of weeks during the sittings of the house in this sessional period. It is a matter on which the minister had made a personal explanation about another misleading statement in relation to this issue. There can be no question but that honourable members and people looking at this matter objectively will find that the minister has misled the house and that she was aware of the facts surrounding the case. She must have known she was making a misleading statement.

I can accept that from time to time in the heat of debate, in the passion of toing and froing, under the pressure of interjections and assault from the opposite side ministers and honourable members will make mistakes. Most honourable members who have any experience in this place will accept that. But any honourable member — particularly a minister — who finds himself or herself in such a position and who in those circumstances has made a statement that he or she knows to be inaccurate has a clear duty to go to you, Mr Speaker, to explain the circumstances and seek at the first available opportunity to make a personal explanation to the house. The minister knows the procedure because she has already made a personal explanation in relation to Lavin Australia. She knows the practices and rulings of the house. If you make a mistake and get it wrong, if you tell an untruth, you must be up front, admit it, apologise and get on with life.

But what has the minister done? She had changes of business on 13 April between question time and the adjournment debate. She could have approached you, Mr Speaker, during the hours set aside for ordinary business on that day or on 26 April or 27 April or 28 April or yesterday, 1 May, or even before the house sat this morning. She could have said, 'Mr Speaker, I believe I have misled the house. Will you allow me to make a personal explanation and outline the circumstances?'. That action would have been in accordance with the rules, precedents and practices of this place.

People could then be forgiven for saying, 'That's okay; we accept your apology', but she has done none of those things. She has not sought to apologise. She has clearly, knowingly, willingly and deliberately misled the house. The clear duty of the house, in accordance with its practices, procedures and traditions and in accordance with the rulings of experts such as Erskine May is to request that the issue be referred to the Privileges Committee for report.

Mr CAMERON (Minister for Local Government) — The Minister for Post Compulsory Education, Training and Employment is an outstanding person. She is honest and decent, and brings into this place a great breadth and depth of knowledge. Victorians are fortunate to have a minister such as she. Today's efforts by the opposition to impugn her have

failed miserably. It is they who will walk away disgraced by what they have attempted today.

Members of the opposition have tried to make something of the fact that a prima facie case was found. The previous speaker said the minister was found to have misled the house after an investigation. I say on the record now that that is not the case. Rather, the material that was put before you, Mr Speaker, came from one side and one side only, and it was on that basis, not following any investigation — —

Mr McArthur interjected.

Mr CAMERON — Unlike the misleading comments of the previous speaker, it was on that basis that the Speaker ruled that there was a prima facie case. There was no investigation. The Minister for Post Compulsory Education, Training and Employment was not fully apprised of the case against her until the motion was moved today. Indeed, as we heard today, the honourable member for Hawthorn did not want the papers released until today.

In 1978 Speaker Wheeler made it clear that when the Speaker makes a ruling on whether there is a prima facie case the complaining member, in this case the honourable member for Hawthorn, is entitled to give notice of motion on the following day's notice paper in a position of precedence. Nevertheless, as you are aware, Mr Speaker, this matter was dealt with today without delay, and it is to the great credit of the minister that she got up and dealt with it.

Mr McArthur — On a point of order, Mr Speaker, all honourable members know that reflections on the Chair are disorderly. The line now being taken by the Minister for Local Government reflects on your rulings and on your handling of the complaint. He is alleging that the Minister for Post Compulsory Education, Training and Employment was ambushed, that you did not advise her that the complaint had been made and you had found a prima facie case against her, and that as a result you would not be making a report to the Parliament but would have the matter dealt with forthwith. He is saying, in effect, that you have been unfair, and that is an unfair reflection on the Chair.

I am well aware of the steps you took, Sir, to inform the minister of the matter. With the support of the opposition you informed the minister once you made the decision that a prima facie case existed, and at the same time you informed the honourable member for Hawthorn of your action. Both members were informed simultaneously of your decision.

The SPEAKER — Order! I am not prepared to uphold the point of order. However, I remind the Minister for Local Government that although I allowed him to canvass in passing the circumstances in which the matter was brought into the house, I will not allow him to continue canvassing them.

I will continue to hear him only if he concentrates on the question of privilege that is before the Chair.

Mr CAMERON — The honourable member for Hawthorn produced a blue document and a red document today, both of which were handed out. That was the first time they were produced. It is to the great credit of the Minister for Post Compulsory Education, Training and Employment that she dealt with the matter as she did.

Mr Speaker, you will have seen the faces of opposition members when the minister set out her position. The honourable member for Hawthorn had not wanted anything released before today, so opposition members took the mistaken view that the minister was not aware of the red document, which is the one she had written on. However, the honourable member for Hawthorn gave the game away when he made it clear that it was a question of the word of Lavin Australia against the word of the minister and that he believed the minister had not counted on the fact that there was a note with handwriting on it. The opposition's case was based on the belief that the minister was not aware of the note or of the handwriting.

We now know that members of the opposition were wrong, wrong, wrong! I sit next to the Minister for Post Compulsory Education, Training and Employment so I can tell you what occurred on the day. She answered the question, came back to her seat and sat down. Talk about read the book! She read the book extremely well. She said, 'What he must be getting at is some note from that company that I have written on. He thinks I have somehow endorsed a submission'. Today the minister laid out all those issues.

One of the things the opposition must prove is that the minister acted deliberately to mislead the house. I know from the remarks she made to me on the day that she was not deliberately misleading the house. She did not mislead the house at all — but we will come to that later. She was honest and open, and she knew what she was doing. She knew about the note at the time of the answer — of course she did! — and she has said that again today. That brings the opposition's case entirely undone.

All she did was point Lavin Australia in the right direction, and that is reflected in the handwritten annotations. What were those notes for? Were they for a submission? No they were not — and there was no submission. They were notes written because Lavin was to meet the minister the following day.

The Liberal principals of Lavin were going to meet the then minister, the honourable member for Warrandyte, the next day. The minister at all times acted honestly and openly, and that is what she said to Parliament.

Let us consider the elements of the allegation against the honourable member for Altona, the Minister for Post Compulsory Education, Training and Employment. The deliberateness of her actions has been dealt with and nothing in the material from the honourable member for Hawthorn demonstrates anything deliberate. Putting that matter to one side, let us concentrate on the claim of misleading the house. The allegation is that the minister drafted a submission. It is known today that there were notes but there was no submission. It is known the minister pointed the company in the right direction.

In view of my remarks, the comments of the minister today and her previous response on the day, it can be seen that the minister was dealing with the matter openly and honestly when she said on 13 April in answer to a question from the honourable member for Hawthorn:

> The honourable member for Hawthorn has taken the wrong approach to this issue because he has actually believed all the information that Lavin has provided him with. The honourable member for Warrandyte knew not to do that; unfortunately, the honourable member for Hawthorn has not taken that advice. The answer is no.

In other words, the honourable member for Hawthorn believed the submission had become the submission of the minister and that she had endorsed it. It is known that is not the case. It is known the minister pointed the company in the right direction, and that is not in dispute. The honourable member for Hawthorn has been too smart by half in his leadership bid and has brought it undone today.

Let us pick up again those remarks of the minister. It was her view that it was alleged that it was her submission and that she endorsed the position of the company. If that were the case, the company would say so. A fax was sent to the minister on 20 October 1999 — the date the government was sworn in — a very good day for Labor and for Victoria and an excellent day for regional Victoria. The third-last paragraph of the fax from Lavin to the honourable member for Altona states:

> Our financial exposure at the moment is very worrying particularly when we are still in this persistent 'no man's' land of recognised underfunding with no apparent early resolve.

It was not the view of the company that the minister endorsed its position, yet that is precisely the position the honourable member for Hawthorn is trying to put. On the admission of the company its case goes down in a screaming heap.

Let us go an extra step by looking at the statutory declaration, not seen by the minister until this afternoon. There is no reference in the statutory declaration to a submission, but there is reference to a document. That is consistent with the explanation of the minister and her remarks in answer to the question.

There seems to be a view — an undercurrent — that members should not point others in the right direction and if they do they take on what they say: a submission becomes the member's submission. Members may just be pointing someone in the right direction and may or may not endorse or accept themselves.

The note was for a meeting with the former minister and it is now known the note was not handed over to the former minister. No evidence exists that the so-called submission was put to the minister asking for certain things to happen.

The company, backed by members of the Liberal Party and the honourable member for Hawthorn, has financial difficulties. I understand the pressure it was under, as did the minister, which is why she pointed it in the right direction, but at no stage did she endorse its remarks. The evidence from the company's letter is a tacit admission that the minister did not ever do this.

People point others in the right direction all the time — it is a kind and Christian thing to do. How often have we heard honourable members give someone a hand? That is what members and shadow ministers do. How often have we heard a Hawthorn or an Essendon supporter offering advice to coaches of other football teams? It happens all the time. It is human nature.

Let's go over the events again. Firstly, nothing the minister has said has been misleading. In fact, some of the things about which claims have been made did not even occur. There was no submission, and she has never drafted or endorsed a submission. It is nothing but a witch-hunt. Her actions have been open and honest; her remarks on the day in question and her remarks in the house today bear that out. If there had been an investigation that would have no doubt come out earlier.

When you consider all those facts, the case of the honourable member for Hawthorn lies in total ruin. That is why the opposition was extremely embarrassed when those facts — including the Liberal link — came out today. It now knows that the minister knew months ago that the Jenkingses were Liberals; indeed, they admitted that to her in correspondence some time ago.

Let us look at the motives of the people who make the allegations and let us consider their credibility. We know the motives of the honourable member for Hawthorn, and it is a pity he has had a major setback today. Let us look at the motives of the people who say they vote Liberal. The ratty-tatty claims before the house bring enormous discredit on it. The best thing the honourable member for Hawthorn could do would be to have the motion withdrawn so he does not continue to look a fool.

Mr McINTOSH (Kew) — I say by way of preface that the house has to concentrate on the offence. The motives are only the background; it is the offence — what occurred on 13 April — that is important.

As a junior barrister I would participate and assist in the drafting of many documents. On a number of occasions my pen may not have actually touched the — —

The SPEAKER — Order! The honourable member for Malvern is being grossly disorderly. The honourable member should be aware that he must not cross between the member speaking and the Chair.

Mr McINTOSH — When I was a junior barrister on any given day I might spend many hours drafting documents, and on those occasions when I had the benefit of a junior briefed to a silk, I might assist in the drafting of documents without my pen actually touching the paper. On occasion my advice on the drafting of a document might be sought orally over the phone.

Writing on a piece of paper does not constitute the only means of assisting in the drafting of a document. My recollection is that today the Minister for Post Compulsory Education, Training and Employment defended herself on one principal ground, which was not that she did not have the required mens rea — the criminal intent — but that she is not guilty of the actus reus — the criminal act.

The minister said, 'I did not mislead the house, and because I did not mislead the house, I did not do it deliberately'. She is not defending herself based on what she knew or what her intention was, she is defending herself solely by saying she did not commit any offence — the actus reus.

The minister said she did not assist in the drafting. She said she was present at a meeting and had discussions with those people about their submission but that all she did was put on a piece of paper their ideas and discussions. It does not matter whether she was assisting them 100 per cent or 1 per cent — she was assisting them. She knew what issues Lavin Australia, through its directors, were raising and seeking her advice about. She conceded that she prepared notes, but she said they were never a submission and that therefore she is excused from any liability. She conceded that those notes were ultimately given to her — admittedly prior to her becoming a minister, but shortly after her election — and she also said she was ultimately provided with a submission from Lavin Australia. My recollection is that she said the submission arrived on 22 October.

The submission stated that Lavin Australia was a registered training organisation and a private provider of training of aged care nurses for certificate III and IV nursing qualifications. It also stated that because of the course requirements, substantial parts of the course were not funded by the students or by the government, which led to a substantial financial disadvantage to Lavin Australia, which it was seeking to redress.

The minister was aware of the precise problem, which was the number of unfunded hours required to be provided by Lavin Australia. She was also aware of the extreme shortage of nurses in the industry and of the solution Lavin Australia was seeking, which was an improvement in funding. The minister made no more than that concession, because that is precisely what she did when she listened to the representations and wrote on the piece of paper, 'Notes for Phil Honeywood', the then minister.

Those notes do precisely that: they talk about the institution, the course, the course requirements, the problems that the course requirements placed on Lavin Australia and, ultimately, the solution. Even if the minister did not put a single piece of writing on the paper, she still assisted in the drafting of those notes. However, she wrote something on the piece of paper indicating that she was aware of the issue.

Ultimately, those notes were submitted to her shortly after her election. In a letter she made great play of going to see Kevin Andrews, the federal member for Menzies, and mentions the previous Premier, the honourable member for Bulleen and others. However, the notes refer to the same institution, the same course and the same difficulties of funding, and the notes seek the same solution, which was the provision of funding to enable Lavin Australia to get over its financial

difficulties. The submission on the institution and the course it provided, its difficulties with funding and the solution, which was for the government to provide the money, was ultimately the submission she rejected.

Ms Duncan — Wrong!

Mr McINTOSH — The honourable member for Gisborne says that is wrong. That is precisely what the minister said today. The point she made was that everybody was concentrating on the notes constituting the submission. What she was asked in the house was simply this:

> Did [you] when in opposition personally assist in the drafting …

That does not mean the minister had to write something, nor does it necessarily mean that what was written had to become the end product. The vice in the answer provided by the minister is that she knew perfectly well, because of what had gone on, what the honourable member for Hawthorn was raising. The honourable member had raised on numerous occasions the issues relating to Lavin, including the course, the funding and the solution. It is crucial that despite the question being couched in general terms, the minister knew the background to the issue, she knew that she had rejected a submission and she knew she had participated as a member of the opposition in the drafting of the submission. The ultimate submission may not have been the one she rejected, but she participated in the preparation of the document.

When she was asked to say yes or no, she should have said yes — but she said no. The minister has participated in the process and she knows the answer perfectly well. It is not as though the issue has come out of the blue. This has been a deliberate act on her part.

I am a new member of Parliament, and I stand here with a great deal of pride. I am aware both cogently and academically of the privileges that attach to us as members of Parliament. They have been hard fought for, in some cases in civil wars. People have died for the privileges we have. One of those privileges, and probably the greatest privilege that attaches to us as members of Parliament, both individually and collectively, is the right of freedom of speech.

The freedom of speech to promote discussion and debate is held sacred by this Parliament, but it has a very onerous downside. It is a responsibility of every member of Parliament, particularly a minister of the Crown, to provide full and adequate explanations of what they are doing when responding to a question.

The Minister for Post Compulsory Education, Training and Employment knew all about Lavin Australia and the issues raised. She held discussions with the people from Lavin and participated in redrawing notes that were to be put to the then minister. She, like all the herd on the other side of the house, did not expect to become a minister — but she did become the minister. She also knew she would cop a submission from Lavin raising the same issues, funding questions and solutions. She knew all that and yet she went off on a tangent and answered no to the question.

The Labor government talks about open, accountable and transparent government. It is a disgrace when one of their own lies to the house and tries to slide out of it with some tangential description.

Mr Haermeyer — On a point of order, Mr Speaker, I understood the standing orders of the house prevented the word ‘lie’ being used. It is an unparliamentary term and I ask the honourable member to withdraw it.

Dr Napthine — It is a privilege matter!

Mr Haermeyer — It is not a question of whether it is substantive to the motion before the house. It is an unparliamentary term; it is improper and should be withdrawn.

Mr McINTOSH — I withdraw — —

Dr Dean — On the point of order — —

The SPEAKER — Order! There is no point of order. The word has been withdrawn.

Mr McINTOSH — I withdraw the word ‘lie’, Mr Speaker, and use the term ‘deliberately mislead’. The deliberate misrepresentation impacts upon what we do as members of Parliament, and that is the serious consequence of what is happening now. If it is allowed to go through then members are setting a very low standard. The traditions, privileges and all of the things we have fought for as a nation and as part of the tradition of English-speaking parliaments will be lost.

The simple fact is that there are many documents and many issues, and the appropriate course is for the matter to be properly investigated. The opposition is not making a final conclusion or passing judgement today. The motion seeks for the matter to be referred for further investigation and report. I support the motion.

Mr VINEY (Frankston East) — The honourable member for Kew seems to want to cast a very wide net. He seems to be suggesting that, should a shadow minister even so much as talk to a constituent about a

problem, that can somehow be construed as being involved in the drafting and redrafting of documentation. It is a massive net that he wants to cast and it shows the grubby nature of the blatant political attack being launched by the opposition. It has nothing to say on the budget and so has decided to run a grubby political exercise. The honourable member for Kew is beating his chest and saying this is what people have died for — this is what people have defended our nation for — a matter of dispute of words! The opposition is trying to use a form of words to make a grubby political point.

The exercise is a sad and reprehensible misuse of people who, we have heard from the minister, were in a rough financial position. The Jenkingses have been treated grievously by the honourable member for Hawthorn in the whole process.

When looking at the documentation one starts to see a fairly wide web of political intrigue needing investigation. Some of the documents that have emerged show that the Jenkingses, who are members of the Liberal Party, had been using their membership of the Liberal Party to try to make contacts with people on their side but were having a lot of difficulty doing so. They wanted to meet the minister from their own party, but because that was so difficult they had to see a shadow minister from the Labor Party to try to get a result.

This not the first time the Jenkingses have been used for the sort of grubby political purpose now being used by the honourable member for Hawthorn. The Jenkingses belong to the Bulleen branch of the Liberal Party, as the minister said in her contribution.

One starts to see that this might be linked to the vicious political activity that was taking place — the nasty branch stacking that was occurring in Bulleen — because some of the players are the same. This is referred to in one of the letters to the minister at the time she was appointed. One starts to see some of the characters involved. It becomes fairly clear that during the bitter preselection battle the Jenkingses were pawns in the process.

Mrs Peulich — On a point of order, Mr Speaker, on the question of relevance — —

Mr Haermeyer — Sit down then!

Mrs Peulich — If it were an original interjection I would laugh, but it is not.

Mr Speaker, the honourable member for Frankston East is straying far and wide from the matter before the house. It has nothing to do with Liberal Party membership or identities. The issue for consideration is whether the matter deserves to be referred to the Privileges Committee. The opposition has in its possession written documentation that contradicts what the minister has said in this house. The matter is worthy of referral to the Privileges Committee. It has nothing to do with the direction being taken by the honourable member for Frankston East. I ask you, Sir, to bring him into line.

The SPEAKER — Order! I am not prepared to uphold the point of order. However, I ask the honourable member for Frankston East to confine his remarks to the matter before the Chair — that is, the referral of a breach of privilege. I am aware that he is referring to one of the letters produced by the honourable member for Hawthorn to establish his case, but he is drawing a very long bow by going in the direction he is travelling. I ask him to come back to the motion.

Mr VINEY — I am happy to come back to the issue and concur with your guidance on the matter, Sir. The letter to which I am referring was signed by Liz and Richard Jenkings and sent to the now minister during the caretaker period of the previous Kennett government. It is dated 27 September 1999. The letter refers to the fact that the Jenkingses prepared a letter to the then minister, Mr Honeywood, based on the advice of the then shadow minister and that their business partners voted to follow their understanding of protocol and not give the letter to Mr Honeywood on the graduation night he attended. However, the letter was given to their local federal member of Parliament, Mr Kevin Andrews.

I am trying to put the matter into some context because I am trying to understand why members of the Liberal Party would give correspondence to Kevin Andrews when they were having difficulty getting to meet the state minister. I am trying to understand the background to this grubby political exercise the house is seeing tonight.

The Jenkingses were having difficulty getting to see the honourable member for Warrandyte in his then position as the Minister for Tertiary Education and Training. Other correspondence the minister has referred to shows they had been dealing with Mr Perrin, the then honourable member for Bulleen, to help them get to see their local member, the then Minister for Tertiary Education and Training. Being members of the Liberal Party I am trying to understand why they were not having any success. The reason is probably sitting on the back bench on the other side of the house — —

Mr Smith — On a point of order, Mr Speaker, the honourable member's comments have absolutely nothing to do with the debate on the Privileges Committee. I ask that you bring him back to the motion.

The SPEAKER — Order! I was about to draw to the attention of the honourable member for Frankston East the requirement I placed on him earlier — that is, he should relate his remarks to the matter before the Chair. If he does not do that in his contribution I will not continue to hear him.

Mr VINEY — The honourable member for Hawthorn has chosen to misuse and abuse the information he has been given. Interestingly enough, according to the statutory declaration, he was given the information the day before he asked the question. Honourable members can start to see the reasons behind the raising of the matter by the opposition. The letter from the Jenkingses refers to other members of the Liberal Party. I refer to a paragraph which again refers to Mr Kevin Andrews and to meetings with Dr Kemp.

The letter also refers to an attempt to approach the former Premier, Mr Kennett. The letter states that the Jenkingses set their sights on approaching Mr Kennett through Liberal Party connections because they were obviously having no success in their attempts through Mr Andrews and Mr Perrin. It is obvious from the letter that the reason they were having no success in their attempts to get to the then minister through Mr Perrin was because by that stage — —

Mr Smith — On a point of order, Mr Speaker, my point of order is exactly the same as the last one — that is, the honourable member for Frankston East is not paying the slightest bit of attention to what the debate is about. He is talking absolute irrelevancies, and I ask you, Sir, to bring him back to the debate on privilege.

Mr VINEY — On the point of order, I am referring to the letter dated 27 September 1999 from Liz and Richard Jenkings. If the letter is relevant in part according to the opposition surely it is relevant for me to refer to matters raised in full. The letter is the sole document I am relying on and it is important to the debate.

The SPEAKER — Order! The debate is about the referral of an allegation of a breach of privilege by the Minister for Post Compulsory Education, Training and Employment. Several documents and letters have been produced and the Chair has been tolerant in allowing honourable members to canvass some of the issues contained in those documents. However, the requirement at all times is that in canvassing the issues they must relate to the subject before the Chair — that is, the allegation of a breach of privilege.

Although the honourable member for Frankston East has spent some time quoting from the letter, his remarks as yet are not relevant to the question. I uphold the point of order and ask the honourable member for Frankston East to return to the question.

Mr VINEY — The house is dealing with an allegation by the honourable member for Hawthorn that the Minister for Post Compulsory Education, Training and Employment has not only misled the house but has deliberately done so. The opposition has failed to establish either point. The minister made it clear that at no time did she believe she was involved in the drafting, redrafting or any other technical term of the document.

The opposition has wasted the time of the house while the government is trying to understand what might be behind the allegations. It is clear that the honourable member for Hawthorn has decided to continue the misuse of the Parliament. The Jenkingses are in financial difficulty and have come to the honourable member for Hawthorn in a desperate attempt to save their business. The honourable member for Hawthorn has clearly misused and misunderstood the procedures of the house.

The SPEAKER — Order! The honourable member for Frankston East may not impugn the character of the honourable member for Hawthorn except by substantive motion.

Mr VINEY — The point I wish to emphasise is that the issue before the house is a continuation of and a reworking of some of the same characters referred to in the letter; how they were used in the preselection process and subsequent to the preselection process in Bulleen where the now honourable member for Bulleen is a former adviser to the former Minister.

Mrs Peulich — Mr Speaker, on a point of order, the honourable member for Frankston East has repeatedly flouted your rulings and the points of order upheld by the Chair. The focus of the debate is the Minister for Post Compulsory Education, Training and Employment, not the honourable member for Hawthorn or his motives or any other identities in this particular case. The specific parameter of whether the matter is referred to the Privileges Committee applies to the debate. It is not a wide-ranging slur or a muckraking exercise about Liberal Party processes. I ask that you

bring the honourable member for Frankston East to order or that you sit him down as you have already threatened to do.

Mr Haermeyer — On the point of order, Mr Speaker, the matter before the house is a serious allegation brought by the honourable member for Hawthorn. Both he and other opposition members have raised significant matters that go to the substance of the issue, which is similar to what the honourable member for Frankston East is doing. At the end of the day honourable members opposite are saying they can accuse, point the finger and draw all sorts of bows at the minister but no-one on this side of the house may say anything in the minister's defence.

An element of procedural fairness needs to be considered. The honourable member for Frankston East is mounting an argument and I should have thought that the circumstances leading to the bringing of the motion before the house were relevant to its bona fides.

The SPEAKER — Order! I uphold the point of order raised by the honourable member for Bentleigh. I have repeatedly asked the honourable member for Frankston East to confine his remarks to the matter before the Chair — namely, the alleged breach of privilege by the Minister for Post Compulsory Education, Training and Employment. I will discontinue hearing him unless he does so.

Mr VINEY — In a debate of this nature the opposition should put up or shut up. It has produced no evidence to show that the minister knowingly or deliberately misled or attempted to mislead the house in any way. It has been unable to do that because the issue is a political exercise by the honourable member for Hawthorn. The government has demonstrated that because in the preselection for Bulleen to which I referred the current honourable member for Bulleen was an adviser to the minister at the time.

Mr THOMPSON (Sandringham) — The allegation before the house this evening is specific — that is, whether the minister misled the house deliberately.

The wider circumstances relate to a question asked by the shadow minister for tertiary education and training in which he asked, 'Did the Minister for Post Compulsory Education, Training and Employment when in opposition personally assist in the drafting of a submission by Lavin Australia, a submission which she later as minister rejected? Yes or no?' After a medium-length preamble the minister provided the following remark, 'The answer is no'.

The matter before the house turns on some questions of definition and a consideration of whether the making of a deliberately misleading statement is to be adjudged as a contempt. There are a number of elements that need to be fulfilled before that can be adjudged to be the case.

I will introduce some definitions for the purpose of a clearer debate. Firstly, the word 'personally' was cited in the question of the shadow minister on 13 April. The Oxford dictionary defines the word as:

> … in one's personal capacity; as an individual person (as distinct from others); individually …

Secondly, the word 'assist' is defined in the Oxford dictionary as:

> … to help, aid: a. a person in doing something … b. a person in necessity; c. an action, process or result.

Thirdly, the word 'draft' or 'drafting' — I am using the noun in the definition — is defined as:

> … a. a preliminary written version of a speech, document, etc. b. a rough preliminary outline of a scheme. c. a sketch of work to be carried out.

The fourth word that is germane to the analysis is 'submission'. The Oxford dictionary defines it as:

> … in wider use, the act of submitting a matter to a person for decision or consideration.
>
> …
>
> … in a legal use, a theory of a case put forward by an advocate.

What did the minister acknowledge in the house earlier today? She made a number of comments suggesting that as a matter of good faith she effectively acted as a scribe for the Jenkingses. She noted that she did what any decent member of the house would do to assist a constituent. Those remarks do not narrow down responsibility for contributing to assist in accordance with the definitions earlier provided. She also noted that she helped them to clarify their thoughts.

What was the question she had to respond to in the present case? The question was asked, 'Did the minister assist in the drafting of a submission which she later rejected?' by referring to the notes that were submitted to the house earlier today in the submission by the honourable member for Hawthorn. There was a particular document which was considered by her in concert with the Jenkingses and on which there are a number of handwritten remarks. I submit to the house that the heading of a document is irrelevant to the substance of what the document attempts to do, whether it is headed 'notes' or the heading uses any

other terminology. The essential issue is the substance of the document and what it embodies or entails.

On this particular document a number of remarks are made relating to history and market share of the organisation. It outlines nursing training since 10 June 1997, states that the first set of graduates would be graduating on 1 September 1999 and refers to further enrolments of which '350 are certif. 4 in health nursing' and '150 in cert. 3'. Clauses which are deleted from the document relate to Gippsland TAFE and graduation. Other deleted clauses relate to the time frame by which a decision should be made and written commitments by way of response are sought.

Interestingly, a new heading has been added under the title 'What we request'. The first point notes:

1. Full funding for … course for 952 hours as required by the Nurses Board of Victoria.

2. In relation to each trainee with a health care card reimbursement of difference between tuition fee and $40 charged for health care card holder.

3. Recognition of previous gap in funding and reimbursement.

4. Infrastructure.

Those particular points formed part of a submission, in the general sense of the term, on the part of Lavin Australia and its directors and office bearers. Were those particular elements at any point in time considered by the minister?

The comment is made in the outline of the history of events by the honourable member for Hawthorn that there was a response by the federal minister for tertiary education and training in which the minister suggested vigorous endeavours were made by a particular trainee organisation for further funding, but that funding had not been granted or provided.

It appears that a decision had been made at departmental level about the essence of the earlier submission or notes — the heading is irrelevant. In the conference in the parliamentary dining room certain points were made by way of submission but under the title of notes. Irrespective of the heading, Lavin Australia was seeking certain things which it was ultimately unsuccessful in obtaining.

The minister remarked that the only submission the department received was a 13-page document from another body. The document is in part interesting if one analyses what it was seeking. The minister has stated that this document is the essence of what she construes as a submission. Under the heading 'Solution' it states:

> … a grant of $500 000 to reflect the work undertaken by the company to assess students undertaking the Certificate IV in Health (Nursing) courses since our first course commenced in June 1997
>
> a grant of $200 000 to cover cost of:
>
> > the work undertaken on the present Certificate IV in Health (Nursing) curriculum to promote safe practices in the workplace. This has a major impact in the aged care industry
> >
> > the work undertaken on the present Certificate IV in Health (Nursing) curriculum to reflect a change in delivery so that students can work in acute clinical areas such as hospitals
>
> a business development loan of $200 000 to cover the cost of additional staff and resources in providing health courses in regional Victoria
>
> a review of the student contact hourly rate for Certificate IV in Health (Nursing) traineeships to reflect the very high cost of conducting such a course.

Translated, those points in that major 13-page document in many ways reflect the essential requests put together and drafted by way of a submission prepared in the parliamentary dining room. Ultimately, the application made by Lavin Australia for top-up or additional funding was not approved by the minister or the department.

According to the Independents Charter Victoria 1999, at that time the Bracks Labor government committed to:

> instructing all ministers to answer questions directly and in a manner that does not waste the time of the Parliament; and
>
> lead by example, by answering all questions specifically with the required detail to fully inform members of the Parliament of the issue raised.

I return now to the issue originally raised in Parliament. The member for Hawthorn asked a question in the following terms, referring to a submission in a broader sense:

> Did the Minister for Post Compulsory Education, Training and Employment, when in opposition, personally assist in the drafting of a submission by Lavin Australia, a submission which she later, as minister, rejected — yes or no?

As I mentioned earlier, the answer given by the minister, after a preamble, was no. I put it to the house that, whether this occurred due to the pressure of the moment or because of business concerns or other circumstances, a person on the Altona or Nunawading omnibus perusing the minister's answer and deciding whether it was a full and free overview of the facts of the case would not form the impression that the facts of the case support the answer 'no' in this case. In the light

of those remarks, the question of whether the minister deliberately misled the house is a case that needs to be answered.

Mr WYNNE (Richmond) — I rise to make a contribution to debate on the motion, which has now gone on for 4 to 5 hours. One should treat the motion moved by the honourable member for Hawthorn with the level of gravity that is due. It is a serious matter for anybody to bring before the Parliament a charge concerning a question of privilege.

I welcome the opportunity to contribute to the debate and do so having known the Minister for Post Compulsory Education, Training and Employment since our university days. The integrity of the minister is absolute. The minister has had a distinguished career in public life in local government and now in state government, both in opposition and as Minister for Post Compulsory Education, Training and Employment. When honourable members review the budget documents they will see what a magnificent performance the minister has given, delivering real and sustainable gains in the post-compulsory education and technical and further education area. It is important that that be mentioned by way of background in support of the minister.

The matter brought before the house today by the honourable member for Hawthorn goes to the question of whether the honourable member for Altona, when in opposition, personally assisted in the drafting of a submission by Lavin Australia — a submission which she later rejected — yes or no. That was the question before the house, and that is the matter of substance the house is debating this evening.

Dr Dean interjected.

Mr WYNNE — I am reminded by my colleague the shadow Attorney-General that one has to overcome some serious hurdles in reaching a conclusion on the matter. He mentioned in his contribution that the matter was of serious weight and that a judgment has to be made regarding whether there was a case to answer and in particular whether the minister deliberately misled the house. The honourable member for Kew, in his more eloquent and barrister-like way of approaching the matter, went to the question of whether the minister satisfied the test of mens rea — that is, was criminal intent involved? One would have to say that, on any of the tests put before us by the opposition, the answer is categorically no. By any reasoned measure of any reasonable person who has listened to the debate today, the answer must be categorically no.

The honourable member for Hawthorn relies upon a document which he purports to be a submission. As indicated in earlier contributions, the submission is the red document tabled to assist debate today. Anyone who has been in public life in any capacity would know the difference between a submission and notes. In this case all one could categorise the document as at best would be perhaps speaking notes. It is an extraordinarily long bow to draw to purport that that flimsy two-and-a-bit pages of dot points is a comprehensive submission on behalf of the Lavin Australia organisation.

It is important that the context in which the document was prepared be understood. As I understand it, based on the contributions of other speakers tonight and earlier today, the group was proposing to provide the information to the minister in a relatively informal context — at a graduation ceremony that was to occur the following night. That seems to me an odd way of attempting to gain access to a minister on a matter that was obviously of extraordinarily deep concern to the organisation. It is clear from the contributions of a number of speakers that the organisation was in serious financial difficulties. That is fairly well recognised by both sides of the house. I do not seek to go to the question of how the organisation managed to get into the financial difficulties it is obviously in — —

Mr Honeywood — Why did you lie?

Mr WYNNE — As you have already ruled once tonight, Mr Speaker, the interjections from members opposite suggesting that the minister lied are unparliamentary. In a ruling this evening on the same point you asked the honourable member for Kew to withdraw that accusation.

Mr Perton interjected.

The SPEAKER — Order! The honourable member for Doncaster shall cease interjecting.

Mr WYNNE — Like any decent and hardworking member of Parliament, the then shadow minister met with the group. It has been made clear to honourable members that that took place in a public forum — the dining room of Parliament House. That flimsy document — the three-page, so-called massive submission — was tabled at that meeting.

It is hard to understand why the organisation could not get access to the minister if, as has been alleged, it had so-called contacts within and close associations with the Liberal Party. I will have to leave that matter to others to speculate on. I do not understand why, if that organisation was an important training provider, it was

not able to gain access to the minister to put its case. To have to utilise some relatively informal arrangement using a flimsy three-page document to seek to exert influence on the minister in a quasi-ceremonial setting seems to me an odd way of conducting business.

In his submission to you, Mr Speaker, the honourable member for Hawthorn changed the context in which the accusation has been made. In his letter he no longer suggested that the Minister for Post Compulsory Education, Training and Employment drafted a submission; rather he suggested that she redrafted one. It is obvious to all honourable members that the flimsy, three-page so-called submission — —

Mr Perton — On a point of order, Mr Speaker, you have made a prima facie finding about the evidence. You have put up with a lot throughout the debate. Members of the Labor Party have laughed with contempt at your ruling. The standard of debate has been as bad as any in living memory. The entire house has been brought into disrepute.

The evidence that the honourable member for Richmond refers to as flimsy is evidence on which you have made a finding that there is a prima facie case to answer.

Mr Maxfield interjected.

Mr Perton — The honourable member for Narracan has demonstrated great contempt for this house and for you, Mr Speaker, throughout this debate.

I put it to you that the honourable member's derogatory reference to the evidence as flimsy — evidence on which you have already made a prima facie finding — is contemptuous of your ruling. I ask you to call him to order.

Mr Lenders — On the point of order, Mr Speaker, you have found that there is a prima facie case for the house to debate. It is, therefore, within the province of the house to debate the facts of the case and to decide whether it should be submitted to the Privileges Committee. I urge you to rule that the behaviour of the honourable member for Richmond is well within the standing orders and that it is appropriate for him to advise the house about whether it should refer the matter to the Privileges Committee.

The SPEAKER — Order! I do not uphold the point of order raised by the honourable member for Doncaster. I was listening to the honourable member for Richmond and he was indeed questioning and expressing his view on one of the pieces of evidence before the house.

Mr Perton interjected.

Mr WYNNE — Thank you for your ruling, Mr Speaker. To take up the interjection of the honourable member for Doncaster, the prima facie case is the one that must be debated in this chamber.

The SPEAKER — Order! The honourable member would do well to ignore interjections because they are disorderly.

Mr WYNNE — Thank you for your advice, Mr Speaker. In his documentation the honourable member for Hawthorn moves carefully away from an allegation of drafting a submission to an allegation of redrafting one. Any decent member of Parliament attempts to assist an organisation that comes before him or her for advice about — —

Opposition members interjecting.

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

Mr WYNNE — Like all decent members of Parliament, Labor Party members try to give advice to any organisation that obviously finds itself in difficult circumstances. In the case under discussion the question of why the organisation found itself unable to approach the minister is unclear, but clearly it was having difficulty doing so. The basic evidence before us is one document — the so-called submission. What happened to it?

Mr Perton — And an affidavit.

Mr WYNNE — Indeed, there is also an affidavit, which must be taken on face value; otherwise the suggestion is that the person who signed has perjured herself. I will not seek to go into the motivations of that person. However, I will deal with the material evidence, the so-called submission itself — although I prefer to call it the alleged submission.

What happened with the alleged submission? It went nowhere. It did not go to the minister or anywhere else. In his contribution to the debate the honourable member for Kew went into great detail about the so-called submission. But I repeat: it did not go anywhere; it was not submitted. Rather, an entirely different document was produced that bore no resemblance to the three pages that could at best be called speaking notes that were designed to assist someone who might be attempting to make a verbal presentation at some ceremonial event the following night. The later document materialised and turned out to be a comprehensive submission bearing not one

scintilla of evidence that it came from or resembled the three-page document. It was that document that was ultimately submitted.

On the two pieces of evidence available to us — the flimsy red speaking notes and the affidavit signed by — —

Mr Perton interjected.

Mr WYNNE — Let's not go into the correspondence. It makes fairly ordinary reading.

Mr Perton interjected.

Mr WYNNE — It has been adequately canvassed by my colleague the honourable member for Frankston East and deals with some strange internecine warfare within the Liberal Party which I could not hope to understand, nor do I want to; whether it is based around the question of preselection in Bulleen I do not know. It is beyond me, Mr Speaker. The Liberal Party is an organisation in decay, and one worries about this sort of correspondence reaching the light of day because it does not reflect well on the organisational or political wing of the Liberal Party.

The debate has been about whether the minister in any malicious or deliberate way attempted to mislead the house — —

Mrs Peulich — It doesn't have to be malicious.

Mr WYNNE — I will take up the interjection because earlier the honourable member for Kew raised the notion of mens rea — criminal intent. That is a serious charge. By any measure of any reasonable person did the minister deliberately mislead the house? The answer is categorically no.

The debate has brought no credit to the mover of the motion. No evidence has been produced here today that could lead any reasonable person to any other conclusion than that the answer is no. I submit, Mr Speaker, that the motion moved by the member for Hawthorn should be resoundingly rejected.

Government Members — Hear, hear!

Mr SMITH (Glen Waverley) — We have heard an incredible amount of debate today. Finally it comes down to the question of what a member's or a minister's word is worth. The matter was set out in the question asked by the honourable member for Hawthorn, and it was simple: did the minister personally assist in the drafting of a submission — yes or no? The minister said, 'The answer is no'.

It has been seen that the crux of the matter is whether the minister misled the house. The Labor Party is asking us to let the standards fall to rock bottom — it does not matter what people say; they can come in and say what they like. If members are debating the great privilege of being believed, I cannot understand what government members are frightened of.

In the time you and I have been in this place, Mr Speaker, there have been five similar allegations since Labor came in — the time being discussed today. How did Jack Simpson get out of his situation? Being the man he was, he got up and apologised and the charge was dropped. The other four cases were fascinating. Two were against opposition members — in other words, two Liberal members — and two were against Labor members. It would be expected that the allegations against Alan Brown and Jeff Kennett would go to the Privileges Committee because the Labor Party was in government at the time. The other charges were less serious, particularly in the case of Peter Gavin and the mail. It was a far lesser charge than the one before us tonight. What did the Labor Party do? John Cain, a man of principle, who was running the place at the time, sent the matters of Peter Gavin and Peter Spyker to the Privileges Committee. It takes a lot of time for the committee to work but if in the view of the Speaker there is a prima facie case to answer, it is unheard of not to go to the Privileges Committee.

What do Labor Party members think is going to happen at the Privileges Committee? Do they think the minister is going to be stripped of her ministry? Do they think she is going to be booted out or put into that funny little jail in the basement? I do not know what they think. This is the government of open, honest transparency. This is the government that came in saying it was going to offer all these things. It is far less open and transparent than Cain's government ever was.

It is necessary to go back to the charge — a simple matter of misleading the house. Did the minister personally assist in the drafting — yes or no? She said, 'The answer is no'. If this were a Magistrates Court or even a County Court, on the prima facie evidence available — and there it is in the minister's own handwriting — she would go to the Privileges Committee because she has misled the house.

The number of red herrings brought in tonight is incredible: for example, the letter about the appellant in the case and whether he was a member of the Liberal Party. Labor Party members judge everyone by their approach to favours. The Honourable Robert Knowles, Minister for Health at the time, got a letter from someone who claimed to be in the Liberal Party. The

Labor Party says because of that he must be helped. What did Mr Knowles do? He ignored it.

Therefore, whatever the Labor Party thinks happens in the Liberal Party does not actually happen, although it probably happens within the Labor Party. The government's argument is based not on the issue before the house but on all the other red herrings it has introduced. The Spyker and Gavin privileges cases were on a par with today's issue, otherwise the advice received from the government's advisers in this case would have led to the motion being lost: but, no, the advice was that a prima facie breach of privilege has occurred.

Why is the Labor Party frightened about going to the Privileges Committee? The committee consists of five Labor and four partnership members; the government has the numbers there, including the chairman. Even if one Labor member decided to defect, the government would still have the chairman on its side.

Why is the government taking its stand? During its approximate 146 years this Parliament has never had a debate on a privilege matter gagged, but let the Labor Party gag debate if it wants to create a furore over a matter of principle.

Had the present Minister for Post Compulsory Education, Training and Employment said, as Jack Simpson did years ago, 'I made a mistake; I am sorry', the heat in the debate would have disappeared. The minister must think she is guilty and that the Privileges Committee, even with a majority of government members on it, would find her guilty, in which case she would lose her ministry. From what I have seen of hearings of the Privileges Committee in its past four references — any member of Parliament can be present during hearings — I believe that committee and court martials, of which I have seen many, would be the fairest method of judging fellow humans.

The process is far fairer than what occurs in the normal judiciary, with the lawyers who become involved. A court martial or the parliamentary Privileges Committee would be the fairest assemblies in the land.

Ms Gillett — Tell that to Breaker Morant.

Mr SMITH — I think they must be frightened.

Mr Perton — They are frightened of justice.

Mr SMITH — They must be. The minister is petrified of the Privileges Committee. But she should not be frightened because she has only to put her side of the story. I ask honourable members to imagine how pleased a defendant in a court of law would be if he or she had the numbers on the jury!

By her own words, Mr Speaker, the Minister for Post Compulsory Education, Training and Employment has already said she is guilty of the charges levelled. Yet today the Labor Party has introduced red herring after red herring. It has said, 'Let's bluff it out'. I can almost hear them in the Labor Party room now! Cabinet has ruled and the Leader of the House is saying, 'Let's talk it out, let's bluff it out, it will go away'. But a principle is at stake, which is why we are debating the issue tonight.

This will be the first time in the 144-year history of the house that such a debate will be gagged. Let us stay here until 7 o'clock in the morning if needs be to get a principle up. Then there will be an even greater outcry from the public about a government that claims it has been open, transparent, and honest — all the things it says about itself every day of the week. I have always thought that when people go around telling everybody they are honest, you have to watch them, and that when people feel they have to tell you about qualities that are not obvious, they usually do not have them. Is it any wonder that the government has to keep telling us it is honest? That is what we are debating tonight.

In looking at the advice he received from the honourable member for Hawthorn, Mr Speaker could have said, as the Labor Party has said, that it is flimsy. However, the advice the Speaker received — —

Mr Nardella interjected.

Mr SMITH — I would have expected you to say that, given that empty vessels makes the most noise — and you make the loudest noise, as we have heard.

The key question is whether there is a prima facie case to answer. I wish I had the results of the other privilege matters the house has dealt with. However, we have the five that have been mentioned, and all of them have occurred in the time of Labor governments.

What is wrong with this open, honest, transparent government? If it is not prepared to go along with tradition in a minor decision-making exercise like this because it is not game enough, one can only imagine what it will be like when it gets into the big issues. The community will not be able to trust the government at all, judging by its actions on this issue. It will be a millstone around the Labor Party's neck for many years, and it will rue the day it made this mistake.

The Minister for Post Compulsory Education, Training and Employment is mixing in all the ingredients for her

own demise. Why not try the Privileges Committee when you have the numbers? Why not go along, see what it is about and then throw it out?

It is interesting that the Independents knew about the matter. I am prepared to table a letter from the honourable member for Mildura to the Jenkingses that has been brought to my attention. In it he thanks them for their letter on health and training and says:

> I have had a number of requests for similar considerations on the charter.

In other words, the honourable member for Mildura knew about the matter in the same way as the honourable member for Hawthorn and the minister knew about it. The point is, what are they frightened of? Where are they going to?

Mr Batchelor interjected.

Mr SMITH — I am fair dinkum all right! The Minister for Transport should not go too far down the track where honest things go. I will not go into that because the minister knows himself that if he had had — —

Mr Batchelor interjected.

Mr SMITH — Anything can blow up in anyone's face; I am well aware of that. However, on a matter like the one before the house, it is arrogant of the Labor Party to say, 'There is no need to go', when it is the first time ever that such a matter will be voted down in this place. As I said, the former Labor government did not like what happened to Peter Gavin, a former member for Coburg, and Peter Spyker, a former Minister for Transport. But it had the courage to say, 'Let's send Peter Spyker to the Privileges Committee'. Peter Spyker was not sacked as a minister; instead, he stayed on after the hearing. The point is that once the government votes this motion down, as it inevitably will — —

The SPEAKER — Order! The time appointed under sessional orders for me to interrupt the business of the house has now arrived.

Sitting continued on motion of Mr CAMERON (Minister for Local Government).

Mr SMITH (Glen Waverley) — The Labor Party still has time to change its mind. It will be known as the first party in government to vote down a matter that has been virtually recommended by the Speaker to go to the Privileges Committee. It will be the first time — —

Mr Batchelor interjected.

Mr SMITH — You name one that has gone down! There has never been one that has gone down; they have always been upheld. With a five-to-four majority on the Privileges Committee we know what the result will be. Why is the government frightened? Why has it not got the courage about such a minor thing? It is not minor when it comes to the worth of a minister's or honourable member's word, but it is minor in the overall workings of Parliament. This serious matter before the house has been treated with contempt by members of the Labor Party. Today not one ALP speaker has given any indication of the pros and cons involved. Irrelevant letters have been raised; spurious arguments have been put; and probably more points of order have been taken in debate today than in any other debate.

My experience tells me the government is running scared. It is frightened to take the right decision for the right reason. It has been forced into a corner. The first time the government is put to the test it goes to water. It is almost unbelievable. I want to know what has happened to all Labor's calls to the community about the way it gives information to the media and the way it sells itself as the open, transparent government. This will be the beginning of the end. It may take time, but it is a wrong caucus decision and a wrong cabinet decision just to say, 'Let's bluff it out'.

If the government votes this matter down — and it almost certainly will — it will be the first time such a thing has happened during the time of a Labor government. Honourable members should not forget that former Labor Premier John Cain won three back-to-back elections. Where his own people were concerned he always had the courage to put them up before the Privileges Committee. It is easy to put the opposition up but it is hard to put members of your own party up. John Cain made those decisions. He took the right decisions. When it came to their first big test, what did this Premier, this cabinet and this caucus do and which way did they turn? They took the coward's way out because they are frightened.

I have explained how the matter should proceed and I have explained what probably will be the outcome because of the numbers on the Privileges Committee. The government should be condemned in the fiercest way because of — —

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

Mr LANGDON (Ivanhoe) — As there have been six speakers for and five speakers against and the

motion has been debated for more than 4½ hours, I move:

That the question be now put.

Mr Perton — On a point of order, Mr Speaker, I do not accept the putting of the question.

The SPEAKER — Order! Did the honourable member for Ivanhoe move that the motion be put?

Mr LANGDON — Yes.

The SPEAKER — Order! The honourable member for Ivanhoe has moved that the motion be put. There have been six speakers in favour of the motion and five against and the debate has been in progress since 4.08 p.m. I am prepared to accept the motion.

Bells rung.

Mr McArthur (*Speaking covered*) — Mr Speaker, on a point of order, I seek your guidance on an issue of particular importance tonight. The question before the house is whether this issue should be referred to the Privileges Committee. The gag has been applied to such a debate for the first time in living memory. A number of government members of the Privileges Committee are in the chamber seeking to gag debate on whether the matter should be referred to the Privileges Committee. I ask you, Mr Speaker, to rule on whether it is appropriate that a member of the Privileges Committee should seek to limit debate on whether a matter should be referred to that committee.

The SPEAKER — Order! I remind the honourable member for Monbulk the house is in the process of dividing and he must not move around the chamber.

Mr Batchelor (*Speaking covered*) — I put it to you that there is no point of order. A precedent exists for matters of privilege being moved and debated in the house. Not only do members of the Privileges Committee vote but on one occasion the previous member for Burwood, Mr Kennett, voted on the issue when he was the subject of it. There is no point of order. As members of the house, members of the Privileges Committee are entitled to be in the chamber and to vote. It is a frivolous point of order and I ask you to rule it out.

The SPEAKER — Order! I am prepared to rule on the point of order. There is no point of order, and I shall explain my ruling to the house. Members of the Privileges Committee are entitled to exercise their vote like any other member in this chamber when deliberating on questions before the Chair. I see no rational reason why members would desist from exercising their vote. If there were a clear demonstration of pecuniary interest involving those members I would then consider it differently, but that is not the case here. There is no point of order.

House divided on Mr Langdon's motion:

Ayes, 45

Allan, Ms
Barker, Ms
Batchelor, Mr
Beattie, Ms
Bracks, Mr
Brumby, Mr
Cameron, Mr
Campbell, Ms
Carli, Mr
Davies, Ms
Delahunty, Ms
Duncan, Ms
Garbutt, Ms
Gillett, Ms
Haermeyer, Mr
Hamilton, Mr
Hardman, Mr (*Teller*)
Helper, Mr
Holding, Mr
Howard, Mr
Hulls, Mr
Ingram, Mr
Kosky, Ms
Langdon, Mr (*Teller*)
Languiller, Mr
Leighton, Mr
Lenders, Mr
Lim, Mr
Lindell, Ms
Loney, Mr
Maddigan, Mrs
Maxfield, Mr
Mildenhall, Mr
Nardella, Mr
Overington, Ms
Pandazopoulos, Mr
Pike, Ms
Robinson, Mr
Savage, Mr
Seitz, Mr
Stensholt, Mr
Thwaites, Mr
Trezise, Mr
Viney, Mr
Wynne, Mr

Noes, 41

Asher, Ms
Ashley, Mr
Baillieu, Mr
Burke, Ms
Clark, Mr
Cooper, Mr
Dean, Dr
Delahunty, Mr
Dixon, Mr
Doyle, Mr
Elliott, Mrs
Fyffe, Mrs
Honeywood, Mr
Jasper, Mr
Kilgour, Mr
Kotsiras, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McCall, Ms
McIntosh, Mr
Maclellan, Mr
Maughan, Mr (*Teller*)
Mulder, Mr
Napthine, Dr
Paterson, Mr
Perton, Mr
Peulich, Mrs
Phillips, Mr
Plowman, Mr
Richardson, Mr
Rowe, Mr
Ryan, Mr
Shardey, Mrs
Smith, Mr (*Teller*)
Spry, Mr
Steggall, Mr
Thompson, Mr
Vogels, Mr
Wells, Mr
Wilson, Mr

Mr Langdon's motion agreed to.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. The honourable members for Monbulk and Keilor will cease interjecting!

The question is that the complaint made by the honourable member for Hawthorn on Tuesday, 2 May 2000, be referred to the Privileges Committee for examination and report.

House divided on motion:

Ayes, 41

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr (*Teller*)
Baillieu, Mr	Mulder, Mr
Burke, Ms	Napthine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr (*Teller*)
Kilgour, Mr	Spry, Mr
Kotsiras, Mr	Steggall, Mr
Leigh, Mr	Thompson, Mr
Lupton, Mr	Vogels, Mr
McArthur, Mr	Wells, Mr
McCall, Ms	Wilson, Mr
McIntosh, Mr	

Noes, 45

Allan, Ms	Langdon, Mr (*Teller*)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms	Lenders, Mr
Bracks, Mr	Lim, Mr
Brumby, Mr	Lindell, Ms
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr (*Teller*)	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr	Thwaites, Mr
Howard, Mr	Trezise, Mr
Hulls, Mr	Viney, Mr
Ingram, Mr	Wynne, Mr
Kosky, Ms	

Motion negatived.

BUSINESS OF THE HOUSE

Program

Mr BATCHELOR (Minister for Transport) — 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, 4 May 2000:

Equal Opportunity (Breastfeeding) Bill

Vocational Education and Training (Council Membership) Bill

Disability Services (Amendment) Bill

Chinese Medicine Registration Bill

Electronic Transactions (Victoria) Bill

National Taxation Reform (Further Consequential Provisions) Bill

Mr McARTHUR (Monbulk) — In the discussions I had with the Leader of the House last week and yesterday on the government business program we agreed in principle to a range of bills being considered by 4.00 p.m. Thursday. That was agreed in the expectation that the house would debate a number of those bills prior to the adjournment debate at 10 o'clock tonight. For a range of reasons, those bills were not debated. A substantial part of the reasons for that was in the hands of the government because from my recollection and that of members far more senior than I am, it is the first time such a lengthy debate has taken place on a matter of privilege. It is the first time in living memory that the gag has been applied to a debate on privilege.

The SPEAKER — Order! The honourable member should speak on the motion before the Chair.

Mr McARTHUR — Because the time of the house has been taken up with procedural matters on the budget broadcast, sessional orders and so on the opposition proposes an amendment to the motion. I move:

That the words 'Chinese Medicine Registration Bill' and 'National Taxation Reform (Further Consequential Provisions) Bill' be omitted.

The opposition argues that the government business program, which is now curtailed to approximately a day and a half, should contain only four bills. Since October last year debate on four or five bills a week has been the norm. That has been all the government has provided to the house. Even in those circumstances, bills have been guillotined almost every sitting week. That is despite the many protestations when in opposition of the current Leader of the House, the Deputy Premier, the Attorney-General and other leading lights of the Labor Party about the use of the guillotine. They argued long and hard for many years that the use of the guillotine was abhorrent.

If that is what they still argue here is the chance for them to support the opposition's amendment. Then the house can reasonably manage in the hours remaining this week to effectively debate the Equal Opportunity (Breastfeeding) Bill, the Vocational Education and Training (Council Membership) Bill, the Disability Services (Amendment) Bill and the Electronic Transactions (Victoria) Bill.

A number of significant bills in the seven-bill program proposed by the Leader of the House will require substantial debate. Given normal sitting hours sufficient time will not be available to debate those bills between now and 4 p.m. on Thursday. If the government intends to persist with its program and its pretence of family-friendly hours, it cannot possibly allow for reasonable debate on the seven bills and should therefore accept the perfectly sensible amendment that will allow reasonable debate on the other four bills and the remaining three bills can be properly considered next week when the house resumes.

Dr NAPTHINE (Leader of the Opposition) — I rise to support the amendment moved by the honourable member for Monbulk. The opposition is seeking a reasonable business program for the remainder of the week. As was mentioned by the honourable member for Monbulk, today has been taken up with the budget, discussion of its broadcast and the privilege matter.

Although some honourable members may argue about the time taken up on the privilege matter, I concur with the honourable member for Monbulk because in my time in the house since 1988 I have never seen the gag applied to a privilege debate or a privilege matter not referred to the Privileges Committee where the Speaker has found a prima facie case to answer. I would have thought that the minister concerned would have preferred to have the matter go to the committee to have her position clarified once and for all rather than hide behind the numbers in the house.

At 10.36 p.m. on a Tuesday the house is faced with having to decide the government business program for the remainder of the week — that is, what bills it will debate between now and 4.00 p.m. on Thursday. Given the significance of the bills it is important that they be given adequate attention and an appropriate period of debate. I am aware that a number of honourable members on both sides of the house wish to make contributions to the debates on the Equal Opportunity (Breastfeeding) Bill, the Vocational Education and Training (Council Membership) Bill, the Disability Services (Amendment) Bill and the Electronic Transactions (Victoria) Bill. It is only fair and reasonable that those four bills be the subject of the debate between now and 4.00 p.m. on Thursday.

The other bills that are suggested by the amendment not to be included on the government business program are significant and major bills. Honourable members would be aware that the Chinese Medicine Registration Bill is landmark legislation. It was introduced initially by the previous government and for the first time provides for registration of practitioners of traditional Chinese medicine. It is landmark legislation not only for this house but for any Parliament in Australia. It is important that there be adequate debate on the bill in the interests of this house, the Victorian community, other state parliaments and jurisdictions throughout the British commonwealth.

The Planning and Environment (Amendment) Bill deals with a major issue affecting heritage buildings and planning in the metropolitan area and requires significant debate. The National Taxation Reform (Further Consequential Provisions) Bill covers a range of issues, some of which I thought would have been of particular interest to the Minister for Racing because of its effect on the racing industry. The bill relates to fees and charges that apply across Victoria and a range of consequential changes and issues resulting from the changes in the federal taxation system. It also requires considerable debate.

To summarise, I am suggesting that the seven bills which are proposed to be debated under the government business program cannot be adequately, properly and fairly dealt with between now and 4.00 p.m. on Thursday. It is therefore incumbent on the house to take matters into its own hands and say that there is an appropriate reason to delete some of the bills proposed under the program. The amendment moved by the honourable member for Monbulk proposes an appropriate adjustment — that is, the deletion of the Chinese Medicine Registration Bill, the Planning and Environment (Amendment) Bill and National Taxation Reform (Further Consequential Provisions) Bill. That would leave four bills to be debated between now and the conclusion of business at 4.00 p.m. on Thursday, which would provide adequate time for debate on those bills and give the house — —

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

Mr HULLS (Attorney-General) — Opposition members do not seem to understand the motion that has been moved. The Leader of the Opposition prattled on for the last 5 minutes about a number of bills including the Planning and Environment (Amendment) Bill. The

fact is that bill is not part of the motion. It is important that honourable members understand that when the Leader of the House moves a motion it is serious and ought to be taken seriously. The Leader of the Opposition has not been listening and did not listen to what the motion was.

I understand that the opposition has had a really bad day. It has had a bad year. In fact, opposition members are about to have a bad life because they have been totally distracted today about what the real issues are. The real issues concern the budget. It is a great budget for rural Victoria, a great budget for Victoria generally, but particularly a great budget for Benalla.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Cranbourne will cease interjecting. I ask the Attorney-General to come back to the question.

Mr HULLS — I am sorry, Mr Speaker, but I have been told not to mention the war in Benalla, and I will not mention Benalla again. Benalla! Benalla! Benalla!

Having said that, I point out that it is absolutely imperative that we understand what the motion is. Honourable members cannot take the opposition to the motion seriously unless they are all debating the same thing.

Today the honourable member for Hawthorn put forward his credentials for the leadership of the opposition. The current Leader of the Opposition just stood by and watched. He did not even listen to the debate. The debate tonight, as honourable members well know, is about whether certain items of business should be guillotined. The Leader of the Opposition said that he opposes the motion because the Planning and Environment (Amendment) Bill is part of it. His ears must be painted on. They certainly do not work because that bill is not part of the motion. No member of the house ought to take him seriously, just as no-one in Victoria takes him seriously. His opposition to the motion is a joke.

Ms ASHER (Brighton) — On this, budget day, when a number of funding initiatives have been announced by the state government, I advise the Premier to fund an anger management course for the Attorney-General because it would help the Parliament enormously!

I will make a number of points on the motion before the house — that is, the government's business program. We have had a very full day of parliamentary debate. We have had the budget speech, a denial of opposition rights in respect of its response to the budget, and a very unusual privilege debate on which — for the first time in many years — a gag was exercised.

The issue before the house is very important. In breach of an agreement, the government wanted to put forward seven bills for debate this week; now it is proposing that six bills be dealt with. I take up the Attorney-General's comments on the Planning and Environment (Amendment) Bill. That bill was part of an agreement made by the opposition and the Leader of Government Business and was on the daily program sheet but the government has now reneged on that agreement. A final reneging on an agreement reached between the two parties is a minor technical point. It is a minor amendment but the fundamental point remains — that is, we have a particularly important business program before the house this week.

I will go through this important business program. The Equal Opportunity (Breastfeeding) Bill was mooted for many years by the current Minister for Community Services, and the bill deserves a fair hearing. The Vocational Education and Training (Council Membership) Bill is also an important measure which has enormous ramifications for members of Parliament. The Chinese Medicine Registration Bill — which the Leader of Opposition Business sought to have removed from the business program — is a particularly important bill for alternative medicine procedures.

However, I particularly want to focus on the National Taxation Reform (Further Consequential Provisions) Bill, a very important measure with enormous ramifications for the state of Victoria. It is extraordinary that the Australian Labor Party, which is in a consistent state of denial over the growth revenues to be provided to the state of Victoria by the goods and services tax, is seeking to gag discussion on this particularly important bill. The bill provides for a new agreement with the casino authorities — a sixth variation of the legislation — and is the sort of thing the Attorney-General would have railed about in full flight in his opposition days.

Mr Hulls interjected.

Ms ASHER — The Attorney-General says they were good days — he does not like being in government and we are happy to change that! As I said, the bill is the sixth variation of the casino agreement. It introduces substantial changes to the taxation regime of the casino. Given the amount of comment members of this government made when in opposition, one would have thought they would have an interest in the significant taxation arrangements that are being foisted

on the casino and gaming authorities. The Minister for Finance considered the bill important and significant enough to have taken a dorothy dixer about premium increases. He sought the question in Parliament and talked about it for some time.

The Attorney-General has passed me a note asking me to exhibit a bit more passion. One would always expect that from the Attorney-General; however, I am not in a position to deliver it.

Mr Batchelor — On a point of order, Mr Speaker, the honourable member opposite should resist opportunities to exhibit passion and should get on with the debate.

The SPEAKER — Order! There is no point of order. The honourable member's time has expired.

Mr BRUMBY (Minister for State and Regional Development) — The bottom line in the debate is that the opposition did not oppose the motion moved by the Minister for Local Government for the continuation of the sitting. I was in the house at the time. I was seated here and the Minister for Local Government was seated there when the minister moved that the sitting continue to enable three bills to be considered. That is the fact of the matter. The Deputy Leader of the Opposition — who contributed to the debate with a great deal of passion, but perhaps not enough to carry the motion — knows that motion was moved at 10.00 p.m. to enable the three bills before the house to be debated. Government members are looking forward to debating the bills. They are looking forward to making intelligent contributions to the debate on the Equal Opportunity (Breastfeeding) Bill.

Government members understand the background to the debate and the obstinacy and backward-looking nature of the former Kennett government in allowing legislation to continue that effectively made it illegal for women to breastfeed their children in public places. At the time the then opposition vowed to introduce legislation to put an end to that. Tonight the government wants the opportunity to debate that legislation, which will ensure that women are able to feed their children without being in breach of the law, in whatever part of the state they happen to be. Government members also want to debate the Vocational Education and Training (Council Membership) Bill and the Disability Services (Amendment) Bill. The latter bill is a crucial piece of legislation affecting the rights of disabled people.

At 10.00 p.m. the opposition voted for the sitting to be continued to allow the bills to be debated tonight. I only hope I am the last speaker on the motion so the question can be put and honourable members can get on with the business of debating the bills and resolving the matters this evening.

The Leader of the House moved a motion in relation to the six bills on the government business program. It is extraordinary that the amendment moved by the honourable member for Monbulk refers to the Planning and Environment (Amendment) Bill, because it was not among the bills referred to in the motion of the Leader of the House.

Mr Speaker, in the spirit of proceedings today, when many honourable members, mainly from the opposition, have offered you gratuitous advice, it would be in order for you to rule that the motion moved by the honourable member for Monbulk is out of order. It is factually incorrect; it is par for the course. The house has become used to the honourable member for Monbulk's moving motions that are factually incorrect.

Today the time of the house has been wasted by the opposition's moving of a privilege motion that I can describe only as limp, half-hearted, lacking conviction and uninspiring. It is significant that although the Leader of the Opposition was in the house throughout the debate on the motion moved by the honourable member for Hawthorn, he chose not to speak on it.

Members on this side of the house asked the question; members of the media asked the question — why was the Leader of the Opposition not prepared to back the honourable member for Hawthorn, who moved the motion in the previous debate? There were six speakers.

Honourable members interjecting.

The SPEAKER — Order! Will the house come to order. The honourable member for Bennettswood and the Attorney-General will cease interjecting. That level of interjection across the table is not acceptable. The minister's time has expired. The honourable member for Malvern has 3 minutes.

Mr DOYLE (Malvern) — I am delighted to bring the debate back to the amendment to the motion concerning the government business program moved by the honourable member for Monbulk. The debate is not about the time allowed for consideration before a bill comes before the house but about the time allotted for debate on the bill.

I make a specific plea for the consideration of the Chinese Medicine Registration Bill. I have a certain proprietary pride in the bill, given that it has been in the making for five years. Victoria being the first

jurisdiction in the world to debate and, one would hope, pass a bill of such importance — though I would never prefigure the opposition's support of the bill — I would have thought there would be an appropriate level of debate in the house. The many views on such an historic bill — the views of the public and of western and complementary practitioners — should be canvassed and reflected in a debate of a considered and appropriate length. That should not be — —

Honourable members interjecting.

Mr DOYLE — If I had 20 minutes I would take that comment up; given 2 minutes, I will not — but just you wait! That is not to be taken as a promise of anything other than debate.

The Chinese Medicine Registration Bill should not be passed on the knock. It should not be pushed through at 4 o'clock on Thursday without appropriate discussion having taken place on both sides of the house. Many members wish to make a contribution to debate on the bill, recognising the important and historic nature of the legislation. How can debate be conducted in other than a cursory or tokenistic way if the bill is included in the program to be passed by 4 o'clock on Thursday?

The SPEAKER — Order! The honourable member's time has expired. The time for the debate has also expired.

House divided on omission (members in favour vote no):

Ayes, 45

Allan, Ms
Barker, Ms
Batchelor, Mr
Beattie, Ms
Bracks, Mr
Brumby, Mr
Cameron, Mr
Campbell, Ms
Carli, Mr
Davies, Ms
Delahunty, Ms
Duncan, Ms
Garbutt, Ms
Gillett, Ms
Haermeyer, Mr
Hamilton, Mr
Hardman, Mr (*Teller*)
Helper, Mr
Holding, Mr
Howard, Mr
Hulls, Mr
Ingram, Mr
Kosky, Ms
Langdon, Mr (*Teller*)
Languiller, Mr
Leighton, Mr
Lenders, Mr
Lim, Mr
Lindell, Ms
Loney, Mr
Maddigan, Mrs
Maxfield, Mr
Mildenhall, Mr
Nardella, Mr
Overington, Ms
Pandazopoulos, Mr
Pike, Ms
Robinson, Mr
Savage, Mr
Seitz, Mr
Stensholt, Mr
Thwaites, Mr
Trezise, Mr
Viney, Mr
Wynne, Mr

Noes, 41

Asher, Ms
Ashley, Mr
Baillieu, Mr
Burke, Ms
Clark, Mr
Cooper, Mr
Dean, Dr
Delahunty, Mr
Dixon, Mr
Doyle, Mr
Elliott, Mrs
Fyffe, Mrs
Honeywood, Mr
Jasper, Mr
Kilgour, Mr
Kotsiras, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McCall, Ms
McIntosh, Mr
Maclellan, Mr
Maughan, Mr (*Teller*)
Mulder, Mr
Napthine, Dr
Paterson, Mr
Perton, Mr
Peulich, Mrs
Phillips, Mr
Plowman, Mr
Richardson, Mr
Rowe, Mr
Ryan, Mr
Shardey, Mrs
Smith, Mr (*Teller*)
Spry, Mr
Steggall, Mr
Thompson, Mr
Vogels, Mr
Wells, Mr
Wilson, Mr

Amendment negatived.

House divided on motion:

Ayes, 45

Allan, Ms
Barker, Ms
Batchelor, Mr
Beattie, Ms
Bracks, Mr
Brumby, Mr
Cameron, Mr
Campbell, Ms
Carli, Mr
Davies, Ms
Delahunty, Ms
Duncan, Ms
Garbutt, Ms
Gillett, Ms
Haermeyer, Mr
Hamilton, Mr
Hardman, Mr (*Teller*)
Helper, Mr
Holding, Mr
Howard, Mr
Hulls, Mr
Ingram, Mr
Kosky, Ms
Langdon, Mr (*Teller*)
Languiller, Mr
Leighton, Mr
Lenders, Mr
Lim, Mr
Lindell, Ms
Loney, Mr
Maddigan, Mrs
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Wynne, Mr

Noes, 41

Asher, Ms
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Cooper, Mr
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Doyle, Mr
Elliott, Mrs
Fyffe, Mrs
Honeywood, Mr
Jasper, Mr
Kilgour, Mr
Kotsiras, Mr
Maclellan, Mr
Maughan, Mr (*Teller*)
Mulder, Mr
Napthine, Dr
Paterson, Mr
Perton, Mr
Peulich, Mrs
Phillips, Mr
Plowman, Mr
Richardson, Mr
Rowe, Mr
Ryan, Mr
Shardey, Mrs
Smith, Mr (*Teller*)
Spry, Mr
Steggall, Mr

Leigh, Mr
Lupton, Mr
McArthur, Mr
McCall, Ms
McIntosh, Mr
Thompson, Mr
Vogels, Mr
Wells, Mr
Wilson, Mr

Motion agreed to.

LOCAL GOVERNMENT (GOVERNANCE) BILL

Introduction and first reading

Received from Council.

Read first time on motion of Mr CAMERON (Minister for Local Government).

FEDERAL COURTS (CONSEQUENTIAL AMENDMENTS) BILL

Introduction and first reading

Received from Council.

Read first time on motion of Mr HULLS (Attorney-General).

ADOPTION (AMENDMENT) BILL

Introduction and first reading

Received from Council.

Read first time on motion of Ms CAMPBELL (Minister for Community Services).

MEMBERS STATEMENTS

Bonlac Foods

Mr RYAN (Leader of the National Party) — I rise to speak on behalf of the people of Toora and district. On Friday the lovely South Gippsland town of some 550 people heard the announcement by Bonlac that the milk powder factory will be closing in June. The closure will mean 70 job losses in a population of 550 people, and understandably it is a matter of great concern. The people of Toora intend to attack the issue from the front foot and to ensure the town survives and thrives.

Bonlac has a responsibility as a corporate citizen, and I am confident the company will undertake it. The people of the town are keen to see a successful outcome. They understand it is a trial they have to face.

There is also an issue for the government. The people want to know that the government is going to stand by them in a time of need and make certain the town is able to continue to be a vibrant part of South Gippsland. They want to make sure that direct funding assistance and retraining schemes are available to them. The continuation of the community rests with the community and Bonlac's ongoing commitments to it. The closure also represents an opportunity for the Labor government to demonstrate whether it is fair dinkum about supporting a small town.

Bonlac Foods

Mr MAXFIELD (Narracan) — I refer to job losses in the dairy industry in Gippsland. Constituents of mine who work at Bonlac's Drouin plant have less than six months to go before they are made redundant. Three generations of my own family have been involved with the plant, and I am extremely disappointed about its closure.

The problems at Bonlac have also affected the farmers who have not received the milk price they were promised, which has placed them under additional strain. The low milk prices come on top of the effects of three dry years as well as the harsh policies of the former Kennett government.

Bonlac has let down the community, its supporters and suppliers. I will do everything possible to assist the farmers and workers, who will be placed in a difficult position. We must follow every avenue to increase dairy processing in Gippsland, and we must investigate every opportunity to establish food processing facilities in unused factories or greenfield sites in Gippsland, particularly in the Narracan electorate.

I worked at the Drouin butter factory for 10 years; so as I said, I feel strongly about its closure. Through no fault of their own, the workers will be thrown out of work. Many of the workers who have received training in food processing and plant operations will be well placed to move into the new jobs that we need to attract to the area. My father worked at the Drouin factory for 48 years and my grandfather for — —

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

Pacific School Games

Mrs PEULICH (Bentleigh) — I wish to commend the 434 Victorian primary and secondary school students now competing at Homebush Bay as Victorian representatives at the Pacific School Games that started on 30 April and will conclude on 7 May. That

international competition takes place every four years. Known as the mini junior Olympics, the competition has 4500 participants representing 40 countries, including Argentina, China, Canada, the Philippines, Vietnam and even Russia.

The Victorian team comprises able-bodied as well as disabled competitors in swimming, diving, gymnastics and track and field events and is coordinated by the schools sport unit staff.

Former competitors in the Pacific School Games include Cathy Freeman, Susie O'Neill, Ian Thorpe and Joanna Griggs. The young athletes competing in the games are heroes in their own fields and their own school communities. They are our future young sportsmen and women. It is a huge achievement merely to be included in the team.

It was therefore disappointing that the Bracks Labor government failed to honour the achievements of those young people by sending neither the Minister for Sport and Recreation nor the Minister for Education — or any other parliamentary representative — to the presentation of medals to the young achievers two weeks ago. Although I understand those two ministers may have busy schedules, it is deplorable that the government did not send any parliamentary representatives.

Yen Ming temple

Mr LANGUILLER (Sunshine) — Recently I had the pleasure of representing Premier Bracks at the opening of the Yen Ming temple in Sunshine, which was established in the 1990s. I also had the honour of meeting the Venerable Grand Master Shen Yen Lu, who had travelled to Australia from the United States for the occasion.

As honourable members will know, the arrival of the Venerable Grand Master marks an important milestone for the Buddhist meditation centre community. The hundreds of people gathered at the temple to welcome Shen Yen Lu showed the strength, faith and unity of the True Buddha school.

The vast majority of the True Buddha school members in Victoria are from South-East Asian countries. There are some 63 000 Buddhists in Victoria. In Sunshine there are four monks, two men and two women, who are local students. They are the spiritual guides of the centre and perform ceremonies in the Mandarin language.

The True Buddha school was established by the grand master. He was born in Taiwan in 1945 and was educated as a survey engineer before devoting his life to Mahayana Buddhism. I commend the organisers on a most successful event.

Numberplate slogan

Mr DIXON (Dromana) — Over the past week Victoria's so-called open and accountable government has secretly and quietly removed the slogans and logos from the state's numberplates. The famous 'On the move' slogan has disappeared from Victoria's numberplates and been replaced with the word 'Victoria'.

No replacement has been decided on, despite months of searching for a slogan that encapsulates a vision for the state. The government has no vision — it cannot even organise a search for a slogan that sums up what the state is about. That directly contradicts the Premier's statement a fortnight ago when he said on radio that the current slogan would remain on numberplates until a suitable replacement could be found. Obviously the government does not have the vision. A lot of people out there have good ideas for slogans — I have seen them in the newspapers — yet the government cannot make a decision.

The government should have been up front about the change. I am more than happy to start a new competition to look for something to replace the slogan on our numberplates. It is disgraceful that the change has happened so quietly. Honourable members will very soon see the results of the change on their own cars out in the members' car park.

Anzac Day

Ms BEATTIE (Tullamarine) — I commend the Sunbury sub-branch of the Returned and Services League for its efforts in making the recent Anzac Day service a memorable event for our local community. My thanks go to Geoff Levey and Nev Shackleton for organising the local march, which was well attended. It was a wonderful opportunity to remember and give thanks for those who, without question, placed their lives at risk for the sake of the future.

I proudly marched wearing my late father's medals. It was fantastic to see young toddlers and older persons on their motorised scooters paying tribute to those who selflessly put their lives at risk.

A number of reunions were also held on the day, with veterans from both the Second World War and the Vietnam conflict coming together not only to remember with sadness those who did not return from the battles of the past but also to celebrate the mateship and bonds

that unite people who have survived such tragic events. It was a wonderful occasion for locals, as Sunbury was reminded once again of its military roots with the fantastic and enthusiastic firing off of a round from the Rupertswood Battery.

With Martini–Henry rifles aimed high in the air, I was one of many at the service who ducked for cover when they fired.

Order of St John

Mr WILSON (Bennettswood) — Recently, I had the pleasure of representing the Leader of the Opposition at an investiture ceremony for the Order of St John at Government House. Although I have long been aware of the magnificent charitable and volunteer work of the Order of St John worldwide and in Victoria, my recent exposure to the work of the order has led to tonight's tribute.

Honourable members would be well aware that the Order of St John dates back to the 11th century where the original order provided hospital and hospice facilities for pilgrims and crusaders. Today in Victoria St John's provides the following services: free first aid at public and sporting events; free first aid at civil emergencies and disasters; workplace and public training courses in first aid; first-aid courses in languages other than English and for the sight and hearing impaired; visitations to the lonely, the elderly and infirmed in nursing homes and hostels and the provision of professional and financial support for the St John Hospital in Jerusalem.

In its most recent annual report, St John Ambulance Victoria reported that 2185 volunteer members in its operations branch had served the community treating nearly 16 000 Victorians. In the same period, 465 volunteers provided essential services from the community care branch and more than 31 000 completed first-aid courses across Victoria. I congratulate all involved in this magnificent volunteer organisation.

Austin and Repatriation Medical Centre

Mr LANGDON (Ivanhoe) — I congratulate the volunteer members of the Heidelberg auxiliary of the Austin and Repatriation Medical Centre. Once a month this group meets in my office and does an outstanding job. The group is chaired by the president Merna Kent, Thelma Kallinikos is the secretary, and Nance Rogers is the Treasurer. Basically operating in the Ivanhoe electorate, the group has raised more than $20 000 in the past 12 months and $130 000 over the past 15 years. It has raised funds through various stalls and an op shop in the mall in West Heidelberg, which has been running for the past two years. Fundraising of the auxiliary goes directly into patient care and not into bricks and mortar. The previous government's savage cutbacks to the ARMC mean the work of the auxiliary is of critical support for the patients, and I commend it for its work.

In addition to its fundraising work, auxiliary members work in the hospital one day a week on a voluntary basis. The members work in a coffee shop and the newsagency. They make sandwiches, run deliveries, take trolleys around the wards and undertake other vital practical work. The group's work is one of the unsung jobs undertaken for the Austin hospital, and I congratulate it on its efforts.

Maryborough Regional College

Mr HONEYWOOD (Warrandyte) — I rise on behalf of the residents of Maryborough, and in doing so I note their local member, the honourable member for Ripon, is again not present in the chamber, which is often the case. It is unfortunate because he has chosen to take no stand whatsoever on behalf of Maryborough Regional College, a college that was promised a $730 000 upgrade by the previous Minister for Education. The college is attempting to ensure that young people stay in the Maryborough community and that years 11 and 12 students have access to vocational education and training courses at TAFE level. More than most, it is a college that is deserving of a significant upgrade to give young people in that rural community a fair go and access to meaningful training opportunities while still at high school.

The opposition has received a letter from the Minister for Education in response to representation from the Honourable David Davis in another place, who has been vigilant in his efforts to ensure that the people of Maryborough receive appropriate representation given the lack of representation from the other side of the house in the form of the absent honourable member for Ripon. On behalf of the college, the Liberal member from another place has been consistently raising its deserving case for a budgeted item from the Labor government to ensure an upgrade at that wonderful college. Two weeks ago the Minister for Education replied with a letter and said the college will not be funded for an upgrade.

Heavenly Queen Temple Society

Mr MILDENHALL (Footscray) — I congratulate the Heavenly Queen Temple Society of Pickett Street, Footscray, for a successful fundraiser that I attended on

Sunday night. The prime purpose of the evening was to celebrate the 1040th anniversary of the Heavenly Queen's birth. The Heavenly Queen Ming Ho is a prominent deity in the Buddhist religion. Her main quality is charity and altruistic assistance to those in need. The church has more than 600 members in its congregation, mainly from an ethnic Chinese background in Vietnam. The society is ably led by its chairman Mr Hoa Anh Diep and its secretary Mr Can Yip.

The society has had a dream for many years of constructing a landmark and picturesque temple on the banks of the Maribyrnong. Following the success of Sunday night, the dream is growing closer. The first stage will be the construction of a 12 metre high stainless steel statue of the Heavenly Queen. Stages 2 and 3 will see the construction of the building and lush water gardens appropriate to the site adjacent to the river.

My best wishes, and I am sure the whole house — —

The ACTING SPEAKER (Mr Loney) — Order! The honourable member's time has expired. The time for members statements has expired.

EQUAL OPPORTUNITY (BREASTFEEDING) BILL

Second reading

Debate resumed from 6 April; motion of Ms CAMPBELL (Minister for Community Services).

Mrs ELLIOTT (Mooroolbark) — The tumult and the shouting has died and the captains and the kings have departed. The house can now discuss the much more peaceful matter of breastfeeding.

The opposition supports the bill. However, it has two reservations. The former Attorney-General, Jan Wade, was of the opinion that breastfeeding mothers were covered under the parental status and sex aspects of the former Equal Opportunity Act as it stood. The opposition also has some reservations about the retrospective nature of the bill. I notice that the Scrutiny of Acts and Regulations Committee also has some concerns about retrospectivity and has written to the minister to clarify that it is simply a matter of restating the position rather than a genuine case of retrospectivity. The opposition is opposed to retrospective legislation under which something that was not an offence at the time it occurred becomes an offence later on. Those reservations aside, the opposition supports the bill.

The Innocenti declaration on the protection, promotion and support of breastfeeding, which was signed in 1990 in Florence, Italy, by 32 governments, including Australia, and which was sponsored by the World Health Organisation and the United Nations International Children's Emergency Fund, set in train the promotion of breastfeeding throughout the world.

The attributes of breastfeeding were expressed very well at that time and they are available on the web site to any honourable members who are interested. Breast milk provides ideal nutrition for infants. They should be fed on it exclusively for the first few months of their lives, and partially up to the age of two years, and perhaps beyond. It gives infants a reduced susceptibility to disease, a lower morbidity and mortality rate, protects their mothers against breast and ovarian cancer, and helps to provide spacing between pregnancies.

Breastfeeding allows for the greater bonding of mother and child and confers social and economic benefits on the mother, the child, the wider family and society. They are important issues in any country, but particularly in Third World countries where there is no certainty of a clean, regular water supply.

In the 1970s mothers around the world, in particular those who belonged to associations such as the Nursing Mothers Association of Australia or the La Leche League International in America, campaigned against the marketing of breast milk substitutes — that is, the artificial feeding of infants — by major companies, the names of which will be known to honourable members. At that time a concerted attempt was made by large companies to convert mothers soon after giving birth to feeding the infants substitutes rather than breast milk. The companies even went so far as to have women dressed as nurses going into hospitals to promote the benefits of artificial feeding.

The organisation's campaign was successful and a marketing code is now accepted internationally by which companies are supposed to abide, as they do in most cases. Since that time the rate of breastfeeding, particularly in the Western world, has started to rise again. In the time I had available to research the bill I was unable to find the exact figures on breastfeeding in Australia, but obviously it is desirable to promote breastfeeding as widely as possible.

Consequently, the separation of mother and child is undesirable. It is not possible for a mother to successfully breastfeed her child if the mother and child are separated for any length of time. Most cases that came before the former Equal Opportunity Board under its old manifestation until 1995, and more recently

under the new Equal Opportunity Commission, were found to have good bases in fact. One example involved a young mother who was breastfeeding in the public area of a hotel in Geelong and was asked to leave.

Another young mother who was feeding her baby during lunch at a restaurant in Richmond was also asked to go to another place so that businessmen having their lunches could not observe her. As recently as 1997 a woman was asked to leave Crown Casino's food court, and in 1998 a young nursing mother was asked to leave the Regent Theatre. At that time Dr Diane Sisely, the chief executive officer of the Equal Opportunity Commission, said that the act covered those mothers, and in each case an offence was found.

However, legislation alone will not change public attitudes. Ongoing education, which Australia is good at providing, is also needed. Almost 100 per cent of people now wear seat belts — and very few people smoke. Smoking is forbidden in many places and has become an undesirable social trait — a combination of the law and education.

Many Australian women work outside their homes, and they cannot work and breastfeed unless they are able to feed their babies at work. If mothers do not wish to take their infants with them to work, they should be able to express milk and feed the child later. Under the act workplaces have a responsibility to ensure that women are able to breastfeed and maintain their working lives. Sometimes that is difficult to achieve. The Parliament should set an example in Victoria. The rather dark cave downstairs, which is the only place a member or visitor can breastfeed her baby in Parliament House, is not an attractive environment.

Today even women who do not work outside their homes spend much of their social lives visiting restaurants, cafes, parks and other public attractions. It is not proper or right that they should be asked to hide away or go somewhere else to feed their children. It is perfectly possible to feed a baby discreetly in almost any place one can imagine.

It is interesting to look at the La Leche League International web site in America. It goes into the situation far more fully than the Nursing Mothers Association in Australia. Entire web sites are devoted to suitable clothes for nursing mothers to wear.

Indeed, an entire web site is devoted to enabling Christian women to discuss whether they can be devoted Christians, follow the teachings of the Bible and breastfeed discreetly in public. That is the way things are in the United States of America: they follow an issue right from its basis, they shake it around and discuss it over the Internet.

Whenever grounds for discrimination are added to an act, which will continue to happen, it is also necessary to consider the rights of others. There are people who, because of their religion — I am thinking of Muslim women in particular, but there may be other religions — their age or their very conservative upbringing, may feel they have a right to be offended by the sight of a mother breastfeeding her baby in public. Many of us may think that is not the right attitude to have. Nevertheless, I am conscious of the fact that whatever rights we have, they too have rights. I hope nothing in the bill will condone nursing mothers, or anybody else, while blatantly disregarding the rights or feelings of others. I imagine most mothers would feel they could feed their babies discreetly in public places without offending the sensibilities of others. Recently a female member of the Blair government in Britain was refused permission to feed her child in the chamber of the Westminster Parliament. Honourable members will have their own views on that matter.

I will revert to a theme I have discussed before — that is, the hours the house is currently sitting are not family friendly. Honourable members may wish to encourage a diversity of people to become members of this house, including young parents — fathers or mothers, particularly nursing mothers — but nothing about the hours the house is sitting at the moment and has sat in the past is conducive to nursing mothers being able to breastfeed their children and also be members of Parliament.

I believe the Minister for Community Services would agree that the Parliament should be leading the community in both providing facilities for that to happen and in trying, as the government agreed to do particularly through the Independents' Charter, to stick to reasonable sitting hours for the health and sanity of current and future members of parliament.

I am also the shadow arts minister, and I am aware of the many beautiful pictures, particularly those dating from the Renaissance era, showing the Virgin Mary with the infant Jesus with one breast exposed. Obviously art gives that lead to the suitability and beauty of breastfeeding. Those depictions of the Madonna can be seen at many churches, particularly in Italy, and would make anybody opposed to the public breastfeeding of children think about their attitude.

I support the bill; the opposition supports the bill, with the few reservations I have expressed. Anything that

can be done to keep the bond between mother and child, and indeed to keep families close, is extremely important. I am sure all honourable members have seen pictures of women and malnourished babies in places such as Somalia and have thought how terrible it must be for a mother not to have enough of her own milk to feed her child. Australia has given refuge to many such mothers, children and families, and I hope it continues to do so for a long time. The Parliament needs to set the lead in this matter, and I believe the amendment to the Equal Opportunity Act will do that.

A great deal of consideration has been given by the minister to Victorian nursing mothers. I wish she had given the same consideration to the vulnerable, at-risk and traumatised young women who can no longer reside at Napier House in the northern suburbs. One day they too may be nursing mothers, but they come from a background that is a lot less conducive to maintaining successful breastfeeding than many of us or our women friends, neighbours and relatives.

I am pleased that the rates of breastfeeding in Australia are rising again. I believe most women believe it is something they wish to do and are successful in doing. This bill will encourage that practice. Again I say that Parliament should be giving a lead.

Mr WYNNE (Richmond) — I support this important legislation. I congratulate the Minister for Community Services, who for a number of years was a strong advocate for the proposed legislation, particularly as shadow minister. I am sure this bipartisan debate will give her great pleasure.

In supporting the bill I look back to my own upbringing, which gives me some insight into this issue. I was the youngest of nine children. I had seven older sisters, so my experience of breastfeeding is that it was commonplace, a natural process and one that I am comfortable with. I am delighted to say that my two young boys have reaped the benefits of their mother's being able to breastfeed them. It provided important nourishment to young, growing children and established a marvellous and beautiful bond between mother and children, which was a beautiful thing for me to watch as the father of two young sons.

The bill amends the Equal Opportunity Act to make discrimination against breastfeeding mothers unlawful. As the honourable member for Mooroolbark said, over the past few years there have been a number of instances where women have been excluded from public places on the basis of their willingness to breastfeed their children. It is intolerable that women have been humiliated by being ejected from public venues for breastfeeding. It is hard to believe that in a civilised society decent and mature individuals could find offence in a mother discreetly breastfeeding her child in a public venue. If anyone has difficulty with that I suggest that person should depart from the venue rather than suggest that the mother and the child should be ejected. It is disgraceful that such instances have occurred during the 1990s.

Breastfeeding is an important and basic act of nature that should be encouraged in the interests of child health. As legislators we should clearly indicate through the legislation we pass that Victorian policy makers, program funders and maternal and child health supporters have our endorsement for measures that support breastfeeding. The legislation unequivocally states that discrimination against breastfeeding mothers is illegal.

Section 6 of the Equal Opportunity Act contains 13 attributes on the basis of which discrimination is prohibited. Several areas of public life are covered including employment, education, provision of goods and services, accommodation, club membership, sports and local government. Currently the attributes are age, impairment, industrial activity, lawful sexual activity, marital status, physical features, political belief or activity, pregnancy, race, religious belief or activity, sex, parental status or status as a carer and personal association with a person who is identified by reference to any of the attributes referred to. The bill amends section 6 to include breastfeeding as an attribute on which it is unlawful to base discrimination.

Currently, if a woman believes she is discriminated against while breastfeeding she may lodge a complaint on the grounds of parental status or possibly sex discrimination. As the honourable member for Mooroolbark said earlier, several cases have been brought before the Equal Opportunity Commission and in each case the applicant was successful in establishing discrimination.

The specific inclusion of breastfeeding as a ground upon which it is unlawful to discriminate strengthens the act and makes it clear that discrimination against breastfeeding mothers is unacceptable and illegal.

I acknowledge the work done by the Minister for Community Services who is a strong advocate of the bill. We live in a civilised society that respects the important contribution of nursing mothers who seek to nurture their children. When children require nurturing their mothers should be able to breastfeed them in an appropriate manner when and where they wish. I applaud the legislation and wish it a speedy passage.

Mr ASHLEY (Bayswater) — I am pleased to join the debate and to follow a male from the other side of the house in supporting the legislation. There is a suggestion that the previous legislation implicitly covered breastfeeding although not explicitly and I add the proviso that I would not take lightly any notion of retrospectivity in a capacity to go to law.

If it were not for the ancient practice of breastfeeding humanity would not exist. Our species would have vanished at some earlier time in the evolution of the planet Earth. Given that we have had a century of agitation by women to secure an equal partnership with men in both public and private life it is extraordinary that the need exists to introduce legislation to validate a woman's right to feed her baby in any place where she would otherwise have a right to be. That is all the more so as we have experienced a generation of equal opportunity legislation and the dramatic changes in attitude that that has wrought.

It is baffling and almost bizarre that at the outset of the 21st century the will of Parliament is necessary to reinforce a woman's right to feed her baby in social settings. Westminster considers itself the mother of Parliaments but it can hardly be called a nurturing mother. The necessity for the amendment to the Equal Opportunity Act suggests something remains unresolved at the heart of our culture and way of life.

Something deep and substantive is seriously amiss between the genders because the erotic dimension of human existence has been separated from and pitted against the procreative dimension. No seamless, healthy fusion holds them together. The reverse seems to be true — they are frequently at war with each other and the result has been disastrous for humanity, and especially disastrous for women.

The profound fracture and conflict that goes on at the core of our being affects the whole of our existence. It colours the way we look at everything around us, the social landscape, the way women regard men and the way men treat women. It is the source of much unhappiness, tragedy and abuse.

When cultures split the human atom and separate the erotic from the maternal they create seemingly endless streams of destructive consequences for themselves, most of which appear to stem from the diminution and the degradation of women. When we break the nexus between sexuality and parenthood, pathological behaviours are set free to roam like predators down the centuries.

Naked flesh taps directly into our predisposition for hypocrisy. It arouses our disgust and loathing precisely because there is another audience out there, including our other selves, who find it magnetic, exciting and irresistible. The impression is given that young men can have it all, pleasure, delight and ecstasy, without the messy business of relationships and commitment and, above all, babies.

By keeping that raw taboo in place, we are able to indulge in all sorts of games and rationalisations. In investing in erotica, cut free from the maternal, we give ourselves room to work up justifiable belief systems that, subject to a degree of regulation for example, activities like tabletop dancing and lap dancing are tolerable, even acceptable, nothing more than pulsating entertainment for those with too much testosterone pumping around their veins.

Some of the consequences were identified in a recent *Guardian* newspaper article reprinted in the *Age* of 12 April. The article entitled 'Mountain out of a molehill' was written by journalist, Louisa Young. It begins:

> Julia Roberts does not have very big bosoms. Cute, yes; large, no. So to give the impression of large breastedness when she was playing the part of Erin Brochovich, who has very large bosoms, the make-up and costume people at Paramount gave her low-cut necklines, maximum uplift bras and glimpses of lace and straps.

She continues:

> Our modern aesthetic likes women not to be big, we know that — but specially, we must be too big 'there' not outside the lap-dancing clubs anyway. Not if we want to be anything other than our tits … I'm hard-put to think of any woman who is at once successful in a 'serious' post, has big ones, and is commonly held to be sexually attractive.

She commented further:

> If we are big 'there' we are expected to put them away and pretend we aren't … or we put up with the fact that what is for us an everyday aspect of life is, to a lot of men, something so fantastic that they can't sit in the same room without acting all funny. The idea that the breasts are passively sitting there during a meeting, say, rather than being sexual entertainment is still alien to many men.

All this convoluted stuff has come about as a result of the fact that breasts are the supreme and quintessential symbol of female sexuality in European culture. That reality may not have provoked the profound degree of ambivalence we experience today were it not for the fact that the breast is, also and universally, the physiological means by which babies are nourished. The breast performs a vital and essential function that makes it far more than some quintessential symbol or logo for maternity and motherhood, let alone female

sexuality. It is, after all, the functional means by which humanity survives and is perpetuated.

Society has engaged in extraordinary contortions to accept a range of in-your-face activities which traditionally have been frowned on as off limits and which border on the obscene and pornographic. The irony is these transitions have been accompanied by a simultaneous conversion of a perfectly natural and wholesome activity such as breastfeeding into a dubious if not outright obscene activity.

It has happened because in a public sense the deep dichotomy we have created between the sexual and the maternal leads to an inevitable bizarre conclusion that breastfeeding sucks — if I can use a pun — and that it is an inappropriate and in-your-face form of sexual activity. The result is that breastfeeding has ended up being regarded as something tarnished and deprecated as a no-no activity and women who breastfeed run the risk of being seen somehow by some as modern sirens and temptresses who must be kept off the streets and away from social settings.

If anyone thinks I am being extreme, I direct their attention to the fact that 10 state legislatures in the United States of America have felt it necessary to amend various acts of their state parliaments to protect nursing mothers from prosecution for behaviour which otherwise might be construed as overtly and indecently sexual. For example, in Alaska the laws were changed to read:

> In the laws of the state 'lewd conduct', 'lewd touching', 'immoral conduct', 'indecent conduct' and similar terms do not include the act of a woman breastfeeding a child in a public or private location where the woman and child are otherwise authorised to be …

Florida amended a number of aspects of acts to take out terms such as 'unnatural and lascivious acts', 'exposure of sexual organs', 'lewd, lascivious or indecent assault or act upon or in the presence of a child' to state that breastfeeding is other than all those things. Further amendments include:

> Harmful to minors: … A mother's breastfeeding of her baby is not under any circumstances 'harmful to minors'.
>
> Nudity: … A mother's breastfeeding of her baby does not under any circumstance constitute 'nudity', irrespective of whether or not the nipple is covered during or incidental to feeding.
>
> Obscene: … A mother's breastfeeding of her baby is not under any circumstances 'obscene'.
>
> Sexual conduct: … A mother's breastfeeding of her baby does not under any circumstances constitute 'sexual conduct'.

All those changes have been made to stipulate that breastfeeding is to be seen to be something other than anything to do with sexual activity.

Germaine Greer believes that the prospects facing womanhood are more horrific than some of the changes to those acts would suggest, and more horrific than the mere banishment of breastfeeding from public places might superficially suggest. She is concerned that the relentless invasion of technology into the field of procreation in terms of in-vitro fertilisation, surrogacy and cloning will further damage the status and integrity of women. She fears that society is bent on turning women into Barbie dolls, or as she put it: big tits, good looks and hysterectomised, with completely no roles as reproductive beings. She is suggesting that the end point of separating female sexuality from maternity is the destruction of what uniquely defines and differentiates women — that is, their child-bearing function. The end point, as she sees it, is one in which women are turned into toys, literally nothing more than playthings for the pleasure of men.

Whether or not Ms Greer's fears are justified the core of our problem remains largely unaddressed because the fracturing of the erotic from the maternal in our conceptualisation of the feminine is ongoing. Through the process of splitting off, western culture has become hostage to deep confusion of what constitutes acceptable and decent behaviour.

Western culture did not merely split the erotic from the procreative; it went on to drive a deep wedge between the two and to polarise them. The space was thus provided for a lot of tangled uncertainties and pathologies to take root — everything from harmless innuendo through to hard core pornography and even various forms of female and sexual abuse, and worse.

This small piece of legislation is therefore seeking in its own way to help undo attitudes which are deep-rooted and shrouded in history. In fact, the origins probably go right back to the rise of monotheistic religion — and had I more time I would address that issue as well.

I will pick up a point the honourable member for Mooroolbark made about the Madonna-and-child icon. In modern times, since the Reformation, there has been no depiction of the mother breastfeeding her child. Even more troubling is that the doctrine of the Immaculate Conception unfortunately circumvents the need for male sexuality and assesses it to be essentially unworthy. The result is that males conclude they have been judged to be guilty but in the process have secured a convenient escape hatch for anything reprehensible in their behaviour.

Therefore, as the centuries have passed so misogyny has become rampant. The church leaders in the 16th century actually reproached women for indulging and being lenient towards their children. They placed the blame on women for ruining society by producing depraved, drunken and irresponsible individuals in whom the women had instilled perverse and dangerous opinions which led directly to diabolical acts.

Ms Campbell — On a point of order, Mr Acting Speaker, I raise with you the question of relevance. The house is debating a bill dealing with breastfeeding and whether it should be made lawful in this state. The honourable member has strayed considerably from the debate, and I ask you to bring him back to the bill.

Mr ASHLEY — On the point of order, Mr Acting Speaker, I am seeking to put into historical context the issues surrounding male and female gender identity, targeting breastfeeding as one of the essential points to it. Indeed, I was coming to a significant point leading back to breastfeeding, from the time of the Reformation, and I had reached that point.

The ACTING SPEAKER (Mr Loney) — Order! At this stage I do not uphold the point of order, but I ask the honourable member to be cognisant of the breadth of the debate and ensure his remarks are relevant to it.

Mr ASHLEY — I was seeking to point out how many things have gone badly wrong because well-meaning people have taken positions which have caused great distress and misunderstanding among men and women as to what is right and what is wrong.

In the 16th century some theologians said breastfeeding was the root of the corrupting influence that society was then facing. One of them actually said mothers damn their children when they nurse them voluptuously.

There are many layers to this debate that we are endeavouring to redress — from the work done by people like Rousseau in the 19th century to elevate the importance of breastfeeding, through the problems that women have had in the 20th century in dealing with social antipathy, exclusion and male attitudes, and right up to the creation of formula milk.

It is to the credit of the women's movement that it has been able to hold the line and achieve a degree of respectability which we will now incorporate into law as the basis for the future regard for breastfeeding and the role of mother and child in our society.

In my own loquacious way I have sought to add dimensions to the field of understanding so that honourable members do not think we are just fixing something that is only a few years or a couple of generations old. We are dealing with matters that go back into ancient history and it will take a long time to sort them out. However, if we do not do something about it, our future and that of our young women is rather bleak. We should all pit our wits against that and make efforts to achieve a healthy and worthwhile life for them and for the children coming on.

Ms OVERINGTON (Ballarat West) — I will try to give a different presentation — that of a mother who breastfed her children. I also congratulate the Minister for Community Services who has advocated for a long time the introduction of this amendment to allow women to breastfeed freely in public without discrimination.

It gives me great pleasure to contribute to the debate on this very important measure. The Equal Opportunity (Breastfeeding) Bill is important to me firstly as a woman and secondly as a mother who breastfed her children. This bill is extremely important for the mothers who will breastfeed in the future. Breastfeeding is one of the most beautiful acts of nature and serves two main purposes. The first is to ensure that the baby receives nature's formula. Breast milk has many properties that protect the baby and ensure it receives all the nutrients it needs. The second purpose is equally important, as mother and baby bond through breastfeeding, which is a natural, caring and beautiful act.

There are many well-documented health advantages to breastfeeding and women should be encouraged to do so. Unfortunately, in many developing countries multinational companies are trying to sell their formulas as the way to go in providing nutrition for children. They do that for profit and no education is provided about the benefits of breastfeeding. That is a shame, and we should do all we can through our health agencies to ensure that education in those countries is promoted and that mothers are supported to have healthy diets and to actively breastfeed their babies.

The bill will ensure that no woman can be discriminated against for breastfeeding in public. I am very glad that we have moved to the point where a woman can feed her child as needed and can demand feed despite what they used to tell us in the maternal child-care centres years ago. We were told not to feed our babies until the four hours were up and to ignore the crying as it would go away.

Mrs Peulich — That is dated.

Ms OVERINGTON — It is dated and I am dated — my children are quite old now.

Mr Hamilton — You must be a grandmother.

Ms OVERINGTON — I am a fine grandmother.

Demand feeding is the way to go. A baby needs to be fed when it is hungry, not by the clock or to suit the surrounds or the establishment its mother is in.

I remember my experiences as a young mum many years ago, particularly with my first born. Before my son was born I was going to formula feed. I had been pressured into bottle feeding because I was part of a generation for which bottle feeding was the way to go. At prenatal classes it was always suggested to me, 'It is much cleaner; you can sterilise the bottles, my dear, and go by the clock and make up a formula every four hours'. Right up until my son was born I was going to formula feed, but when he was placed in my arms the maternal instinct shot home. Then when I was asked, 'Are you formula feeding, my dear?', I answered, 'No, I am breastfeeding'.

I had to learn how to breastfeed. The assumption is that it all comes naturally, but let me tell honourable members that between goose fat, wool fat and all sorts of other — —

An honourable member interjected.

Ms OVERINGTON — Yes, I forgot about that one — a woman can condition herself to successfully breastfeed. But then she goes home.

The argument is about breastfeeding in public. Unfortunately, in my day one of the main inhibitors to breastfeeding by me and a number of my girlfriends were in-laws. When I went to visit it was subtly suggested to me that I might be better off in the next room, or I was asked, 'Do you want to go up to the bedroom?' While I support Ballarat's fine weather, I must say that to be banished to a back bedroom in Ballarat in the winter was not an enjoyable experience.

From a young age I rebelled, much to the distress of some of my in-laws and friends, and started breastfeeding in public. It was really amazing that it did not take them long — I suggest a week to a fortnight — to accept the fact that my breastfeeding their grandson was a natural act. I experienced the same problems when I went out in public. I made sure that I took a heavy shawl to cover the fact that I was breastfeeding in public, until one hot day I became concerned because I thought I had suffocated my son. By the time my daughter came along I no longer required a shawl every time I went out; I threw it away.

An Honourable Member — The shawl?

Ms OVERINGTON — The shawl, not the son! I threw the shawl away and comfortably breastfed in public, much to the distress of some older women in Ballarat; but they got over it.

Many changes have taken place in society and women today are able to make choices. It is possible for women to work flexible hours in many jobs, and some women are even lucky enough to be able to take their children to and breastfeed them at work. Given the busy and more relaxed social lives led by young women today it is important to have in place legislation to protect them against discrimination if they breastfeed in public.

It is interesting how the cycle turns. As I have said, I am now a grandmother. Recently when my daughter was breastfeeding I noticed the change in community and family attitudes to breastfeeding. There is a loving acceptance that that is the way nature intended it to be. But legislative protection is needed, and I welcome the changes introduced by the bill.

Mrs FYFFE (Evelyn) — I also support the Equal Opportunity (Breastfeeding) Bill. Breastfeeding is a normal and basic function of motherhood and life. The second-reading speech includes the statement:

> As a global goal for optimal maternal and child health and nutrition, all women should be enabled to practise exclusive breastfeeding and all infants should be fed exclusively on breast milk from birth to four to six months of age.

That is admirable. Honourable members should encourage breastfeeding. However, some women, for physical or psychological reasons, cannot breastfeed. It is important that we also think of them. Emotional pressure could be put on them. With people talking so much about the right to breastfeed, the pressure to breastfeed can make women feel inadequate if they cannot do so.

The minister stated in her second-reading speech that a breastfeeding woman should not be ostracised. As mentioned by the previous speaker, the emphasis is on the fact that all nursing mothers can and should breastfeed. That is not true of many women in the community.

Honourable members interjecting.

The SPEAKER — Order! There is too much audible conversation in the chamber. It is disrespectful

to the member speaking. A serious subject is being debated.

Mrs FYFFE — I have no problem with the intention of the legislation — that a mother should be able to feed a baby anywhere. However, it is also important that that be done in a discreet and modest way. In this wonderful multicultural society of ours the religious beliefs of a large number of citizens support the coverage of the female body. Many of our electorates have a large percentage of Muslim residents. In the process of encouraging women to breastfeed, they should also be encouraged to do so in such a way that it does not cause embarrassment or discomfort to other people.

History shows us that the pendulum swings. In the Napoleonic times it was fashionable for women to expose the breasts and wear Empire-style dresses. Less than 50 years later the Victorians were so prudish they were even covering the legs of their tables. In the Middle Ages wet nurses were used not just to feed children but also to provide nourishment to the elderly who had no other means of obtaining such nourishment. Perhaps the pendulum will swing back again. Society may go back to the use of wet nurses. The house might find itself debating the rights of an establishment caring for the elderly to employ a wet nurse.

Mrs Peulich — Equal opportunity.

Mrs FYFFE — Equal opportunity. A reference was made to breastfeeding in the cold of Ballarat. I would like to compare that with breastfeeding in the cold of England, where the house was so damp that icicles hung from the inside of the bedroom window. Your own mother would ask you whether you would like to go into the bedroom, dear, while breastfeeding. I recollect, when visiting a friend's house, my mother taking off her jacket to cover me while I fed my desperately hungry child in case of any slight exposure of my breast. That shows how the times change. Education has changed attitudes. The majority of people are relaxed at seeing women breastfeed in public, but I emphasise that that should be done with a sense of dignity and discretion.

Like the shadow Minister for Community Services, I wish the compassion that is being shown to women breastfeeding were also being shown to the young women from Napier House, who now will have the right to breastfeed in public but nowhere to call home. I feel very sad about that.

The expressing of milk referred to in the bill also raises questions about the employers who will have to provide the power points so that it can be done properly in a clean and comfortable environment.

For a woman to successfully continue breastfeeding on her return to work it is necessary for her to express milk during the day in a clean and private location and to breastfeed the baby on a daily basis both before going to work and on arriving home. A woman's milk supply is directly related to how much stimulation her breasts receive. If a mother is unable to breast feed or pump sufficiently she will gradually lose her milk supply, which can result in the baby weaning prematurely. If a mother is unable to express milk during the day it is likely that her breasts will become engorged. That will result in her milk leaking on to her clothing and her breasts developing plugged ducts, which can lead to mastitis or a breast infection requiring the use of antibiotics and bed rest.

The house is discussing no light matter but something that needs careful planning on the part of mothers. The education of the public and employers is paramount. Having regard to the hour of the night, I conclude by saying that I support the bill.

Ms GILLETT (Werribee) — I will be brief. It is a pleasure to speak on the bill but sad that a need for such legislation has come to pass. I am drawn to remember the times that the former shadow minister, now the minister, struggled in this place to explain the importance of gaining public acceptance of women breastfeeding in public places. I remember how she was howled down with scorn and derision from the then Premier. I remember too that she stood her ground on behalf of all of us who have breastfed in the past and for those who breastfeed now and those who will do so in the future.

It is wonderful to hear the unanimous, overpowering support for breastfeeding and breasts — big, small and everything. It is just a damn shame it was not there when the then shadow minister was running the argument for women who were being made to feel awkward, clumsy, outcast and downright doing the wrong thing.

I am pleased and proud that the legislation is now before the house. It is a shame that we had to start the argument on behalf of women who were treated so badly, but they are fortunate to have a minister who has introduced legislation that makes it blindingly obvious to anybody that it is not appropriate to discriminate against women who breastfeed in public.

The honourable member for Mooroolbark said that although the opposition supported the bill it had one small concern that was activated by *Alert Digest* No. 5 of the Scrutiny of Acts and Regulations Committee — a committee I am privileged to chair. The honourable member said the committee wrote to the minister to seek clarification. I will explain why the committee sought that clarification, and in doing so I will quote selectively in part from page 5 of the *Alert Digest*. When examining the bill the committee wondered whether there may be undue trespass on rights and freedoms because clause 6 appears to provide a capacity for retrospective action to be taken about discrimination that happened prior to the bill.

The committee was grateful to received written submissions from a solicitor, Mr Richard Eager, and barristers, Ms Deborah Coombes and Ms Fiona McLeod on behalf of the Victorian Bar Council. Fiona McLeod said she felt there was no capacity for a retrospective claim for an action that had taken place before the bill becomes an act simply because it is a restatement of the incapacity to discriminate against someone on the ground of parental status.

So although we were encouraged by that advice, we nonetheless felt it was important for the minister to have the opportunity to say clearly what she felt about the clause. We are confident that we will receive advice from the minister on the point; but overall the committee felt there were no difficulties at all with the bill and was pleased to pass it on to the house without further comment.

My seat of Werribee has the third highest number of children aged between 0 and 4 years in the state. The bill — and the publicity that surrounds it — makes it abundantly clear to all the young women who have to make the decision at some stage that it is perfectly okay to breastfeed their kids. That is important for someone like me who represents a growth corridor electorate.

I commend the minister and am grateful for the support for the bill from the other side of the house. I am only disappointed that it has come too late.

Mrs PEULICH (Bentleigh) — I find the concluding comment of the honourable member for Werribee a little odd. In what way has the bill come too late? The legislation is not only now allowing women to breastfeed — they have been doing so throughout the entire history of civilisation. It is not about whether we believe breast is best. Most people recognise that breastfeeding is a healthy, natural way of nurturing: it is economical, it offers enormous medical benefits and is to be encouraged. I know that maternal and child health sisters have devoted a lot of time to thinking up strategies for encouraging young mothers to breastfeed — particularly very young mothers, who tend to dislike breastfeeding for a variety of reasons, one of which is that it impinges on social life.

The bill seeks not to legalise breastfeeding but to clarify the fact that women have the right to breastfeed in public. Presumably — although it is not made clear in the bill — some degree of moderation or discretion is still required, because the object of the exercise is to make a symbolic commitment to breastfeeding as a choice and a right.

I come from a family of breastfeeders. According to family anecdotes my grandfather in Bosnia Herzegovina was breastfed until he was seven years of age. There were no bottles to purchase, and bottle-feeding was never encouraged as a cultural practice. There was no baby formula, either. My grandfather used to call out to his mother in the cornfields, run over to her with a stool and feed at her breast. He lived to the ripe old age of 90 and was not ill for a day in his life. My mother was also breastfed, as was my father.

I was breastfed and I breastfed my son. Unfortunately I went back to work when he was six weeks old, and the tasks of full-time work and breastfeeding were difficult to juggle. I remember trying to express milk in a classroom while chocking the door closed with my foot. I remember trying to find curtains to draw, and so on. We all recognised the lunacy and inconvenience of having no facilities for breastfeeding mothers.

On the other hand, I would not have sat in the classroom or in the staffroom to express milk. However, as part of our equal opportunity legislation the bill will allow the expressing of breast milk in a classroom, a staff room or this chamber. I do not think that would be appropriate. There is a small number of settings where breastfeeding is not appropriate. I have no difficulty with the idea of women breastfeeding in public places such as trains, parks and homes. I did those things and felt none of the inhibitions spoken of by other contributors to the debate because I do not come from the same cultural background. People in our tradition are not inhibited about flaunting their breasts — in my case, very substantial ones at that!

I believe the best way of encouraging the practice of breastfeeding is through education, not legislation. It is a long-term process. Nothing could be more detrimental to the practice of breastfeeding, its acceptance and its promotion, than having a few people push the limits of acceptability by means of legislation.

It would be interesting for the minister to comment on that because it would not be appropriate for milk to be expressed in a classroom or in a chamber. These are choices that are counterproductive to the object of the bill, which is to make a symbolic commitment to the right of women to breastfeed in a public place.

I surveyed my electorate, as I do on a regular basis, and found there were no surprises — the overwhelming number of people supported breastfeeding as a natural practice. However, a substantial number of people felt that a degree of discretion was needed. I am not talking about shawls suffocating babies or mothers being embarrassed breastfeeding in a public place but about the need for some degree of discretion, especially in relation to the expression of milk.

The bill is not necessary. Beneficial and long-term acceptance of breastfeeding is best achieved through education. Encouraging young and teenage mothers to breastfeed is a difficult task. Local government is fully aware of it, and there are many other strategies that should be put in place to ensure it occurs.

The retrospectivity provision is interesting and I am keen to hear the minister speak about it. Obviously breastfeeding is natural — it is a healthy way of nourishing babies, with medical, social and economic benefits to society, and on the whole most people will probably do the right thing: continue not to push the boundaries to unacceptable limits which the bill may enable and allow.

Ms DAVIES (Gippsland West) — I am pleased to speak on the Equal Opportunity (Breastfeeding) Bill and I, too, congratulate the minister on her continued campaign and on finally being able to bring the bill into the house. I clearly remember a fine day last year when we had a succession of good mothers and their good babes in the house, and it was nice to see a bit of life in the house.

I have a particular interest in the bill: my career as a mother began 19 years ago and I breastfed each of my babies for between 12 and 14 months, so I am one of the fanatics. I did it because hassling with washing and sterilising bottles was beyond my capacity. I fed each of my babies comfortably, proudly and publicly and never had any bother about it. I do not think I would have noticed if anybody had been perturbed because for me, if my babies needed feeding they needed feeding wherever I was at the time, and I did not care about anything else.

Twenty years ago the message I had was that women needed encouragement to breastfeed. Society was just moving out of the cycle of rigid schedules and sterilising bottles and trying to put science and technology into what is essentially a natural function. I heeded the message and breastfed my babies.

Over recent years it has been distressing to me to realise the progress I thought had been made had disappeared and that once again there is an overt discrimination against women for breastfeeding in public. When I first heard these examples I was incredulous that people would bother.

In the past I have heard of discrimination at the casino and various restaurants. I have also read letters to the newspapers in which writers complained that they found it distasteful to see a mother feeding her infant in public. In recent years far too many young mums, who may be uncertain about being mums, who may be inexperienced and have little contact with other mothers or few people to help them, feel vulnerable and worry that what they are doing is somehow unacceptable. The basic message to a mother must clearly, constantly and sometimes loudly be that when your baby cries for a feed, no matter where you are you should feed it because the kid always comes first.

The issue was discussed with the former government but rejected, when the then minister said, ‘We don’t need this’. Later, examples of discrimination were published in the newspapers. Specific legislation has been necessary. I hope the bill gives some of those mums, particularly new mums, more confidence because it is unacceptable to discriminate. If anybody does not wish to see a mother feed her baby, it is easy for that person to look the other way.

The bill makes clear that discriminating against breastfeeding mothers is unlawful and unacceptable. I commend the bill not just for its practical use but also for its teaching roles. It will encourage mothers and other members of the community. I commend the bill to the house.

Ms ALLAN (Bendigo East) — Unlike some of my female colleagues, I have not had the privilege of breastfeeding children because I have not had any children. I have not had the privilege of participating in the act of parenthood. I welcome the bill because some day down the track I may wish to become a mother and to breastfeed my child in public with the full backing of the law and without feeling the pressure, as the honourable member for Gippsland West described, that some young mums feel when breastfeeding their children in public, particularly if remarks are made to them and complaints made against them.

That experience or criticism would leave a bad taste in the mouths of the young women trying to breastfeed their children. It would also cast a shadow over our community, which is why I congratulate the Minister for Community Services for her work not only in recent years but also over a number of years, as has been well documented in the press — particularly after an incident at Crown Casino in 1998.

I admire the way my sister-in-law has comfortably breastfed her two young children in public. That was not the case for women of my mother's generation. Earlier the honourable member for Ballarat West spoke about using shawls and hiding her children when she tried to breastfeed them in public. The bill illustrates society's shift to a more progressive view of the biology of women and a more tolerant view of their role in the lives of families.

I support the honourable member for Werribee, who says the bill is unfortunately far too late in the progress of our society because it is a biological fact that a woman's breasts are designed for feeding new-born babies, not for any other biological purpose. Therefore, any act that has a woman exposing her breasts to feed her child is within that context. I am intrigued that some people find it offensive to see a woman breastfeeding her baby.

It is pleasing to see that the bill amends section 6 of the Equal Opportunity Act to include breastfeeding as a ground on which it is unlawful to discriminate against women. I am pleased as a woman and a member of Parliament to support the outlawing of discrimination based on a woman breastfeeding her child. I again congratulate the minister on pursuing the legislation over a number of years.

The ACTING SPEAKER (Mr Savage) — Order! The list has caused me to make an error. The honourable member for Tullamarine now has the call, but the honourable member for Dromana will get the call next. My apologies!

Ms BEATTIE (Tullamarine) — I am pleased to join the debate, even at this late hour, and I extend my congratulations to the Minister for Community Services on her determination to defend nursing mothers and their babies.

The bill amends the Equal Opportunity Act of 1995 by making discrimination against breastfeeding mothers unlawful. Breastfeeding is one of the most natural acts I can imagine, and laws that protect mothers and enshrine the right to breastfeed in any place at any time are fundamental in our society.

When celebrations occur in our society one of the first things we do is invite friends and family around to our homes to share our food and have a drink. However, at certain times in certain places — even in restaurants, whose sole purpose is to serve food and drinks — nursing mothers have been banned and asked to leave because they have been giving their babies nourishment. I find that very odd indeed!

Both the United Nations International Children's Emergency Fund and the World Health Organisation encourage breastfeeding. The Australian Medical Association also recognises that breastfeeding is beneficial to the health of both mother and baby. Breastfeeding gives maternal protection from osteoporosis, urinary tract infections and breast and other cancers. The Nursing Mothers Association has an active branch in Sunbury in my electorate, and I will be attending one of its meetings in the near future to report on the passage of the bill.

Not only should we not discriminate against breastfeeding mothers, we should also be actively encouraging breastfeeding by supporting nursing mothers and promoting an awareness of their needs. For many and varied reasons many women in our society choose to return to the work force soon after the birth of their children.

Women should not have to feel socially ostracised from community life because they are nurturing their children. They should not have to go to dingy rooms in shopping centres — usually near the toilets, I might add — or leave restaurants to go to their cars to feed their babies.

Breastfeeding is a perfectly natural act, and the bill will protect nursing mothers. That is in sharp contrast to the view of the disgraced former Premier. I quote from the *Herald Sun* of 7 April 1998, which reports the former Premier as saying:

> Some people do find it offensive to have babies being breastfed in very obvious public places.

Who knows, perhaps at some time in the future we may even have a nursing mother in the house.

Ms Allan interjected.

Ms BEATTIE — The honourable member for Bendigo East has put forward her nomination.

The Parliament has seen many rallies and demonstrations in the streets and on its steps. Perhaps the least frightening but most poignant rally involved mothers breastfeeding on the front steps. I know of

other such rallies: I understand they are called breastfests.

The amendment will bring Victoria into line with Tasmania, Queensland and the Northern Territory by specifically prohibiting discrimination on the ground of breastfeeding. It is the fulfilment of an election promise by the Bracks Labor government that it would introduce legislation banning discrimination against breastfeeding mothers.

I cannot help but wonder what type of person would be offended by the sight of a mother breastfeeding her baby — the former Premier is one, obviously.

Those people should just shut their eyes and go away or, as with the former Premier, be sent away, and have a good think about their sensitivities. The measure is a triumph for the minister and for good commonsense. I wish the bill a speedy passage.

Mr DIXON (Dromana) — I too support the bill. I support the right of women to breastfeed their babies and the right of babies to be breastfed, because it is the most natural thing for them both. I have not had much experience in breastfeeding. My son, who is now 12, was breastfed for some months and I think he enjoyed every moment of it. My 16-year-old daughter was not breastfed, and one of the upsides of that was that I fed her and gave her her bottle, often at this time of the morning, to give my wife a break. Feeding my daughter was certainly a bonding experience that gave me some sense of what it might be like for a mother to feed her baby. My daughter was a slow feeder. She was small and would fall asleep. I had to tickle her to wake her so she could complete the task and I could have some sleep. I was even known to enlarge the teat in the bottle so she would drink a little quicker. From that small experience I understand how important it is for a mother to breastfeed.

The importance of breastfeeding was also very much brought home to my wife and me in a much sadder way. Our infant daughter died and it was very distressing when my wife had to take medication to dry up her milk. For a number of days that was a constant reminder of motherhood unfulfilled.

We must remember that all people have rights; mothers have rights and babies have rights. People also have rights if they feel uncomfortable about breastfeeding in public. It is unlawful to discriminate against another person on specific grounds, and that is what the previous legislation was about. We should also recognise the fact that for many reasons some people feel uncomfortable about breastfeeding in public.

As a member of the Scrutiny of Acts and Regulations Committee I too had some reservations about the retrospectivity of the legislation. It was interesting to note that the legal advice the committee received was that the retrospectivity could not be exploited because the previous legislation, especially on the grounds of discrimination against parental status, was strong enough to stop any retrospective action. That is probably a true indication that the bill is important, but it really is not needed. It is more symbolic than anything.

The honourable member for Bentleigh said education and not legislation is the way to go, and that is important. Probably some business proprietors and employers need educating, but it is important that education on the benefits of breastfeeding and its naturalness should start with our younger people as well. As they grow up young women should feel it is the right thing to do. They should be comfortable with that notion. The young men in our schools should also understand that it is natural.

I support the legislation, although I feel there is no real need for it as the previous legislation was more than adequate.

Ms CAMPBELL (Minister for Community Services) — I thank honourable members who have contributed to the debate. It is heartening to learn that the opposition has now been enlightened and is prepared to support the amendment to the Equal Opportunity Act. An amendment that is supported by both sides of the house is certainly one that nursing mothers in this state will be delighted to see.

In talking about the importance of breastfeeding, how it is the ideal form of nutrition and the importance of improving our breastfeeding rates, the honourable member for Mooroolbark was quite clear that it is also important for women to enjoy a range of life opportunities and be given the opportunity to breastfeed their babies when and where they require feeding.

The honourable member for Mooroolbark as well as other opposition members raised the issue of retrospectivity in the operation of the bill, and I am pleased to outline the government's view on that. The bill allows a breastfeeding mother who has been subject to discrimination prior to the bill coming into operation but who has not yet lodged a complaint to lodge a complaint of breastfeeding discrimination. The decision to allow that was based on the fact that discrimination against breastfeeding mothers is already illegal. Therefore, the bill does not in effect retrospectively grant rights or impose obligations that do not already

exist. If a breastfeeding mother has lodged a complaint of parental status discrimination prior to the bill coming into effect, that complaint will continue to be dealt with as one of parental status discrimination.

The Minister for Housing eloquently described how important it is for the government to state unequivocally that it will not accept discrimination against nursing mothers and that it should state categorically that it is illegal under the Equal Opportunity Act. The honourable member commented that in a civilised society we should respect the contribution of nursing mothers to feed their children when and where required.

The honourable member for Bayswater gave us a fascinating insight into the functional means by which society continues. He also outlined the great importance of intellect on the separation between the maternal and the erotic.

The honourable member for Ballarat West talked about the importance of breastfeeding and how it is nature's formula. That is what the bill supports, and the government is delighted that the honourable member for Ballarat West is continuing to support and encourage breastfeeding.

The honourable member for Evelyn supported the bill. She stated that women who cannot breastfeed should not feel alienated by the bill in any way. I point out to the honourable member for Evelyn that the bill facilitates breastfeeding — it does not make it mandatory.

The honourable member for Werribee outlined the need for this legislation and, to ensure there is no confusion, she referred to the disgraced former Premier's comments in relation to what is offensive behaviour for some people in breastfeeding. She highlighted the work of the Scrutiny of Acts and Regulations Committee.

I believe the question raised in that committee has already been clearly outlined to the honourable member for Mooroolbark.

The honourable member for Bentleigh said that there are still situations where breastfeeding may not be appropriate. If she were in the house I would point out to the honourable member for Bentleigh that that is what the bill is all about. It is intended to provide as many examples as the government can think of to ensure women are supported in breastfeeding.

The honourable member for Gippsland West was very supportive of the legislation when it was first introduced in the house, and I am pleased to have her support.

The honourable member for Bendigo East, who is a very enlightened member, said that she looked forward to younger members of the house breastfeeding in Parliament House and elsewhere. I congratulate her for expressing that attitude. The honourable member for Tullamarine outlined many examples of women being forced to leave restaurants to feed their babies in totally inappropriate places. She also referred to the disgraced former Premier's comments about what is offensive behaviour, and I thank her for bringing that issue to the attention of the house.

I am pleased to note that the honourable member for Dromana supports the bill. He made a poignant point about breastfeeding mothers who lose a child suffering a degree of distress that many of us can only imagine.

I wish the bill a speedy passage.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

VOCATIONAL EDUCATION AND TRAINING (COUNCIL MEMBERSHIP) BILL

Second reading

Debate resumed from 4 April; motion of Ms KOSKY (Minister for Post Compulsory Education, Training and Employment).

Mr BAILLIEU (Hawthorn) — The opposition does not oppose the bill, which achieves nothing. In fact, the Minister for Post Compulsory Education, Training and Employment has the power to carry out the provisions in the bill if she so chooses. Our opposing the bill or amending it would not prevent her from doing whatever she wishes regarding the matters dealt with by the legislation. However, that will not stop the opposition from exploring what it regards as the folly of the bill.

This is the first bill of the Minister for Post Compulsory Education, Training and Employment. It portrays her sense of priority and the government's sense of priority in this field. It is one of the shortest second-reading speeches delivered for some time. No doubt it was a taxing speech for the minister to prepare. As stated in

the speech, the bill will remove three members of Parliament from membership of TAFE institute councils.

It would be churlish of me to point out that the second-reading speech is wrong and that the minister has again been misleading and has provided misleading information.

As I said, the bill betrays a great deal about the Australian Labor Party and the government. It is vindictive. It attacks the credibility and contribution of members of Parliament on TAFE councils. It is a political bill that introduces party politics. It is personal. It is dedicated to just a handful of members of Parliament. It is an intrusive Big Brother bill that removes the discretion of TAFE college councils. It is paternalistic. It says, 'Remove that discretion — the minister knows best'. It is inconsistent. It has no impact on other bodies, such as the International Fibre Centre and TAFE advisory councils. It is clumsy.

The bill supplies a power the minister already has. It is discriminatory. It discriminates against members of Parliament by occupation, which is something that not even the department could attest to being available in any other piece of legislation. It is a paranoid bill. The bill indicates that the government is concerned to avoid scrutiny of TAFE college councils in order to keep secret its relationship with those councils. It is intimidatory. It is purely political.

As I said earlier, the second-reading speech is wrong. Again the Minister for Post Compulsory Education, Training and Employment has provided misleading information to the house by stating that currently three members of Parliament are members of TAFE institute councils, because four members of Parliament are members of such councils.

Clause 1 is the purposes clause. It states that the purpose of the bill is to amend the Vocational Education and Training Act:

(a) to provide that members of Parliament are ineligible to hold office as members of TAFE college councils; and

(b) to remove those members of Parliament who are members of TAFE college councils from the councils.

The Minister for Post Compulsory Education, Training and Employment suggested in her second-reading speech that the risk of councils becoming forums for party politics is simply not acceptable and expressed concern that discussions on TAFE college councils may become the subject of party political debate, which would be inappropriate.

The real purpose of the bill remains a mystery to us all. No need has been established or demonstrated for it. Under the Vocational Education and Training Act TAFE college councillors are currently required to act in all cases in a fair and reasonable manner, to exercise reasonable care and diligence, to not make improper use of any information acquired as a member of a council and to disclose to the council any conflict of interest or duties they might have.

There is no evidence of any need for the bill. The minister's concern is prospective. What is the minister up to? Why is the prospective risk not acceptable? Why will there always be a risk in the future when there is no evidence of any problems in the past? Clearly the minister believes something sinister is waiting in the wing and in the process is causing party politics to be introduced into TAFE college councils.

The bill satisfies its alleged purpose by making state members of Parliament ineligible to hold office as members of TAFE college councils and targets four current members of Parliament by way of a spill, but the term of appointment of those members of Parliament will soon expire.

Ms Kosky — When?

Mr BAILLIEU — The term of office of the Honourable Cameron Boardman, a member for Chelsea Province in the other place, will expire in August 2002; the term of office of the Honourable Peter Hall, a member for Gippsland Province in the other place, expires in the next 12 months; the term of office of the honourable member for Kew, who is a member of the Box Hill TAFE college council, expires in March next year; and the term of office of the honourable member for Bellarine, a member of the Gordon Institute TAFE college council, expires in January 2002.

Mr Hulls — Are you opposing the bill?

Mr BAILLIEU — No, I said before that the opposition does not oppose the bill, but I am pointing out the folly of the bill. In the next four years TAFE college councillors will serve nearly 10 000 councillor months, but barely 90 of those will be served by members of Parliament. The government is paranoid in the extreme in pushing the amendment to the principal act, which has no specific reference to the appointment of members of Parliament to TAFE councils. There is no inclusion provision in the act. The minister and TAFE councils have the option or discretion to choose members of the council.

In fact, the principal act anticipates that discretion. Section 29A exempts members of Parliament from the

office-of-profit burden, as set out in the Constitution Act. Clearly, the principal act anticipates members of Parliament serving on TAFE councils. Without that exemption members of Parliament would have to choose between staying on a TAFE council and remaining members of Parliament. The provision also applies to prospective members of Parliament.

The principal act allows for the appointment of between 9 and 15 council members. The appointment of suitably qualified people is shared by the minister and the college council. Councillors are required to act properly. In addition, the minister has a reserve power which requires TAFE colleges to follow the directions of the minister, and the minister has the power to enforce the provision. The bill assumes there has been party-political interference in the past.

The measure reflects poorly on those members of Parliament who have served on TAFE college councils. The honourable member for Essendon served on the Kangan TAFE college council; a former member for Box Hill, Margaret Ray, was a member of the Box Hill TAFE college council, and I believe the minister served as a councillor on a university council.

The bill does not remove party politics from TAFE college councils. There is no matching exclusion of former members of Parliament, prospective members of Parliament or federal members of Parliament, as confirmed by a departmental briefing.

In singling out state members of Parliament and raising the issue of party politics, the bill and the second-reading speech will cause TAFE college councils to consider the politics of whomever they appoint for fear of the minister taking exception.

Mr Holding — That is in the bill, is it?

Mr BAILLIEU — No, but that is how it will operate. A continuing party political influence already exists in tertiary education circles. Peter McMullen and Jean McLean are on the council of the Victorian University of Technology, and Paul Keating is a consultant to the Northern Melbourne Institute of TAFE. Other former members of Parliament also serve on several TAFE advisory councils. Current members of Parliament sit on university and TAFE councils, and the honourable member for Geelong North is the chairman of the International Fibre Centre.

The exclusion of members of Parliament will impact most seriously in rural and regional areas such as Geelong, Gippsland, Frankston and the Mornington Peninsula. The history of TAFE college councils suggests that the members of Parliament who serve on them enjoy a particular relationship with local employers and the general community. Members of Parliament can assist TAFE colleges in the process of serving on the councils. Much of the focus of the members who have served on the councils has been on rural and regional areas.

The bill establishes a principle of discrimination by occupation. It is a short bill, a walk through which is both interesting and exciting. Clause 1 provides that members of Parliament are ineligible to hold office as members of TAFE college councils. The department confirms that that neither applies to federal members of Parliament nor affects TAFE advisory councils.

Clause 2 is a royal assent clause. Clause 3(3) provides for the ineligibility of members of Parliament, and clause 3(4) is the spill clause. Clause 4 is a consequential amendment that repeals section 29A of the Vocational Education and Training Act by exempting members of Parliament from the office-of-profit burden imposed under the Constitution Act. Had the bill not been so clumsy all that would have been required would have been the removal of clause 4. Members of Parliament would have had to suffer the office-of-profit burden, but it would have made for a simpler bill.

The repeal of the section effectively extends the application of the bill to parliamentary candidates. The major parties already operate on the basis that without an exemption from the office-of-profit burden candidates are required to resign their positions before they nominate for Parliament.

Clause 5 makes statute law revisions, which are catch-up provisions resulting from the 1997 amendments that go to definitional matters involving the words ‘trainees’ and ‘apprentices’. They involve catch-up drafting errors from earlier bills, including a couple of typographical errors.

The 1997 University Acts (Further Amendment) Bill, which was introduced and passed by the previous government, deleted an inclusion clause in university acts. Prior to 1997 those acts required that designated members of Parliament serve on university councils. In fact, members of Parliament were mandated to be on university councils. It was an inclusion clause.

In 1997 the then minister introduced an amendment to remove the inclusion clause which left university councils with the discretion to appoint members of Parliament. As it currently stands the legislation contemplates that members of Parliament can stay on

university councils or be appointed if they present with special expertise or special perspectives.

The bill for TAFE college councils had an emphatic exclusion clause, separate from the inclusion clause removal in the University Acts (Further Amendment) Bill. It is interesting to reflect on what occurred in the 1997 debate on the University Acts(Further Amendment) Bill. The honourable member for Morwell, now the Minister for Agriculture, is reported at page 597 of *Hansard* of 15 October 1997 as having said of the general principle of prospective members of Parliament not serving on university councils that:

> Nevertheless, those positions provided an opportunity for members of Parliament who were appointed to university councils to become involved, if they so desired, in what was going on in our universities.

The then honourable member for Melbourne is reported at page 603 of *Hansard* as having said in the same debate:

> Having the local member of Parliament on the council links the university to the outside community.

He went on to say:

> I believe it is of enormous value to the university to have a member of Parliament on the council.

He expressed the fact that he believed it was of great benefit to him and that he enjoyed the experience.

The honourable member for Werribee is reported at page 607 of *Hansard* as having said:

> I was proud to be appointed to the board at Ballarat university …
>
> I regard it as an added advantage to take that representation to another level — that is, to represent them on a university council board.

She went on to say that so far as members of Parliament serving on tertiary education boards, in particular university councils:

> We add value and act as a bridge between the generation that will come after us and a generation that has gone before.

The bill is inconsistent in that there is sufficient evidence that government members who are in the house today and who previously served supported the concept of members of Parliament serving on university and TAFE college councils. The department suggests the majority of TAFE councils do not have a problem with the bill. That is no surprise because most do not have members of Parliament on their councils. Most have remained silent on the matter and have chosen to do so because they would feel intimidated to express a view otherwise. There was widespread rolling of the eyes on TAFE college councils at the news of this bill because they interpreted it the way the opposition parties interpreted it — that there was no need for it and, in effect, it would be introducing party politics.

It is interesting that in her second-reading speech the minister referred to party politics but in the process has exempted the Independents from serving on such councils. The Independents are out also because clearly they are not involved in party politics. We can all see that on a daily basis in this chamber!

It would be remiss of me not to refer to the experience of TAFE college councils in other states. It would come as no surprise to honourable members on both sides of the house to learn that in South Australia, Western Australia and Queensland there is no exclusion clause for members of Parliament. Although there is also no exclusion clause in New South Wales — there is nothing to prevent members in that state from serving — I understand there are no serving members of Parliament on New South Wales TAFE college councils.

It was interesting for me to contemplate this bill as the member for Hawthorn, because one of my predecessors — he was an apprentice and an engineer, served as the member for Hawthorn from 1902 to 1913 and had a brief stint in the upper house as a member for East Yarra Province in 1928 — was a member of the Melbourne University council and a founder and president of what was then known as the Eastern Suburbs Tech. He was George Swinburne. Without him there would be no Swinburne University of Technology and no Swinburne TAFE division. I am proud to be the member for Hawthorn and to have a relationship with Swinburne. It is a great institution that animates and enriches the lives of the residents of Hawthorn and all who attend it.

Had this bill been in place in Swinburne's time there would now be no Swinburne campus because George Swinburne would have been deprived of the right as a member of Parliament to serve on a technical college council, as today's TAFE councils were then known. It shows the folly of the assumption that members of Parliament are inadequate or inappropriate or will behave improperly on TAFE college councils.

There are other implications in the bill. There is the suggestion that councils of adult and further education will be next in line — that is, the minister will wish to apply this to universities as well. Again the issue of the

exemption from the office-of-profit burden raises its head.

The only gain from this bill that the opposition can discern is that it relieves some pressure on the minister, who might otherwise have to reject her factional colleagues from membership or otherwise reject the wishes of a TAFE council that wanted a member of Parliament to serve on its board because it thought the member could serve a purpose and might be good for the institution.

In summary, the opposition believes the bill will make no positive difference whatever to TAFE outcomes. If anything, it will only raise another obstacle — the obstacle of party politics — because TAFE councils will have to make judgements about whom they choose to recommend for appointment and whether they may or may not be involved in any party political process.

It is disappointing that the bill is the minister's highest priority in the legislative program of her portfolio, but so be it. Defeat of the bill would not change the ministerial mindset, nor would it change the reserve power and the capacity of the minister to do just what the bill intends.

The opposition does not want to see TAFE college councils whose members include serving members of Parliament being embarrassed by expressing a wish to keep those members of Parliament, in the process setting themselves up for a conflict with the minister. Accordingly the opposition will not oppose the bill. However, I remind the house that the opposition sees no need for it and no benefit in it, and believes it is folly because it will introduce the very thing the minister seeks to exclude.

Ms BEATTIE (Tullamarine) — It gives me great pleasure to join the debate on the Vocational Education and Training (Council Membership) Bill. What an exciting bill it is! I could go on for hours about it, but our whip has instructed me not to because of the scores of other speakers who want to make a contribution.

The bill is not huge in size, but its intention is clear and specific. Its purpose is to provide that members of Parliament are ineligible to hold office as members of TAFE college councils and to remove those members of Parliament who are members of TAFE college councils from the councils.

The role and the very being of TAFE institute councils is the provision of training and further education. The bill in its current form has with it the risk that these councils could become a forum for party politics, and in the environment in which those organisations operate they must be focused on the provision of first-class training and further education and not be sidetracked by party politics.

Providing first-class training is an awesome responsibility and should be uppermost on the agenda of those institute councils. It is absolutely imperative that these boards hold frank and open debate without those discussions being hijacked by any party-political football. These amendments not only seek to eliminate the risk of party politics invading the councils but also seek to remove members of Parliament who are currently members of TAFE institute councils. I believe four members of Parliament are now in that position.

I will relate to the house a story about how sad it is when party politics overrides the good work of a board. I will briefly provide as an example of what can happen the experience of the good people of Sunbury in the supply of their water by Western Water. It is an example of how party politics can override what is good for the community.

Western Water was pressured by the disgraced Kennett government to hold back on the announcement of a water pipeline to Sunbury until the lead-up to the last state election. When the previous member for Tullamarine announced that Sunbury would be drought proof, Western Water was too intimidated by the previous government to disagree, even though it knew it was untrue. How do I know all this? I read it in the local paper when Western Water had the courage recently to admit that the disgraced Kennett government had placed political pressure on their organisation. So that is how it can happen and that is why the bill is before the house.

One can see the risks involved in having members of Parliament on these councils. Victoria has 14 TAFE institutes and they are governed by councils established by order of the Governor in Council. The institute director is automatically a member. Other council members are appointed by the minister, elected by staff and students of the institute or coopted by the council itself. There is no specific membership category for members of Parliament.

I congratulate the minister, who is clearly focused on ensuring that under her leadership Victoria's TAFE institutes and its councils provide training that is second to none in Australia. Those councils can go about their business without being handcuffed by party politics in their extremely important work. I wish the bill a speedy passage.

Mr SPRY (Bellarine) — As one who is directly affected by the Vocational Education and Training (Council Membership) Bill I personally regret that when it is finally passed I will not be able to continue to serve an organisation for which I have the highest regard and with which I have had a binding association over many years. I was a student of the Gordon Institute of Technical and Further Education in the 1980s and lately I have been a council member. My wife taught at the college and one of my daughters attended it as a student. The Spry family has had a long and proud association with the Gordon Institute of TAFE which culminated with my being appointed to the council in 1993.

I am not surprised that the Labor Party has introduced the bill and I made that comment to the minister privately a couple of weeks ago. I am not surprised because of Labor's demonstrated paranoia with matters that involve secrecy. Labor has demonstrated time and again that it cannot trust people and that reveals an entrenched culture of mistrust within the Labor Party. The bill has been introduced by a government that professes an adherence to openness, transparency and accountability. In this case, the only reason I can find to understand Labor's point of view is that it is afraid that opposition members might get too close to the truth if they are allowed to continue to hold such positions.

The bill assumes party political influence. From my point of view that demonstrates a complete misunderstanding of how council members conduct themselves. I do not care from which side of the political spectrum one comes, anybody who has the interests of a TAFE college at heart and is appointed to a position in a TAFE would act in its best interests, regardless of his or her political persuasion. That has been my experience from serving on the board of the Gordon Institute of TAFE. I have served with another council member who was a Labor Party candidate. Admittedly he was a failed Labor candidate for the seat of South Barwon some years ago. Eric Young has served the Gordon Institute of TAFE well and he and I get on particularly well. That is a demonstration of the fact that party politics has very little to do with the governance of TAFE colleges. I am sure all those appointed to serve on these boards would feel the same way.

The past record of members of Parliament on TAFE councils is impressive and was documented in the comments of the member for Hawthorn, the shadow minister for this portfolio. Those people are only there to serve the best interests of the organisation. The inference of any other motive being conveyed in this bill is well and truly misplaced.

People who care to look at records might say that the attendance by members of Parliament at some TAFE meetings is a little less than it could be — a little less than perfect. I have to confess that I miss many TAFE meetings: because they are invariably on a Thursday evening at about 4.30 or 5.30, when Parliament is sitting it is impossible to get back in time.

I can hardly expect Parliament to readjust its schedule. Similarly it would be unfair of me to expect the Gordon Institute of TAFE to readjust its schedule, so I missed the odd meeting or two. I put that point of view to my colleagues on the Gordon council and asked them if they were bothered by the fact that occasionally I cannot get to the meetings. Their universal response every time has been, 'No, we value your input, we value the connections you can make for us, we value the fact that sometimes you are able to cut through red tape, and you understand the process and therefore definitely have a contribution to make'.

The bill clearly discriminates against a particular group of people. It would be interesting to see the results of a challenge under the Equal Opportunity Act provisions if in future a member of Parliament applied for a position on a TAFE board and was rejected on the grounds that he or she was a member of Parliament. I hope one day that is tested.

It is hard to fathom exactly what the motives of the minister and the Bracks government are in introducing this piece of legislation, unless it is their demonstrated paranoia. I have the advantage of having the Labor Party's speaking notes in front of me. Approximately the 10th dot point confirms the government's attitude to the issue. It states, in part:

> Councils must focus on the priorities of the institute and not be distracted by party political issues.

That demonstrates the level of paranoia the Labor Party has on the issue.

I do not want to dwell too long on that subject; I want to go on to more positive issues. I take this opportunity in departing office to commend the governance, staff and student body of the Gordon Institute of TAFE. In the few minutes I have available to me I would also like to highlight some of the achievements the institute has made over the past seven years.

I was appointed to the council of the Gordon Institute of TAFE in 1993. At that time the institute had significant problems. Its budget was well out of kilter, the chief executive officer (CEO) was under a cloud and there was staff uncertainty — it is fair to say that the staff were unsettled to a significant degree. Great credit is

therefore due particularly to the council's chairman at the time — she is still the chairman — Mrs Pat Ford, her senior vice president, Richard Metcalf, and the current and former councillors and staff of the institute.

Mr Honeywood — And the former minister.

Mr SPRY — The former minister interjects. How could I possibly forget his contribution? It has been significant. The people of the Geelong region recognise his contribution. I am glad the honourable member reminded me of that aspect. John Maddock was recruited from the Box Hill Institute of TAFE while the college was going through the period of uncertainty. He did a fantastic job of restoring the Gordon institute's credibility. The fact that he has been headhunted back to Box Hill as its director indicates the calibre of the man who until recently served as the director and CEO of the Gordon Institute of TAFE. John was recently replaced at the Gordon institute by acting CEO, Grant Sutherland, who in the lead-up to the appointment of the next director has also done a fantastic job.

The annual report of the Gordon Institute of TAFE reveals the vision of the institute. I will quote a couple of items from that document. Copies are readily available as the report was tabled today. I am pleased to see in the report a photograph of the former Minister for Tertiary Education and Training, the honourable member for Warrandyte. The Minister for Post Compulsory Education, Training and Employment seems to have dipped out badly. No doubt she will feature in years to come if she still occupies that post. The annual report states:

> With more than 16 500 students and 540 staff, the institute offers more than 175 nationally recognised courses at advanced diploma, diploma, associate diploma, advanced certificate, certificate and apprenticeship/traineeship levels.
>
> Gordon institute exists to provide quality vocational education and training to support the competitiveness of enterprises and to enhance the social, educational and economic opportunities of our customers, in particular our students. We believe all individuals are entitled to learn in a positive and supportive learning environment.

The shadow minister mentioned earlier that regional technical and further education (TAFE) colleges were among the most important TAFE colleges in the TAFE structure throughout Victoria. The Gordon Institute of TAFE is no exception. It serves the broader Geelong region exceptionally well, providing students with opportunities and industry and commerce with skills and training from a highly regarded training organisation.

One of the institute's greatest achievements since I have been serving on the council of the institute has been its ability to embrace a culture of survival in implementing competitive neutrality pricing principles. Again I quote from the annual report, which states:

> The institute has implemented a strategy that ensures that each appropriate segment of operations which is not recurrently funded is required to recover full overheads including an allowance for net competitive advantages where they exist. Internal support services of a non-administrative nature that could potentially be outsourced are also subject to recoupment of overheads consistent with the competition guidelines.

Since 1993 the Gordon Institute of TAFE has been involved in a comprehensive training program. I will mention some of its achievements over the years in the area of government programs. There has been a significant expansion in new apprentice training. Increased relationships with industry have seen training being delivered in many workplaces and on-the-job assessment becoming a key feature of the teaching role. Nursing programs have gained accreditation from the Nurses Board of Victoria.

Ms Kosky — On a point of order, Mr Acting Speaker, while the debate is of great interest to me, I am having difficulty in understanding its relevance to the bill before the house. The bill is clear, short and tight. I ask that you call the honourable member back to debating the bill before the house.

Mr SPRY — On the point of order, Mr Acting Speaker, the bill is about making members of Parliament ineligible to sit on TAFE college councils. I am attempting to demonstrate some of the achievements that have been made in one organisation with which I am intimately familiar, the Gordon Institute of TAFE. That is entirely relevant to the debate.

The ACTING SPEAKER (Mr Lupton) — Order! There is no point of order. I thank the minister for waking us up at 1.50 in the morning.

Mr SPRY — Thank you, Mr Acting Speaker. The international connections established by the Gordon Institute of TAFE are also impressive. The competitive achievements of individual TAFE students are too numerous to mention in this debate. That the Gordon Institute of TAFE has embraced the information technology sector with considerable enthusiasm needs to be highlighted as well.

The Gordon Institute of TAFE has been involved in the development of an information technology strategic plan and the upgrade of its computing network infrastructure. It has attracted substantial post-compulsory education, training and employment

funding, which has been used to ensure that staff have access to networked computers and infrastructure upgrades. There has been an institute connection to VicOne, and so on. The Gordon institute also has an impressive record in human resources.

Capital works has been one of the features of institute spending in recent years. The Gordon Manufacturing Industry Training Centre (GMITC) development has been completed. Stage 1 consisted of a $24 million injection and stage 2 a further $2.6 million injection. A Fenwick Street campus has been completed at a cost of $9.95 million. The upgrade of the historic 1887 Building A facade at just more than $200 000 has been completed and capital works have been expended on the wool and horticulture facility at Waurn Ponds. A $4.2 million program is in progress at the Davidson kitchen and restaurant, and a $5.2 million program is about to commence at the building and construction centre.

There has been considerable publicity about and the current minister has claimed credit for the establishment and expansion of the Vocational Education and Training program in schools. The Gordon institute was one of the pioneers of that program, and a joint venture between the Gordon institute and James Harrison Secondary College culminated in the centre being awarded the Geelong Business Excellence Award for 1999, which is a considerable achievement.

The Gordon Institute of TAFE has been responsible for building a strategic alliance with Deakin University, providing dual benefits for the staff and the community. It has been a key participant in the launch of the Smart Geelong Network, providing the opportunity for regional educational and research organisations. The institute was selected by the international information technology communications company, Cisco, to train trainers and to administer the local delivery of its curriculum. The institute also has delivery of an internship program for graduates of the Taiwan International Trade Institute for the third year in a row. Several other business development initiatives are occurring across the board.

In conclusion, as the shadow minister said, the opposition will not oppose the bill. However, it must be pointed out that the bill demonstrates to Victorians the culture of mistrust shared by the minister and the government and exposes the Bracks government's failure to pay no more than lip service to openness, transparency and accountability.

Mr STENSHOLT (Burwood) — I support the Vocational Education and Training (Council Membership) Bill. Having recently come from the post-secondary sector it gives me great pleasure to do so. Victoria has 14 technical and further education (TAFE) institutes, 7 in metropolitan Melbourne and 7 in regional Victoria.

The importance of TAFE institutes to regional Victoria cannot be overemphasised. They are also very important in metropolitan Melbourne. Two of them, the Box Hill Institute of TAFE and the Holmesglen Institute of TAFE, border my electorate.

TAFE institutes are very much state institutes. They are self-governing bodies under the Vocational Education and Training Act and are governed by councils also established under the act with a number of members, at least half of whom are appointed by the minister. Council members are comprised of directors of institutes, staff, students and people coopted by the council on the basis of skills and expertise.

When making decisions about appointments the minister takes a council's recommendations into account. TAFE councils are part of the good governance of their institutions. They employ their directors and seek to ensure the financial viability of their colleges.

TAFE institutes play an important role in the development of a skilled work force for Victoria. They bolster the state's economic competitiveness and are part of the government's policy of growing Victoria, as we heard the Premier and Treasurer say in his budget speech earlier today — or yesterday, as it is now. In an increasingly competitive and globalised world the need for higher skill levels and increased training takes on greater importance. Last year TAFE institutes had well over 280 000 enrolments and delivered more than 46 median student contact hours.

As I have said before, good corporate governance is essential not only in the general community but also in TAFE institutes, which are an important part of the provision of post-secondary education. Good governance makes the institutes function effectively. Councils must concentrate their efforts to that end and not be distracted by party political issues. That is the point of the legislation.

I understand that three council members have been appointed while serving as members of Parliament and that another, the honourable member for Kew, joined a council by ministerial appointment prior to becoming a member of Parliament last September. That makes four

members of Parliament on TAFE councils. Members of those councils must have a clear understanding of the legal framework under which they are employed and under which their councils operate. They must take good care of their council's functions and observe their accountability provisions. They must also be clear about their role as part of a state institution.

The honourable member for Hawthorn shows his ignorance by failing to understand that TAFEs are not universities. I hope he can get the hang of his portfolio as shadow minister and realise there is a difference between TAFEs and universities. I wish him luck in his endeavours. He has had six months to work it out, but so far has not done so. The role of a TAFE council is well and truly defined in the legislation.

The Bracks government is committed to restoring quality and viability to the Victorian public TAFE system. The previous government focused on cost cutting to the point where several institutes came close to insolvency. Students, industry and the community were not getting what they needed, due in large part to the involvement of political appointees. So much for the work of the former minister, who was lauded by the previous speaker, the honourable member for Bellarine.

Where is the previous minister now? Where is the accountability? The legislation will provide for increased accountability, much improved management, greater responsibility, the appointment of people with expertise and the removal of any party political ramifications. As a result, expertise will reside in the councils of Victoria's TAFEs!

The institutes will also be bolstered by the record funding boost provided to them in the budget.

I commend the current minister. She has achieved a magnificent result and has doubled the promise made when the Labor Party went to the people last September. It is an extraordinary boost for TAFE colleges, and what has been provided in the budget is positive. The bill is also positive in terms of governance. The Minister for Post Compulsory Education, Training and Employment is one of our best ministers, and she is achieving in spades for TAFE colleges. Again, I commend the minister, and I commend the bill to the house.

Mr McINTOSH (Kew) — I have a theory.

An honourable member interjected.

Mr McINTOSH — I don't have a dream, I have a theory. In her second-reading speech the minister indicates that currently three members of Parliament are members of TAFE institute councils. That is wrong — there are four current members of Parliament serving on TAFE institute councils. I have a theory. Perhaps she forgot about me because I was appointed to the Box Hill Institute of TAFE not as a member of Parliament but as a member of a local community.

I have been involved in education in a variety of ways. My father is an engineer and my sister, a chemist. I decided to follow my mother's profession and become a lawyer. I have tutored at two university colleges, lectured at RMIT, taught at the Leo Cussen Institute and the Victorian bar readers course, travelled to Port Moresby, and taught at a training institute on three occasions. On one occasion I had the benefit of going to Vanuatu and teaching at the University of the South Pacific.

Box Hill TAFE institute was looking for people to serve on its council and advertised in the newspapers. I was not a member of Parliament. I was still practising at the bar and thought I could put something back into my own community by serving on the council.

There is no money involved in being a TAFE college councillor; they receive no pecuniary benefit at all. It was something that interested me and was a bit different from my experience. I applied, and I understand about 30 applications were received for the two positions. After a number of interviews, a management consultant and I were selected and appointed by the then Minister for Tertiary Education and Training, the Honourable Phil Honeywood. Although I had met Phil Honeywood on one occasion at another function, that had nothing to do with the Box Hill Institute of TAFE. I did not discuss the matter with him and was never prompted by him to make the application. I was genuinely motivated to serve my local community.

The catchment area of Box Hill TAFE takes in a wide variety of areas and adjoins the electorate of Kew. The people who make up the council are outstanding.

The honourable member for Burwood is looking forward to an improved management structure in councils, but I have been privileged to serve on the Box Hill TAFE college council with a number of people. I refer to the chief executive officer of the Box Hill Hospital, Professor Rasa, who is the council chairman; Peter Seamer, who until recently was the CEO of the City of Whitehorse and has recently been appointed by the current government to head the Federation Square project; the CEO of Hewlett–Packard; a management consultant, as I said, who until recently was a partner of KPMG; a senior executive from CUB; the head of the

Institute of Family Studies in Victoria; and a couple of other interesting members. The council also has as members a couple of other interesting people.

Another member of the council used to be a senior adviser to former ministers of the Cain–Kirner governments, Steve Crabb and Tom Roper. He is the head of a health service in north-west Melbourne.

Mr Nardella — Phil Moran.

Mr McINTOSH — You said it. Phil Moran is an outstanding contributor to the council.

My association with the Box Hill Institute of TAFE during the past 18 months to two years has included attending a monthly Thursday night meeting. As is the case with the honourable member for Bellarine, since my election to Parliament I have found it hard to get to all the meetings. That does not necessarily mean one's involvement stops at a monthly meeting.

I serve on the audit committee of the TAFE institute and I attend a range of functions. I spent all last Thursday serving on a committee that selected the institute's apprentice of the year. As a result of the bill I will probably be unable to attend the official dinner at which the name of the person to receive the award will be announced.

Last Thursday was an example of what I have gained from serving on the council. I honestly believe I have taken more from the council than I have been able to give to it. My attendance record at its functions has been rather good.

The interviews last Thursday involved our hearing from about 15 young people nominated by various departments, including floristry, hairdressing, carpentry, plumbing, the electrical and airconditioning industries, cabinet making and a variety of other trades. The oldest person nominated was aged 29, the youngest 20, with the average age between 20 and 22. Those apprentices are outstanding young Victorians. A couple made indelible impressions on me for a variety of reasons.

A young chap who had been a plumber and was moving to the electrical industry made one of the most extraordinary presentations I have ever seen. I thought, 'If I could do that, I would be happy'. One highly intelligent and articulate person particularly impressed me because he had been through the schooling system. His parents came from an academic background. His older brother is studying medicine at Melbourne University. He had been studying at a private school but found he did not fit in. Only by a fluke did he get the opportunity to undertake vocational education at Box Hill TAFE institute. He has now completed an apprenticeship in his particular speciality and is undertaking a degree course in advance of his particular trade.

The most extraordinary reminder provided to the committee by that kid was that TAFE is a real option for Victorians. In many respects the influence of TAFE throughout Victoria has been a boon and a benefit to the state and its kids. Not everybody has to go through a university, as I did, to gain real benefit.

Last year the Box Hill Institute of TAFE went through a major upheaval following the death of Andrew Jackson, who was then the chief executive officer. The honourable member for Bellarine has mentioned that the Box Hill institute has been able to poach back its previous CEO, and the system is again working effectively.

Mr Spry interjected.

Mr McINTOSH — He was an absolutely outstanding individual. I was a member of the council panel that selected the new CEO, and it was interesting that the names submitted came from a wide variety of sources. However, I received a contact about the selection process. It came from Phil Moran, who was advocating the appointment of a candidate fairly strongly. That was the only time I can recall being lobbied or approached about the selection process outside the meetings that took place — and they were long meetings. I do not take umbrage at that approach. It was the expression of a view, and it was the correct decision.

The death of Andrew Jackson was traumatic for all the members of the council. He was an outstanding educationalist who had had a long association with the TAFE system, the Box Hill institute and the Box Hill community. On his death the council had to go through the process of selecting his replacement, and when the state election intervened it had to take a much more active role in the management of the Box Hill Institute of TAFE, simply because of the long time it took from the announcement of the election to the time when the new minister was able to finally sign off on Dr Maddock's appointment.

I will deal with one other matter relating to the politics of the council. In every single decision I have seen reached at the Box Hill institute, the single most important question has been, 'What is in the best interests of the institute?'. Consensus is the name of the game with the council. I cannot think of one occasion

on which a decision has not been based on consensus, despite the fact that the people on the council come from different political backgrounds, including in one case a clearly distinct political background. It has been business as usual, because the sole criterion has been whatever is in the best interests of the institute.

One morning in November or December last year — I cannot remember the precise day — I read on the front page of the *Age* that the Minister for Education had announced that a number of TAFE institutes around Victoria were insolvent and that five were on the warned list. I was appalled to see that the Box Hill Institute of TAFE was on that list.

The very next night there was an ordinary meeting of the institute audit committee. Present at that meeting were the council appointees, the then acting CEO and the institute's auditors. The question I asked on that occasion was, 'What do you think of the minister's suggestion that we should be placed on a warned list and that we are close to insolvency?'. The response from all the bureaucracy representatives, including the auditors and the acting CEO, was that there was nothing wrong with the Box Hill Institute of TAFE.

The minister had taken a working capital ratio of 1.8 to mean that there was a problem. That is a healthy working capital ratio, and the TAFE has $7 million in cash reserves. To suggest that it was close to insolvency defied logic so far as I could see. I asked the meeting whether I should say something about the matter in Parliament. I was asked not to take the matter any further because it would not be in the interests of the institute to do anything about it at that time. I took the matter no further.

I raised the matter with people from our side but I did not want the matter pressed, and it was not pressed. There was an opportunity to be political about the issue, but that was not taken because in the best interests of Box Hill it was felt the matter should lie where it stood at the time.

It is a matter of deep regret that I will have to stand down as a member of the TAFE institute. I have been associated with the institute for the past two years and have got an enormous amount out of my service on the council. I have not participated at a political level and it has been an opportunity to contribute something to my local community. Most importantly, I have been enriched by the people with whom I have served on the council, the members of the administration, the teaching staff, and above all the students. I have been staggered time and again by their individual stories. I commend the previous minister and thank him for my appointment. I also pay tribute to the previous chief executive officer Andrew Jackson with whom I had a strong working relationship.

It is a fine institution, and it will continue to be a great institution. I hope my successor on the council will have the same dedication and not be a political appointment, such as a potential candidate, a past or current member of the ALP or a past member of Parliament.

Mr NARDELLA (Melton) — I commend the honourable member for Kew on his address to the house. The work and commitment of honourable members on councils should be taken into account. The honourable member for Bellarine and many honourable members have put in much work over a long period. However, members of Parliament are not the only people who have put in that work. Other council members have also put in long hours in considering the best interests of their communities.

Although there was a specious reference earlier about someone having met the previous minister, there will always be those types of decisions made about council appointments. The bill provides that a specific appointment — that is, of a member of Parliament — not be made. It follows the decision made by the previous government in 1997 about university boards.

Mr Baillieu interjected.

Mr NARDELLA — It is not completely different. It might be for the honourable member for Hawthorn, who was not here, but a number of my colleagues served on university boards. I refer to Neil Cole, the former member for Melbourne. We had a debate in our caucus room about our attitude to the legislation. His contribution to the Melbourne University board was substantial. However, the Kennett government decided it was inappropriate to have members of Parliament on university boards. The government is following that precedent. There is no great difference. They are both institutions that provide a learning environment for members of the community. They provide an important service.

However, the previous government saw the role of boards as one where the community, without direct outside political interference, could make decisions to best suit the board itself, understanding what both the honourable members for Bellarine and Kew said earlier today. The role of the local member is not necessarily to be on a TAFE council but to be supportive of a council and of all educational institutions or schools in their constituency.

It was very difficult for the TAFEs to survive under the Kennett coalition government. According to my information, those circumstances, as well as competition and the flourishing of the private providers, meant that a number of boards faced difficult decisions that had to be made under the scrutiny of the government members serving on those boards. The legislation will absolutely redress that situation. Boards see government members as part of the apparatus of government and feel intimidated.

I will close by commenting on the TAFE courses being run at the Melton campus of the Victoria University of Technology. They are well regarded by the local community. The TAFE system supports my local community and provides lifelong learning. Under the previous government the number of student contact hours was reduced markedly. Part of the advocacy role that members of Parliament should be playing — and certainly I am playing that role — is that we need to expand both the opportunities for young people within TAFE and the vocational education and training courses that TAFEs run extremely well. I support the bill before the house.

Mr WELLS (Wantirna) — I will make a few comments regarding the Vocational Education and Training (Council Membership) Bill. I bring to the debate my experience as a board member of the Outer Eastern Institute of TAFE. I was a ministerial appointment to the board of the institute and joined it in 1993. With me on the board at that time were people from the airconditioning industry, the Australia and New Zealand Bank, a publican and representatives from small business and the public service.

Being able to learn from and contribute to the TAFE institute was a tremendous experience. It also allowed me to act as a facilitator between the general community, the state government and the TAFE institute. It was especially useful in respect of the business community because at that time the business community needed to be able to educate its workers. One of the things the TAFE board was able to push strongly was an initiative to get the TAFE lecturers to go into industries and do on-site training. That was a very important issue at the time.

Honourable members should not mistake the fact that clause 3(4) of the bill provides for the sacking of three Liberal Party members and one National Party member of Parliament from TAFE councils. The minister is fearful of having those members of Parliament on the boards when questions of accountability and transparency arise.

I have pulled out a few old documents to make a few comparisons. When I joined the board of the Outer Eastern Institute of TAFE, Carolyn Hirsch and Helen Mayer were also board members. Carolyn Hirsh was a Labor member of this Parliament and Helen Mayer was a former federal Labor member. A document containing membership data dated 4 September 1992 shows that the minister made another ministerial appointment — four weeks before an election. Honourable members will probably not believe that a union organiser was appointed. The union organiser was given another three years even though members of the former Labor government knew that they were going to lose that election. They thought that they would be smarter by half by stacking a TAFE board.

The ministerial appointment was nominated by the Victorian Trades Hall Council as an employer, not an employee, representative. It is interesting to note that during the Cain–Kirner days someone from the Australian Services Union was put up as an employer representative.

There is a big difference between what the current minister is doing in introducing the bill and what a former minister, the Honourable Haddon Storey, did. The Labor members of Parliament and the union hacks appointed to TAFE colleges were allowed to serve out their terms, but they were not reappointed. There is a great deal of difference between that attitude and this case, which will result in three Liberal members of Parliament and one National Party member being sacked. When one considers the pre-election promises of openness, transparency and honest government, it is ironic that the government is afraid of opposition members of Parliament sitting on TAFE councils.

I refer to the involvement of members of Parliament with TAFE colleges. Government and opposition members of Parliament are often able to cut through red tape. For example, when traffic lights were needed on Stud Road the former government was able to involve the council, Vicroads, the then Minister for Tertiary Education and Training and the Minister for Roads and Ports, pull it all together and get it done. I am not sure whether that would have worked as quickly had there not been a member of Parliament on the TAFE board.

The purchase of the Healesville shire offices site for Eastern TAFE also proceeded quickly and efficiently after some appropriate lobbying, and that ensured that Eastern TAFE, now Swinburne University of Technology, was able to grow and be an effective provider of TAFE services.

I am disappointed that the minister has decided to sack current members of Parliament from the boards instead of doing the decent thing, as the previous Liberal government did, and allowing members of Parliament, whether they be in opposition or government, to serve their terms.

I note that the opposition does not oppose the bill. Although I reiterate the points about sacking current members of Parliament, I wish the bill a speedy passage.

Mr LANGDON (Ivanhoe) — I move:

That the debate be now adjourned.

The ACTING SPEAKER (Mr Plowman) — Order! The question is that the debate be now adjourned.

Mr LANGDON — To later this day.

The ACTING SPEAKER (Mr Plowman) — Order! All of that opinion say aye.

Government Members — Aye.

The ACTING SPEAKER (Mr Plowman) — Order! To the contrary, no.

Opposition Members — No.

Mr McArthur — Mr Acting Speaker — —

Honourable members interjecting.

Mr McArthur — Mr Acting Speaker, do I have the call?

Honourable members interjecting.

The ACTING SPEAKER (Mr Plowman) — Order! The honourable member for Monbulk has the call.

Mr Batchelor — On a point of order, Mr Acting Speaker, I put it to you that we should be resolving the issue now. You called for the vote for and against. I voted for the honourable member for Ivanhoe's motion, and we are waiting for you, Sir, to determine the outcome of that call. It is not appropriate for the honourable member for Monbulk to start the debate on the next item of business, the Disability Services (Amendment) Bill, until this matter has been resolved — unless of course you have already resolved it. You, Sir, would then need to go on to the next motion dealing with the Vocational Education and Training (Council Membership) Bill before asking the Clerk to call on debate on the Disability Services (Amendment) Bill.

The issue is at what point of the procedure we are at, and once that is decided the house can get to the Disability Services (Amendment) Bill. Mr Acting Speaker, you should give the call to the honourable member for Monbulk to lead the debate on that bill, not give him the call at this point. I am not aware of how you have determined the result of your call in response to the motion moved by the honourable member for Ivanhoe. Once you have determined that, Sir, we will seek to resolve the issue of adjourning debate on the Vocational Education and Training (Council Membership) Bill. I ask you, Sir, to proceed in that fashion.

Mr McArthur — On the point of order, Mr Acting Speaker, this should not take too long because you have already ruled on the issue in giving me the call after conferring with the Clerks. The honourable member for Ivanhoe moved that the debate be adjourned. I immediately moved to the table to seek your attention, and you then sought advice from the Clerks. I was simply seeking to speak on the question of whether the debate should be adjourned. The reason I was seeking to speak was that as the manager of opposition business I was at that time engaged in negotiations with the Leader of the House on the procedures for the conduct of the debate for the rest of the day. Mr Acting Speaker, we were trying to resolve how many more speakers would be heard on the Vocational Education and Training (Council Membership) Bill when the honourable member for Ivanhoe moved that the debate be adjourned.

I immediately got to my feet and sought your attention, after which you conferred with the Clerks and gave me the call. That is where the matter rests. I put to you, Sir, that I have the call on this matter. You, Sir, did not at any stage determine the vote.

I put it to you that I am entitled to speak on the motion moved by the honourable member for Ivanhoe that the debate be adjourned, and I seek to do so.

The ACTING SPEAKER (Mr Plowman) — Order! I have heard sufficient on the point of order. The minister is correct in saying that I called for the vote, but I did not announce the decision of that vote. The mistake was the Chair's because I did not see the honourable member for Monbulk on his feet. That having been drawn to my attention, I then called the honourable member for Monbulk. I do not uphold the point of order, but I certainly acknowledge that the mistake was the Chair's.

Mr McARTHUR (Monbulk) — The opposition opposes the motion moved by the honourable member for Ivanhoe for the simple reason that at the time the honourable member for Ivanhoe was moving his motion I was in the process of reaching agreement with the Leader of the House on the number of members who would speak on the bill before the debate was adjourned.

While that is not a matter of concern for the Chair, it is a normal part of negotiations and management of business in this place. It is not unusual for the Leader of the House and the leader of opposition business to discuss how many more speakers will contribute to a debate before the matter is either adjourned or resolved. Mr Acting Speaker, I am sure you have seen that occur many times during your career in this place. The Leader of the House and I were discussing issues such as the number of members who, as a result of the legislation, will be sacked from their positions of TAFE college councillors. They are members who have diligently, decently and reasonably carried out their duties on councils but who have not yet contributed to the debate.

The Leader of the House and I were in the process of agreeing that the honourable members for Murray Valley and Bulleen, both members of TAFE college councils who the minister is in the process of sacking, not for bad performance, dereliction of duty, corruption, malfeasance or other detrimental aspects but because she believes members of Parliament should not sit on TAFE college councils, should be able to contribute to the debate. A member of the clergy, a member of the federal Parliament, a man or a woman may sit on a TAFE college council, but not a member of this state Parliament.

The opposition opposes the motion because it believes the honourable members for Murray Valley and Bulleen in particular, but also other members, should be entitled to put their views to the house. The honourable members for Murray Valley and Bulleen have reasonably, decently and diligently carried out their duties as members of TAFE college councils. They have experience in this matter that may be relevant to members of the government because there are no members of the government currently serving as members of TAFE college councils. If the legislation passes there will never be a government member of such a council, yet some honourable members may wish to be appointed as councillors.

Any current TAFE college council members who in the future seek election to Parliament and are successful will immediately forfeit their right to sit on the council. Those people will be unable to hold any position on a TAFE college council. It is reasonable that the house hears from people who have current experience of TAFE college councils — people such as the honourable members for Murray Valley and Bulleen. Although those honourable members have a more significant call in relation to the debate, the list of members who want to participate in the debate should not be determined solely on whether they have TAFE college council experience.

The ACTING SPEAKER (Ms Davies) — Order! The motion before the Chair is narrow and the honourable member should give careful attention to how far he expands the debate.

Mr McARTHUR — I am arguing that honourable members who have not had the opportunity to participate in the debate deserve that opportunity, and I am putting the reasons in support of that argument. I respectfully say to the Chair that the reasons why they deserve to participate in the debate are relevant and should be taken into account when considering the motion.

If the debate is adjourned the matter will not come back to the house before the 4 o'clock guillotine on Thursday afternoon. The Leader of the House informs me that the Chinese Medicine Registration Bill will be debated on Wednesday. A significant number of government and opposition members wish to speak on that bill. The house will then move on to the Electronic Transactions (Victoria) Bill. It is unlikely that the house will successfully complete the debate on both bills in the time available.

Even if debate on those bills were concluded, on Thursday a debate on the Disability Services (Amendment) Bill followed by a debate on the National Taxation Reform (Further Consequential Provisions) Bill will take place before the house comes back to this bill. Given the pattern of debate in this place over the past six or seven months it is highly unlikely that the house will return to the Vocational Education and Training (Council Membership) Bill.

For those reasons, and because at the time the motion was moved the Leader of the House and I were involved in discussions aimed at resolving the number of speakers to finalise the legislation, I believe the debate should continue. That is a normal part of our duties associated with the management of the house. It is unfortunate that the Government Whip decided to move a closure motion when he did. He possibly did not know what was taking place. It is a little late, although it is understandable if he was not aware that the Leader of the House and I were coming to a

reasonable and sensible decision on the management of the debate.

I put it to you, Madam Acting Speaker, and to members of the house that the debate should proceed and that the honourable members for Murray Valley and Bulleen as sitting members of TAFE college councils should have the opportunity of putting their views before the house. It is unseemly to truncate the debate and deny those members the chance to speak in the very real likelihood that they will have no further chance of raising the issue. I know how dearly the honourable members for Murray Valley and Bulleen hold their positions on TAFE college councils and how diligently they work. It is important that other honourable members learn and benefit from their experiences.

Mr PLOWMAN (Benambra) — I oppose the motion that the debate be adjourned. The four honourable members affected should have an opportunity to speak on the bill, which affects country TAFE colleges. I therefore believe the debate should continue.

Mr BATCHELOR (Minister for Transport) — The house is trying to resolve how to adequately and sensibly deal with the Vocational Education and Training (Council Membership) Bill. I support the motion moved by the honourable member for Ivanhoe. I understand from the best information I have that those members who are affected by the bill and who are currently sitting members of TAFE boards have spoken. I am not aware of any who are currently sitting members who have not done so.

Far be it from me to suggest that the honourable member for Monbulk did not know what he was talking about or was misleading the house. That will be an issue with which we can deal at another date. The matter is how to sensibly deal with this matter. It is now 2.45 a.m. and most members who have been affected by the bill have had an opportunity to speak, and to do so at length. That is the opportunity the government wanted to provide, and it has done so. Accordingly, at this late hour the government wishes to deal with another bill. It is appropriate that the motion moved by the honourable member for Ivanhoe be agreed to. It does not discharge the bill; it will remain on the notice paper and the house can return to it at another stage this week.

Mr RICHARDSON (Forest Hill) — I support the remarks made by the honourable member for Monbulk. The motion moved by the honourable member for Ivanhoe to adjourn is in effect a guillotine. This matter will not return to the attention of the house until 4 o'clock on Thursday afternoon, at which point the question will be put without debate. This is an important issue.

Mr Batchelor interjected.

Mr RICHARDSON — The Leader of the House says the house can come back to it. He can say those things glibly — he was glib in his remarks a moment ago. He knows that it is not the intention of the government to allow the bill to be revisited. It will remain on the notice paper but will never be debated. It is all over. Once the motion to adjourn is agreed to everything is finished. There will be no opportunity for other members to address the issue. Many members have an intense interest in the subject matter of the legislation.

There is passion in relation to this legislation, but members will not have an opportunity to address the matter. Therefore, the government should withdraw the motion moved by the honourable member for Ivanhoe and allow the debate to proceed. It is of considerable significance to many members. It does not matter what time it is. We have all been here for breakfast on numerous occasions and I do not mind going through that process gain. The government wants to go home.

House divided on motion:

Ayes, 43

Allan, Ms	Langdon, Mr (*Teller*)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms	Lenders, Mr
Brumby, Mr	Lim, Mr
Cameron, Mr	Lindell, Ms
Campbell, Ms	Loney, Mr
Carli, Mr	Maddigan, Mrs
Davies, Ms	Maxfield, Mr
Delahunty, Ms	Mildenhall, Mr
Duncan, Ms	Nardella, Mr
Garbutt, Ms	Overington, Ms
Gillett, Ms	Pandazopoulos, Mr
Haermeyer, Mr	Pike, Ms
Hamilton, Mr	Robinson, Mr
Hardman, Mr (*Teller*)	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr	Thwaites, Mr
Howard, Mr	Trezise, Mr
Hulls, Mr	Viney, Mr
Ingram, Mr	Wynne, Mr
Kosky, Ms	

Noes, 40

Asher, Ms	McIntosh, Mr
Ashley, Mr	Maclellan, Mr
Baillieu, Mr	Maughan, Mr (*Teller*)
Burke, Ms	Mulder, Mr
Clark, Mr	Napthine, Dr
Cooper, Mr	Paterson, Mr

Dean, Dr
Delahunty, Mr
Dixon, Mr
Doyle, Mr
Elliott, Mrs
Fyffe, Mrs
Honeywood, Mr
Jasper, Mr
Kilgour, Mr
Kotsiras, Mr
Leigh, Mr
Lupton, Mr
McArthur, Mr
McCall, Ms
Peulich, Mrs
Phillips, Mr
Plowman, Mr
Richardson, Mr
Rowe, Mr
Ryan, Mr
Shardey, Mrs
Smith, Mr (*Teller*)
Spry, Mr
Steggall, Mr
Thompson, Mr
Vogels, Mr
Wells, Mr
Wilson, Mr

Motion agreed to and debate adjourned.

Debate adjourned until next day.

DISABILITY SERVICES (AMENDMENT) BILL

Second reading

Debate resumed from 4 April; motion of Ms CAMPBELL (Minister for Community Services).

Mrs ELLIOTT (Mooroolbark) — The opposition supports the Disability Services (Amendment) Bill, which expands the mandate for community visitors currently contained in the Intellectually Disabled Persons' Services Act by applying it to the Disability Services Act and allows community visitors to visit residential facilities funded under that act.

The role of community visitors is extremely important. They are required to visit eligible residential services regularly and as required, to appraise and monitor services from an individual consumer's perspective, to identify and monitor problems and issues from an individual consumer's perspective, to refer issues as appropriate for resolution and to publicly report on the effectiveness of individual and systemic problem resolution.

The annual report of the community visitors was released recently. One paragraph that relates to Kew Residential Services states:

> The most dismal effect for people being confined to Kew Residential Services is a lifetime of institutional care, monotony of surrounds and daily existence. For about half the residents who are still living in older style units, there is no privacy of life and few possessions in their bedroom areas.
>
> This lack of personal space and privacy is further compounded in the cramped day-room areas where residents spend a large amount of their time. There are residents who simply exist waiting for opportunities to be accompanied outside the unit, often owning only the doona cover on their bed and a few clothes that fit in a small cupboard. This is far less than someone confined within a prison.

The previous government intended to close Kew Residential Services and relocate the residents elsewhere. I saw in the budget today that the Bracks government has allocated $2.9 million to redevelop the facility in consultation with the relatives, carers and residents. That $2.9 million is a start but obviously it will not be enough to overcome all the problems perceived by the community visitors.

The advantage of community visitors is that they are independent of both the service providers and the residents. They are able to report what they see to the relevant authority — that is, the Office of the Public Advocate. Currently 834 700 Victorians live with some form of disability and 18 per cent — that is, one in five — of those people have a serious disability; and 269 400 Victorians have a severe or profound disability and require some assistance. Of those disabilities, 85 per cent relate to physical conditions. Obviously it is important to extend the mandate of community visitors to services covered by the Disability Services Act.

The bill inserts into the principal act provisions that the functions of community visitors will include consideration of the following:

(a) the appropriateness and standards of facilities for the accommodation, physical well-being and welfare of residents; and

(b) the adequacy of opportunities and facilities for the recreation, occupation, education and training of residents; and

(c) whether services are being provided in accordance with the principles specified in Schedule 2; and

(d) any complaint made to a community visitor by a resident.

Schedule 2 broadly says that people with a disability have a right to the same sorts of opportunities for education and training, social life and living conditions as any member of the community not living with a disability. The function of community visitors is to ensure that that happens. All of that is very commendable.

Community visitors may ask to see any resident or report on request or demand; they may inspect any part of a residence; and they may interview any member of staff. Penalties are provided for owners or people running residential services who do not comply with those regulations. If a resident approaches an individual who is running a residential disability service and asks

to see someone from the community visitors program, that person must arrange a visit within seven days.

The bill is a very appropriate measure. However, the final report on the evaluation of community visitors programs prepared for the Office of the Public Advocate identified many problems surrounding the programs. Page 33 of the report contains this telling paragraph:

> Currently, community visitors lack a comprehensive understanding of, and a consistent framework to undertake this role. This requires a framework to guide visits, a means to prioritise the importance of issues and problems raised and an agreed process with the service providers for problem resolution. This does not mean a predetermined solution for the issues raised.

In the past several years there has been a proliferation of services. The bipartisan government approach has been that so far as possible people be moved out of large-scale residential services and into smaller houses in the community, such as community residential units and the like. Consequently the community visitor program has been stretched to the absolute limit. The program needs more funding, resources consistent with the responsibility of the jobs it undertakes and a more strategic and planned focus. The community visitors need more training and an agreed process needs to be put into place for problem resolution.

One of the problems the report identified is that resentment can arise between community visitors and the providers of residential services if there is not an agreed process for problem resolution. The providers of the services often felt that the community visitors saw only the bad and not the good, and the community visitors often felt unwelcome. There needs to be a consistent program to attract and retain more community visitors, and clear measures to monitor their effectiveness.

A survey of the community visitors found that they are mostly from the eastern suburbs; that they are predominantly female; that they are predominantly older, most being over 50; that few of them have an ethnic background; that few of them have qualifications in the field, although many of them have experience; and that most of them do not stay in the position for longer than three years.

The responsibility for assessing community visitors — although they are appointed by the Governor in Council — and for arranging the programs falls to regional convenors, who are unpaid and often work many voluntary hours to undertake their duties. The review noted that if they were working for more than 2.5 days a week, consideration should be given to their being paid. It also noted that insufficient attention was being paid to conflicts of interest in the selection program.

None of what I say — which is all taken from the report — should be considered by the government as being critical of the program, because the program is absolutely essential. However, if it is to be extended to services covered by the Disability Services Act, consideration should be given to the rest of the report, of which that was only one recommendation, and to the program being properly resourced.

The figures on page 24 of the report entitled *Evaluation of the Community Visitors Program* give some indication of the problems the community visitors program is facing. In the area of intellectual disability in 1989 there were 167 services; in 1997, 427 services were visited. In 1989 there were 90 community visitors; in 1997 there were 130 community visitors, not nearly keeping pace with the growth in services. In 1999 there was 1 community visitor to 1.86 services, and by 1997 that had become 1 community visitor to 3.28 services.

The Intellectually Disabled Persons' Services Act recommends that residential facilities be visited at least once a month. That has proved impossible with the number of community visitors currently in place and the number of services to be visited.

In conclusion I commend the minister for bringing the bill before the house. That is what the previous government would have done also. There are compelling reasons why community visitors should visit all residential services for people living with a disability. Recent revelations regarding a nursing home in Victoria and the inappropriate, indeed inhumane, treatment of some of those residents show why independent people who have no vested interests should visit services like that, but the minister and the government will need to give serious consideration to all other recommendations in the *Evaluation of the Community Visitors Program* report.

The government cannot possibly hope to attract volunteers to the program if they are not properly resourced and trained and if there are not agreed reporting procedures. Not to provide the service would seriously disadvantage people who are living with a disability. That being said, on behalf of the opposition I commend the bill and wish it a speedy passage.

Debate adjourned on motion of Mr VINEY (Frankston East).

Debate adjourned until next day.

Remaining business postponed on motion of Mr BATCHELOR (Minister for Transport).

ADJOURNMENT

Mr BATCHELOR (Minister for Transport) — I move:

That the house do now adjourn.

Bridges: Tea Tree Creek

Dr NAPTHINE (Leader of the Opposition) — I am pleased the Minister for Transport is in the house as I seek the immediate commencement of works on the Tea Tree Creek bridge between Hamilton and Horsham. The Henty Highway is an important transport route to and from the port of Portland, particularly for areas in the Wimmera and Mallee. Those areas are large grain producers and producers of livestock, which is carted down the Henty Highway on a regular basis for export through the port of Portland. The Henty Highway carries a large number of trucks with loads of grain and livestock from the northern areas of the Wimmera and the Mallee to the port, and grain trucks often return to their northern regions carrying fertiliser from fertiliser plants in the Portland area.

New national transport reforms have increased mass limits that road transports are allowed to carry. Semitrailer limits have increased from 42.5 tonnes to 45.5 tonnes. B-double limits have increased from 62.5 tonnes to 68 tonnes. Quite rightly the transport operators want to operate their transport rigs at the increased maximum mass limits to maximise the efficiency of their transport operations, allowing them to use those high-investment, high-capital trucks to the best advantage.

However, some of the new mass limits cannot be carried on the Henty Highway because the Tea Tree Creek bridge cannot bear the weight. Many grain transports are now going to the port of Geelong and backloading with fertiliser from Geelong rather than going to the port of Portland.

In August 1999 the previous government allocated $540 000 for bridge works at Tea Tree Creek. I ask the minister to authorise commencement of those works as soon as possible and to make whatever appropriate arrangements are possible in the meantime to allow the Henty Highway to carry the new mass limits for B-double semitrailers at the national transport level. It is important for the port of Portland, and particularly for fertiliser plants such at Pivot and Hifert, which sell fertiliser by backloading into the northern areas of the Wimmera–Mallee. As I said, the previous government allocated funding for those bridge works — —

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

City Link: Monash pass

Mr STENSHOLT (Burwood) — I call on the Minister for Transport to do all that he can to ensure that City Link introduces a Monash pass on the southern end of the tollway. At the end of February honourable members debated the Melbourne City Link (Amendment) Bill. I spoke on the bill then, particularly on clause 5, which facilitated day passes for part of City Link. We all know that has been done for the northern section, and the minister did a great job facilitating the Tulla pass.

The southern link, part of which recently moved to tolling, has six sections. I recently issued a press release, which was broadcast on the ABC and 3AW, calling for City Link to introduce a Monash pass. Such a pass would be a great service to people in Burwood and beyond who use the southern link only a few times a year to go to football, cricket, the arts centre, a major city hospital or shopping. At the moment day passes cost $3.50. To travel two sections of the southern link and get off at Punt Road costs only $1.20. It is unfair that occasional users should pay so much extra simply to go to the footy.

I understand that City Link has no plans to introduce the Monash pass or specially priced passes on the southern link sections. I spoke to one of the managers at City Link who confirmed that. She even suggested that occasional users would be better off buying e-tags. What arrogance! Why should they have to pay $25 a year for minimal use?

I recently urged City Link to issue cheap passes before it turned on the tolls, and I again urge it to do so. I am circulating a petition in the community calling on City Link to introduce the Monash pass. I accordingly ask the minister to make every effort to persuade City Link to introduce such a pass. The new legislation allows for it; it should be issued for the benefit of commuters in Burwood and beyond.

Industrial relations: disputes

Mr WELLS (Wantirna) — I raise a matter of concern for the Premier and ask him to use his significant influence with the Victorian building unions to ensure that those irresponsible unions do not go to employers seeking strike pay or lockout pay.

When the Labor Party went to the election it promised it would govern for all Victorians. The opposition now raises the very serious concern that those building industry employers who did not agree to the 36-hour week deal are now being subjected to union thuggery as they resist the Construction, Forestry, Mining and Energy Union and Electrical Trades Union demands for a 36-hour week and a 24 per cent pay increase. Employers are now being pressured to meet unreasonable and illegal demands for lockout pay and strike pay for the time lost by CFMEU and ETU members during the recent industrial dispute.

I ask the Premier to use his influence because the building unions assisted him to attain the position of leader of the Labor Party. I ask the Premier to point out to those unions that strike pay is illegal. I quote from the federal legislation, and it is important that the Premier pass it on to the trade unions:

> It is now illegal for an employer to pay a worker for any period of industrial action, and for workers to accept payment for any period of industrial action. It is also illegal for a union, such as the TWU —

in this case the CFMEU —

> and its members to make claims for pay for any period of industrial action or to threaten further industrial action for such pay.

The prohibition applies even if the industrial action is protected. Where strike pay has been demanded a federal court may award damages for any loss that is suffered. The court may also impose penalties of up to $10 000. That is an important consideration when, during a building dispute, employers believe unions are using unfair tactics and take steps to resist them. Such employers will be picked off by the trade union movement so they can get back pay, lockout pay and strike pay.

It is incumbent on the Premier to use his influence with those unions to have them resist the temptation.

Public transport: Metcard

Mr LIM (Clayton) — I ask the Minister for Transport to look into the possibility of putting bar code labels on Metcards. A lot of outlets around Melbourne sell hundreds of Metcards each day. The idea of putting bar codes on them has been raised with me by the proprietor of my local newsagency. His is one of the biggest newsagencies in the south-eastern suburbs and sells hundreds if not thousands of Metcards every day.

The difficulty lies in handling them at the point of sale. The seller has to read the small print on each card to learn the sale price and then manually ring up a transaction for each card sold. Bar codes on the cards would allow for speedy and efficient sales routines and save a lot of the time now spent on each purchase.

I have confirmed that the manufacturer of Metcards has the technological means to put bar codes on the cards, so production should not be a problem. I urge the minister to look into the idea. The time saved throughout Melbourne's sales agencies would be considerable for all concerned. It is high time we brought the technology of the 21st century to the Metcard system.

Fishing: government policy

Mr PERTON (Doncaster) — I raise for the attention of the Minister for Environment and Conservation a matter arising from two meetings I attended last week, one with commercial fishers in Apollo Bay and one with the recreational fishers of the Bellarine Peninsula. I ask the minister to meet with those groups because the draft Environment Conservation Council (ECC) recommendations have caused confusion and uncertainty, and as a result the confidence of commercial fishers in Apollo Bay and the tourist operators and developers in the Bellarine Peninsula has fallen considerably.

The point at issue in the Apollo Bay area is that the recommendations would damage the abalone and crayfish operations. The fishers want to put their case to the minister, and not just about the ECC recommendations. They understand the ECC processes and appreciate that it is an independent body that will report to government.

They are particularly concerned that the Department of Natural Resources and Environment seems to have reduced its policing efforts during the term of the government. The fishers see many examples of poaching by well-organised groups of poachers. They also observe that the inspection effort is almost non-existent.

The confusion in relation to government policy becomes even more acute when looking at the budget papers delivered today. While in table 8.1 — —

An honourable member interjected.

Mr PERTON — No, I am not anticipating the debate.

Budget paper no. 2 contains a promise for a Port Phillip marine park. In the same document the Labor government also refers to a Port Phillip Bay marine

national park. Does this mean that there will be no fishing in Port Phillip Bay? Does it mean an elimination of all economic activity in the bay? All of us know that a properly defined and managed national park excludes commercial operations and harvesting of any kind. In the government's budget paper no. 2 presented today it is clearly stated at page 281 that funding has been provided for Port Phillip Bay as a marine national park. If the government cannot get it right in its budget papers — —

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

Ambulance services: Romsey station

Ms DUNCAN (Gisborne) — On 21 March this year I raised an issue with the Minister for Health in regard to the Romsey ambulance station. I again ask for the minister to report on the matter. At the time I outlined to the house the election hoax that the then Minister for Health played on the people of Romsey and Lancefield.

I reported to the house that just days before the calling of the state election, the former Minister for Health, Mr Knowles, announced that the then government would provide funding for a new ambulance station at Romsey. It is now known that this was a lie — a particularly nasty hoax because it is clear that Romsey desperately needs a new ambulance station. The people of Romsey and Lancefield — two small towns — had worked long and hard for many years for the station and raised in excess of $5000 over the past two years. It was a substantial effort by the townspeople to raise that amount of money. It was a particularly cruel con on the people of Romsey and Lancefield and of course they believed it at the time.

On 21 March in the adjournment debate I stated that as the local member of Parliament I would work hard for the community to establish the station, and that is what I have been doing.

There is no doubt there is a need for the ambulance station — making the con so much more painful to the people of the towns. The government is aware of the need but, unlike the previous government, will commit only to what it knows can be delivered when funding is allocated for the project.

At the time the former health minister made the commitment there was no money allocated for it either in the then current budget or in the forward estimates; the undertaking was hollow.

Again I ask the Minister for Health what action the Bracks government is taking to deliver on this important project for the people of Lancefield and Romsey.

Goulburn Valley Highway: Shepparton bypass

Mr KILGOUR (Shepparton) — I wish to raise a matter for the Minister for Planning concerning the future Goulburn Valley Highway bypass to the City of Shepparton. The planning for the bypass has taken much longer than anticipated. As a result of Aboriginal heritage issues there have been delays; unfortunately, the project got caught up with the change of government and there has been a great deal of indecision. The people who live near or on any of the proposed routes have had their lives on hold for four to five years. I ask the minister to look at the issue and advise the public, and specifically the people involved in the proposed corridors, of the process for the final decision on the route and when the decision will be made.

Some people are becoming desperate as their health problems are forcing them to leave their current addresses and move to Shepparton so they can have access to doctors and receive regular medical attention. They are unable to sell their properties now because they are uncertain of the route of the proposed bypass. We have heard nothing from the Department of Infrastructure and we require urgent answers so people can get on with their lives.

I ask the minister to treat the matter urgently and ensure that people are not kept wondering any longer and will know as soon as possible what the process will be.

Water: Smart Homes program

Mr ROBINSON (Mitcham) — The matter I direct to the attention of the Minister for Community Services relates to the effect of high water charges on people of modest means — that is, people on low incomes. I seek the minister's assistance in examining and extending assistance schemes that apply to people in those circumstances.

In recent years most honourable members would have experienced the effects of the restructuring of the water industry. Many constituents have approached me with anecdotal evidence to highlight the fact that the cost of water has not diminished but increased in real terms. Much of that argument may satisfy a rationalist view that the price of water should be more appropriate to the use to which it can be applied, but that view does not help people on fixed low incomes who have to stretch their household budgets and income.

The 1996 census data indicated that 45 per cent of Mitcham residents had incomes of less than $300 a week or less than $15 600 a year, which is a modest amount. In the past couple of years I have received representations from numerous individuals and families who say the cost of water in real terms has escalated significantly. Because of their circumstances they would benefit from an enhanced form of assistance from the government.

I seek the minister's assistance in addressing the issue. I have no doubt that in the longer term, given the economic significance of water, its real price may need to be increased further. That is a separate argument. The government needs to ensure that the effect of changes to water prices is minimised wherever possible for people of low means. I seek the minister's attention on the point.

Graffiti

Ms BURKE (Prahran) — I direct a matter to the attention of the Minister for Youth Affairs in the other place through the Minister for Community Services. It relates to youth and graffiti. For some time the problem has existed in my electorate, and the municipalities of Stonnington, Melbourne and Port Phillip have tried to tackle it. The stage has been reached where the minister should look more closely at the need for increased penalties for graffiti offences.

I have received numerous and continual complaints about youths throwing fire bombs and other things into business premises, particularly in Nightingale and William streets, St Kilda East. Buildings from one end of the street to the other are covered in graffiti. The children daubing the neighbourhood with the graffiti are aged about 14 to 16. They know they are out of order. Their own properties are never daubed but all others in the lane are subjected to graffiti. Graffiti makes the elderly feel the community is out of control.

New York has suffered from the graffiti problem for some time. The authorities there use different methods from those used in Australia to try to counter the problem. In New York it was decided to limit children's ability to get driver licences. If children do not obey the warnings, the penalty is that the period they have to wait before they can apply for their licences is extended. That might not necessarily be the answer in Victoria, but the government has to find new methods of dealing with the problem. The community has had enough of gangs and individual children going berserk, entering private property, both business and residential, and doing whatever they want whenever they want.

The approach of the Department of Community Services has been to allow them to paint walls. They have painted every possible wall, and the community has paid them to do it. It is clear from the way the art is done who does the graffiti. I call on the Minister for Youth Affairs to work with the police and look seriously at the graffiti issue. I am happy to give him the names of streets in my electorate where he can see the problem for himself and start to think about a better way of dealing with it.

The situation is out of control for the people trying to look after their residences and the community feels that its youth are out of control. The problem is also related to the use of drugs and the destruction of the ambience that people are spending money trying to achieve with their properties. I call on the Minister for Youth Affairs to take the necessary steps.

Frankston: safe boat harbour

Ms McCALL (Frankston) — In the absence of the Minister for Planning I refer the Minister for Community Services to an issue that has been raised in the house a number of times and to which I am still awaiting a final response from the Minister for Planning. I refer to the need for a safe boat harbour at Olivers Hill.

An environment effects statement has been released, and I am still awaiting the minister's sign-off and recommendation. Three options are mentioned in the statement. The first is the do-nothing option, the second probably has the strongest support from the local community, and the third is a Geelong-style operation that would require substantial investment from the current government and involve establishing restaurants, a location for the Dolphin Research Institute and some excellent boat launching ramps.

In recent weeks I have held discussions with environmental groups in my electorate, some of which had raised major concerns about the nature and process of the terms of the original environment effects statement as well as the proposals and the pamphlet put out by the local Frankston City Council.

Since the change of five out of seven councillors at the recent council elections, doubt has been created in the minds of the electorate as to whether anything will happen with the safe boating harbour at the base of Olivers Hill. The community has expressed concern that the issue has drifted around for the past 15 to 20 years. Many people have put proposals forward, many have put money up for proposals and many have lost their shirts over it. One such person was my dentist,

of whom I am very fond. However, I would not have been too concerned if he had stopped being a dentist!

Olivers Hill would be a safe boat harbour on the eastern side of Port Phillip Bay. Its attractions for the people of Frankston and the Mornington Peninsula would be positive. My concern is that the silence from the council is deafening. That silence needs to be broken.

We need to know whether the current government supports any of the proposals and what guidance it will give the current city council. If the Frankston City Council is about to change its mind, the community needs to know that, too. The issue has been raised by both me and my colleague in the other place, the Honourable Cameron Boardman, a member for Chelsea Province. The communities of Frankston and the Mornington Peninsula are awaiting guidance from the Minister for Planning.

Brighton Beach Primary School

Ms ASHER (Brighton) — I refer the Minister for Education to the matter of funding for the Brighton Beach Primary School in my electorate. The previous government promised the school extensive funding for an upgrade from future budgets. While I fully acknowledge that in budget details relatively small amounts of funding are not always itemised in documents placed before the house, I ask for clarification from the minister as to whether Brighton Beach Primary School will get its long-awaited upgrade.

As with many schools in my electorate, this is a much older 1950s-style school which is in significant need of capital upgrade. I seek clarification from the Minister for Education on whether the promise made by the previous government for extensive funding proposals will be upheld by this government.

I represent an area that is not one of the newer areas in Victoria. It is not an area that has new schools. It has not been the beneficiary of significant capital upgrades in recent times. The school is long overdue for refurbishment and overhaul. The area has a significant number of additional children. I seek an assurance from the Minister for Education that she will honour that commitment for a funding upgrade to Brighton Beach Primary School.

The ACTING SPEAKER (Mr Phillips) — Order! The honourable member for Benambra has 1 minute.

Tallangatta: employment contract

Mr PLOWMAN (Benambra) — I refer the Minister for Environment and Conservation to the case of a dogman, Mr Greg Birt, who was appointed in the second week of July 1999 on a 12-month contract. Because his contract will soon expire, I ask the minister to reappoint Mr Birt to the position. The dogman, who is based at Tallangatta, has been doing a fantastic job. If the minister does not make the appointment soon Mr Birt is bound to look for employment elsewhere. It is essential for the area that that additional dogman is kept on.

Responses

Ms CAMPBELL (Minister for Community Services) — The honourable member for Mitcham raised the serious problem of low-income families who are not able to pay their water bills. With the very best effort of water consumption, many families are still finding their bills unaffordable. The costs are putting considerable pressures on the individual or family budget. I share the concerns of the honourable member for Mitcham about this matter. It is important that the government ensure the availability of a range of programs for low-income individuals or families who consume a considerable amount of water so that they can adopt conservation measures to minimise their water consumption, thus making their bills more affordable.

I am pleased to inform the honourable member of a program called the Smart Homes assistance program which can assist low-income householders to become far more conservation conscious. By reducing water consumption costs they improve their capacity to pay. They can do that by the repair and also replacement of water conservation fixtures.

In conjunction with Yarra Valley Water, the Department of Human Services has developed a 12-month pilot program to assist low-income pensioner households to change their water consumption, which is extremely important. By lowering their consumption patterns they will also reduce their bills. The program will complement the utility relief grant scheme and will target pensioner homeowners with high consumption costs, such as those with a 75-kilolitre or more quarterly bill.

Previously the program was not widely available. The Department of Human Services thought a previously introduced model would be useful to pilot. However, in a misguided attempt to introduce such a pilot program it was limited to only five suburbs in the Yarra Valley

Water catchment area. The pilot program proved to be totally unsuccessful and very limited because in the 12-month period the grand total of 54 households took part. That was certainly a low number of households to benefit from the initiatives of Yarra Valley Water and the Department of Human Services.

The grand total of only $8300 was spent in the past. I intend to extend that over the entire Yarra Valley Water catchment area because it is important that the program be available over the entire distribution area. The expansion of the program will benefit the constituents of the honourable member for Mitcham. Many suburbs will now benefit, including Tullamarine, Balwyn, Glenroy, Bulleen, Broadmeadows, Templestowe, Coolaroo, Westmeadows, Mitcham and Rosanna, right through to Warburton — an extensive list of suburbs in the Yarra Valley Water distribution area — which will mean that more families will benefit. Unfortunately, Yarra Valley Water does not distribute in Benalla!

I am pleased to announce that water audits will be available to households throughout the area for families with water bills in excess of $150. Those eligible to take part are low-income households where the person responsible for the bill is the holder of a health care card or pension concession card or is receiving unaffordable utility bills. I trust the many people in the electorate of the honourable member for Mitcham who fall into that category will be able to minimise their utility bills by achieving far more efficient water usage.

Mr THWAITES (Minister for Health) — The honourable member for Gisborne raised the issue of the Romsey ambulance station. She deserves congratulations on the way in which she has continued to raise the issue since her election to Parliament. She has won a significant victory for her local community today.

The honourable member for Gisborne pointed out that very shortly before the election the previous health minister made a commitment that an ambulance station would be built at Romsey if the coalition government were successful in the election. When the Labor Party came to government I was interested in pursuing the issue. I asked my department about funding for that commitment and found there was none whatsoever. I also thought it would be appropriate to examine the former Treasurer's election commitments — the coalition's spending commitments. Nowhere could I find the Romsey ambulance station mentioned there either.

As the honourable member suggests, the promise was a cruel hoax — it was another completely unfunded promise that was not worth the paper it was written on. It has been left to the Labor government to do the hard work and provide the sort of responsible government Victorians did not get previously. The honourable member has worked not only assiduously herself but has worked in well with her local community on this issue.

The many people in the Romsey and Lancefield community who have raised a large sum of money for the station are also to be congratulated. I am pleased that the government is committed to going ahead with the Romsey ambulance service, that the detailed planning will proceed this year and that the station will be built next year. A much-needed ambulance service will be provided in the area.

The honourable member for Shepparton raised with me as Minister for Planning the matter of the Shepparton bypass. As he is aware, an environmental effects statement (EES) prepared by Vicroads considered three options distilled from a range of options: the western route, the central route and the eastern route. Vicroads and the City of Greater Shepparton preferred the western route. There certainly has been a great deal of controversy about the issue but the EES came down in favour of the eastern route.

The honourable member referred to the delay in construction. I point out that there was significant delay by the previous government in releasing the EES. It was not released prior to the last election but the Bracks government released that report. In doing so the government followed the same basic thrust as that of the previous government. It confirmed the position that the former Premier had stated — that is, the Bracks government rejected the central route and indicated that the eastern route was inappropriate. The government indicated that the western route needed some work but essentially a western alignment was appropriate.

When releasing the EES I indicated, as did the Minister for Transport, that further investigations would be undertaken on the western route. Vicroads is undertaking those investigations and will carry out consultation with the affected parties, including the council, local people, and local environment and other groups. The consultation is being undertaken, as is the investigation. I look forward to receiving the outcomes of those investigations as soon as possible.

The honourable member for Frankston raised a planning issue and asked me to get back to her as quickly as possible with a reply. I will do that.

Mr BATCHELOR (Minister for Transport) — The Leader of the Opposition raised the matter of the Henty Highway and the bridge at Tea Tree Creek, which provides an important transport linkage to the Port of Portland for moving grain in one direction and fertiliser in another. He sought funding assistance from the government for the upgrade of that important link so the new mass limits can be accessed and the efficiencies that flow from those new mass limits can be taken advantage of by not only the transport companies but more importantly the primary producers who provide the grain and receive the fertiliser.

I will take up the matter and advise the Leader of the Opposition as to the time line and funding arrangements. It is ironic that on the night of the Bracks government's first budget the Leader of the Opposition is making a request for funds for projects that unfortunately the previous government failed to deliver. I understand the economic import of what he is reporting to the house, and I will get back to him as soon as is practicable.

The honourable member for Burwood raised an issue relating to the City Link project and his earlier call for the introduction of a Monash pass on the southern link. He rightly points out that the City Link toll system, particularly the day pass system, has been too inflexible and as a result has imposed a burden on infrequent users, whether they are from country Victoria or are based in and around the city.

When the same issue was raised about the Tullamarine Freeway the government was able to negotiate a much cheaper rate for the people who use only the Tullamarine section of the western link. The government argued for the lower rate on the basis that the section was in effect an existing freeway and that accordingly extra consideration should be given to those motorists who pass through only one tolling point and come off at the Flemington Road exit.

Applying that analogy to the Monash Freeway, where motorists have to pass through two tolling points before coming off at Punt Road, you find the logic is exactly the same. The government believes City Link/Transurban ought to provide a Monash pass for those sections so that the people who live in the electorate of the honourable member for Burwood and in surrounding areas — even all those people who live in country Victoria down through Gippsland and the south-east corner of the state — can access the freeway on an occasional basis and just travel through to Punt Road.

Of course, lots of footy fans — particularly those who go to the still very popular Melbourne Cricket Ground — would like to take advantage of the lower rate. Transurban ought to acknowledge that lots of footy fans would be advantaged by the introduction of a Monash pass. The government hopes Transurban will see the sense in introducing such a pass.

The government has made a number of calls for the introduction of off-peak tolls and has already had success in negotiating the Tulla pass.

Mr Leigh interjected.

Mr BATCHELOR — The honourable member for Mordialloc criticises the government's call for discounts for off-peak users. Notwithstanding the opposition of the honourable member for Mordialloc, who speaks on behalf of the Liberal Party in opposing off-peak tolls, the government will pursue their introduction, just as it will pursue the introduction of a Monash pass.

The honourable member for Burwood was right to raise the idea, which would be of great benefit to his electors and to people right across the metropolitan area and regional Victoria. It once again demonstrates the interest the honourable member for Burwood has in these matters, in stark contrast to the attitude of the previous honourable member for Burwood, who signed up to a restrictive, expensive contract that will bind the community to paying expensive tolls for the next 34 years.

The honourable member for Clayton raised another transport issue with me, the Onelink automatic ticketing system. He put forward a sensible and practical suggestion that will provide assistance to the retail network, shops and outlets that are selling Onelink tickets. The retail network was designed so people could plan their transport journeys and in doing so prepurchase tickets. The suggestion made by retailers put forward by the honourable member would make it easier for people to purchase tickets because the retailer could complete the transaction much easier. It would be a better outcome for public transport users and retailers of the Onelink ticketing system in the long term.

I will take up the issue with Onelink and see whether it can be part of its retail program. The honourable member would realise that the automatic ticketing system was the first part of the privatisation process of the former Kennett government. It has resulted in a sorry saga of delays and bungles which have been resolved only recently. Nevertheless the suggestion is

made with the intention of improving the system. I hope Onelink will pick it up.

The honourable member for Wantirna raised an industrial issue in the building industry for the attention of the Premier. The honourable member acknowledged that the industry is covered by a federal award so the issue he raised is covered by the federal industrial relations system. I will pass on the matter to the Premier, who will respond directly to the honourable member.

The honourable member for Benambra raised for the attention of the Minister for Environment and Conservation the reappointment of a dogman in Tallangatta.

The honourable member for Doncaster asked the minister to take up a fishing issue in Apollo Bay and on the Bellarine Peninsula. I will pass those matters on to the minister and I am sure she will respond to the honourable members.

The honourable member for Brighton wanted some money. She was unable to get it during the term of the former Kennett government, but on the day when the Bracks Labor government delivers its first budget she seeks more money! The Leader of the Opposition and the Deputy Leader of the Opposition have come begging for more money. Why hasn't the Leader of the National Party asked for more money? The Deputy Leader of the Opposition acknowledged that the Brighton Beach Primary School suffered significant neglect, presumably under the administration of the former Kennett government. I can understand that because that was certainly the former government's attitude. It refused to help and neglected many of the primary schools that it did not close. I will take up the issue with the Minister for Education and ask her to respond directly to the honourable member.

The honourable member for Prahran raised the issue of graffiti for the attention of the Minister for Youth Affairs in the other place. She referred to the overall problem of graffiti in the municipalities covered by her electorate, but referred particularly to a lane. I understand the honourable member raised the issue as an example of the more general use of graffiti and asked how the Minister for Youth Affairs would address the issue and/or provide guidance and assistance for young people. I will ask the minister to reply directly to the honourable member.

Motion agreed to.

House adjourned 4.05 a.m. (Wednesday).

Wednesday, 3 May 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.36 a.m. and read the prayer.

PERSONAL EXPLANATION

Mr McARTHUR (Monbulk) — I desire to make a personal explanation. When debating in the early hours of this morning the motion to adjourn debate on the Vocational Education and Training (Council Membership) Bill I advised the house that the honourable members for Murray Valley and Bulleen are members of TAFE college councils. That is not so.

Honourable members interjecting.

The SPEAKER — Order! I remind the house that personal explanations are important statements that should be listened to in silence.

Mr McARTHUR — I have since been advised that the honourable member for Murray Valley is a former member of the Wangaratta TAFE college council and the honourable member for Bulleen advises me that he is not a TAFE college council member. The error in this matter is mine and I seek to correct the record in the interests of accuracy.

PAPERS

Laid on table by Clerk:

Financial Management Act 1994 — Budget Paper No. 3 2000–01

Parliamentary Committee Act 1968 — Response of the Minister for Transport on action taken with respect to the recommendations made by the Scrutiny of Acts and Regulations Committee Report upon the Unlawful Assemblies and Processions Act 1958

Statutory Rules under the following Acts:

Fisheries Act 1995 — SR 28

Gas Safety Act 1997 — SR 30

Tobacco Act 1987 — SR 29

Subordinate Legislation Act 1994:

Ministers' exemption certificates in relation to Statutory Rule Nos 28, 29.

JOINT SITTING OF PARLIAMENT

Centenary of Federation

Mr BRACKS (Premier) — I move, by leave:

That this house meets the Legislative Council for the purposes of sitting together to consider the passage of a resolution to invite the two chambers of the commonwealth Parliament to return to the Victorian Parliament to commemorate the centenary of the first sittings of the commonwealth Parliament in 1901 and proposes that the time and place of such meeting be the Legislative Assembly chamber on Wednesday, 10 May 2000, at 12.30 p.m.

Motion agreed to.

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

The SPEAKER — Order! I advise the house that a statement about the joint sitting and the centenary of celebrations in 2001 has been prepared by Mr President and me and will be circulated to all honourable members.

MEMBERS STATEMENTS

Budget: surplus

Dr NAPTHINE (Leader of the Opposition) — Yesterday the government advised that it had inherited an 'unexpectedly strong budget position'. That was clearly high praise for the previous sound financial management of the former coalition government. However, I am extremely concerned that the resultant $1 billion coalition inheritance fund will not be managed appropriately in the best interests of all Victorians. I am particularly concerned that this hard-earned inheritance will simply become a Labor Party slush fund.

There are no rules or guidelines for the expenditure of the money, and it seems that the funds will not be subject to the normal departmental scrutiny and budget processes. It would seem that this valuable inheritance will be subject to politically motivated decisions of the Labor Party.

Mr Hulls interjected.

Dr NAPTHINE — The interjection from the Attorney-General confirms that the funds will become a Labor Party slush fund. They will be squandered by Labor through the type of whiteboard decision making on these matters that was characteristic of former federal Labor governments.

This $1 billion inheritance that has been as a result of the sound financial management of the previous government cannot be wasted and must be used in the interests of all Victorians for such important projects.

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

Gerard Briglia

Mr CARLI (Coburg) — Just after Easter there was a funeral at St Patrick's Cathedral for Father Gerard Briglia, a priest who was a fanatical Carlton Football Club supporter. Club members wore black arm bands following his death.

Father Briglia was also a well-known Labor voter. I wish to recognise the fact that he remained a faithful supporter of the Australian Labor Party even during the 1950s, when it was the custom for the clergy to vote for the Democratic Labor Party. He was a man of great loyalty who loved to talk. He was the son of a professional Italian violinist father and an Irish mother. That background served him well in his work with members of the large influx of migrants who arrived in Australia in the post-Second World War period, particularly from Italy, and to whom he gave a great deal of support.

I value his contributions and wish to recognise him in the house.

Budget: commitments

Ms ASHER (Brighton) — I wish to make a couple of comments about yesterday's budget, which was brought down by the Premier, who is also the Treasurer.

It is a typical Australian Labor Party budget — that is, completely and utterly focused on expenditure. The government has announced $2.5 billion of increased expenditure, some of which is honouring its election promises but about a third of which is additional commitments made over the course of four years.

However, Labor has not looked at the other side of the ledger. It should have looked at the issue of tax cuts, particularly in areas that may generate employment and be of longlasting value in Victoria. The government said it may possibly give some tax cuts to business next year, but there is no promise of that. Indeed, the tax cuts are dependent on and predicated on the existence of a surplus. This is a great con job on the business community — that is, these are Clayton's tax cuts!

They are not even promised. There is no guarantee of Labor delivering those tax cuts unless there is a surplus. It is unfortunate that Labor has not used its inheritance for the longlasting benefit of Victoria.

Weeds: control

Mr HOWARD (Ballarat East) — Last Friday I had the opportunity of visiting the You Yangs in my role as Parliamentary Secretary for Natural Resources and Environment where I had the pleasure of releasing a biological agent, Chrysanthemoides, a leaf moth, and its caterpillars. I have become aware of the concerns about weeds throughout the state and the need to develop strategies to address the problem.

Those who have visited the You Yangs in recent weeks would have seen that boneseed is a cause for concern. The leaf moth and caterpillars I released are part of the government's concerted approach with the Keith Turnbull Research Institute at Dandenong, Parks Victoria and other groups to work together to address the problem.

Many issues will have to be addressed by national strategies and clearly directed state strategies to try to reduce the weed problem. I hope this measure will be successful in eradicating boneseed, but many other problem weeds must be addressed.

Benalla: by-election

Mr RYAN (Leader of the National Party) — With the Benalla by-election only days away, I urge voters in Benalla to attend the public forums to find out about the candidates, one of whom will represent the Benalla electorate. Bill Sykes is an outstanding candidate with a proven track record of public service. However, people are asking where the Labor candidate is. The Labor Party is running a television advertisement in the Benalla electorate, but its candidate does not even speak. They have gagged their candidate in Benalla.

I urge the people of Benalla to go along to the public forums and listen to what the true candidates have to say. They should support Bill Sykes, who will do a great job on behalf of the electorate. Where does Labor stand on issues relevant to that electorate? What about the rights of the mountain cattlemen? What is its position on Essendon Airport, business imposts and the prospect of a 15 per cent increase in workers compensation premiums?

I also urge the electors of Benalla to go along and listen to what the candidates have to say because the television advertisements show that the Labor Party candidate has been gagged. The party cannot properly authorise its media advertising; its newspaper advertisements lack proper authorisation. It is a mythical Labor Party. Let us get down to the facts and

hear what the candidates have to say by attending the public forums.

Food: regulation

Mr INGRAM (Gippsland East) — At a recent public forum at Lakes Entrance organised by the East Gippsland Shire Council and attended by an honourable member for Gippsland Province in the other place, Peter Hall, the mayor, me and nearly 200 people, an issue was raised that is of major concern to many people in East Gippsland. I refer to the current food handling laws which were introduced by the previous government and which have had a disastrous effect on small businesses, charities and service providers, such as Meals on Wheels, day care centres and sporting clubs.

The forum passed a resolution to reject the former Kennett government's food handling reforms and refer them back to the federal government for review by the Australian food authority and the federal Parliament. If agreed to the new reforms should be implemented throughout the entire country.

The resolution had overwhelming support; only two people voted against it. A review of the laws is currently under way and the community would like commonsense to prevail taking into consideration issues such as distance and the additional costs associated with isolated communities. It is important to realise that those laws have had an effect on small business in country Victoria which has suffered greatly. Some have gone out of business. It is important to recognise the seriousness of the matter.

Mr Brumby — On a point of order, Mr Speaker, in his contribution the Leader of the National Party referred to a newspaper advertisement which he held up before the house. He said the advertisement had been placed in a newspaper for the Benalla campaign and that it was unauthorised. I ask that he table the document.

Mr Ryan — On the point of order, Mr Speaker, I did not quote from the document. I held it up. I did not read from it and I made no specific reference to it. As the Labor Party well knows — unless it is another example of its ignorance about the campaign — it was published in the newspapers today. Honourable members can pick up any of the newspapers available to see it for themselves.

The SPEAKER — Order! I do not uphold the point of order. The Chair heard the honourable member's contribution and he did not quote from the document. He is therefore not required to make it available.

Schools: information technology

Mr HONEYWOOD (Warrandyte) — Out of a $5 billion per annum education budget the Bracks government has provided only $7 million for school computers and new technology programs. That paltry amount compares with the $104 million information technology support package for schools announced by the previous coalition government in last year's state budget. That package was designed to provide specialist IT support for government schools and built upon other Kennett government initiatives, such as the notebook computers for teachers scheme and the computer subsidy program.

At the end of 1999, with over 100 000 computers in schools, Victoria could proudly boast the best computer to student ratio in the world — one computer for every six students. As a result of the reluctance of the Minister for Education to provide adequate additional funding it is now unlikely that the 2000 goal of one computer for every five students in government schools will be attainable.

The minister therefore now has a clear responsibility to spell out what strategy, if any, she and the government have for the expansion and enhancement of Victoria's previous leadership on computers in schools. The government is full of rhetoric about the need to provide a skilled work force to drive the state's economic growth. If that rhetoric is not matched with financial and strategic support for computer skilled enhancement in Victoria's schools, Victoria will lose the opportunity to become the new technology centre of Australia. The $7 million contained in the Bracks government's first budget is an insult to school communities.

Budget: Geelong

Mr TREZISE (Geelong) — As the Labor Party candidate at the last state election, I spent 18 months listening to the people of Geelong to learn what they wanted from their government. Clearly the Geelong community wanted more teachers, more police, a better public health system, an upgraded Geelong road and a drug detoxification centre.

Budget day 2000 was a gold-letter day for the Geelong region. It was the day the Bracks Labor government delivered its key promises to Geelong, such as funding for more police on our streets and more teachers in our schools, and funding for a better, cleaner public health system, an upgrade of Geelong road and the establishment of a drug detoxification centre.

Ambulance services: response times

Mr DOYLE (Malvern) — Yesterday I listened with interest to the Premier's budget speech. I remind the house of two statements he made:

> There are no 'core' and 'non-core' promises here.
>
> …
>
> There's no wriggling and twisting around to get out of our election promises.

I turn first to ambulances. A special policy on ambulances was released by the Labor Party during the election campaign, page 2 of which says:

> Labor will seek to improve the service so that the response time target is 10 minutes in 90 per cent of cases within 12 months.

That means that from 20 October 1999 to 20 October this year the ambulance response time for code 1 will be 10 minutes.

Imagine my surprise, therefore, when I turned to page 66 of budget paper no. 3 and saw an ambulance emergency service output deliverables chart which states under the heading 'Timeliness' that in 50 per cent of cases the code 1 emergency response time will be 13 minutes. The response time is not 10 minutes as promised in the policy, but 13 minutes.

The SPEAKER — Order! The honourable member's time has expired. The time for statements by members has also expired.

GRIEVANCES

The SPEAKER — Order! The question is:

> That grievances be noted.

Budget: Rural Victoria

Mr RYAN (Leader of the National Party) — I grieve for the people of country Victoria in the light of the budget delivered by the government yesterday. The theme is outlined in articles in today's *Australian Financial Review*. One article by Tony Harris states in part:

> And after the fiscal legacy of the Kennett government has been exhausted, net budget sector debt will actually grow from $2.8 billion at the end of 2000–01 to $3.1 billion in 2003–04.
>
> …
>
> The $628 million cash surplus left in 2000–01 becomes a deficit of $135 million by 2003–04.

An article by Alan Mitchell in the same publication states:

> Even with all the fiscal discipline implicit in the forward estimates, the Bracks government is heading for cash deficit in its last two years.

A couple of weeks ago during the campaign for the Benalla by-election the government started out by rolling out the barrels; but, using the words of the old Canned Heat song, we are back on the road again — we are going back into the red. Country Victorians in particular will be very concerned about that. Six months ago, based on its figures, the government believed the $1.3 billion surplus would be only $720 million. It has that amount of money to spend, but what has it done with it? It has squandered it! During the next three years Victoria will be $55 million in the red, and in the following year that figure will be $135 million.

What are some of the outstanding concerns of country Victorians about the government and the budget it delivered? I am delighted — I use the term loosely — to see the Minister for State and Regional Development, because the first area of concern for country Victorians is the farce surrounding the Regional Infrastructure Development Fund. What has the government done with that? The government advertised that $170 million would be allocated, but it cannot allocate any more money than that in the budget despite the fact that the minister recognises it is not enough money.

Only weeks ago the minister called for the federal government to put in another $170 million. How about getting New South Wales to chip in a bit! What about poor old Tassie? It could toss in a bit, too! It is not enough money, and the minister understands that. More importantly, I can tell the minister that country Victorians also believe it is not enough money.

Some $100 million is gone, including the funding for programs the government cannot deliver. The minister knew at the time the programs were promised that he could not deliver them. He has consistently said the government will pursue a $40 million program for rail standardisation knowing full well that the federal government would not match the funding under current policy. The government cannot deliver what it has promised.

There is also the guidelines fiasco. Local government is now heavily involved in the administration of the program. I have heard reports that when people telephone to get application forms from the department some sort of half-baked vetting procedure occurs before the forms are sent to them. I have written to the minister

and asked him to distribute the application forms to the municipalities. Since councils play such an important part in the program I asked that they distribute the application forms first-hand. I am awaiting the minister's response, but I suspect it will not happen. Huge expectations have been built up that cannot be delivered. Another $70 million will be left in the fund over the next three financial years, and there is no way the fund will be able to sustain the number of applications made. Country Victorians and municipalities are concerned about that.

There is also confusion about the distinction between the various funds. The budget provides no detail of how the $1 billion fund created yesterday will operate. Some aspects of the Community Support Fund legislation do not properly dovetail with the Regional Infrastructure Development Fund, particularly in relation to tourism issues. The fund was purportedly set up in part to deal with road funding. That is gone; the minister counted it out. The first issue of concern for country Victorians is the complete misapplication of how the fund is supposed to operate. Only recently the department advertised for half a dozen people to administer the fund, so what has happened with the preparations for the fund that were supposed to have occurred?

The second issue of concern for country Victorians is the absence of tax cuts in the budget. I sat in the chamber during the two days of the Growing Victoria Together summit, as did the Leader of the Opposition and other members, including the ministers for State and Regional Development and Transport. The dominant theme of that summit was taxation cuts. That is what the business sector wants and it is what the unions agreed to, but the government has failed to deliver. The people who attended the summit urged the government to deliver tax cuts. However, instead of following what the previous government did in relation to payroll tax the budget is absolutely silent on the issue. Instead, the budget sets out a proposal for $400 million worth of tax cuts over the next three financial years.

Honourable members will have to wait to see whether those cuts will be delivered. Business is bitterly disappointed about that, which is reflected in the commentaries of the various news agencies put forward today. It strikes at the heart of a basic issue the government does not understand. It is not enough to merely talk about job creation as part of the smoke-and-mirrors act, which is referred to in the headline of the article written by Tony Harris in today's *Australian Financial Review*. That is the headline: 'Bracks budget uses smoke and mirrors'.

The government does not understand the distinction between job creation and job generation. It must create an environment in which business can prosper. During the summit, and subsequently, business delegates cried out for realistic tax cuts that would give businesses the incentive they needed to generate jobs, particularly in country Victoria where there is a notable lack of confidence.

I do not like talking down the state. Indeed, I have spent a lot of years talking up the state's fortunes. However, as I move around Victoria I feel frustrated by the lack of confidence arising from the government's mismanagement of union issues, including the 36-hour week, and their implications for country Victoria. Just recently A. V. Jennings announced that it is pulling out of its country-based operations. We have also observed the Virgin Airlines fiasco, the Docklands issues and more. Those events have helped to produce a lack of confidence among country Victorians. The Bracks government had the chance to strike at the heart of that uncertainty, but instead it dropped the ball, as I explained in referring to the news articles I mentioned.

Worse still, as reported this morning the state is heading back into the red. Table 7.4 on page 154 of *2000–01 Budget Statement* contains evidence that over the three financial years following the current year the state will end up $55 million in the red in cash terms, and it will be $135 million in the red the year after that. All this at a time when the billion-dollar Growing Victoria reserve is intended to be available for spending. However, it will not be available: it will be gone, once and for all! After having worked so hard as a team over seven years to address the long-term problems that plagued them, Victorians will be left with a budget in the red.

Country Victorians are very concerned about that. They know the efforts they made in addressing the problem and overcoming it. They did their bit in again making Victoria a great state, which it was at the time of the last election in September last year. They are also concerned about the insidious influence now exerted by the union movement. Unions have succeeded in getting back in to run the government. The issue is relevant to the Benalla by-election, and the candidates are grappling with it.

On the one hand, Bill Sykes, the National Party candidate for the seat of Benalla, is doing an outstanding job. He is able to tell the people of his proud contribution to the Benalla electorate over the 25 years he has lived there as a local fellow, a local business operator, a professional vet who has worked for the department over many years, a member of the Victorian Farmers Federation and the Country Fire

Authority and a footy coach. He is a fantastic community contributor and is looking forward to coming into this place to properly represent the people of the Benalla electorate.

On the other hand, we are having difficulty getting the Labor candidate to tell the people what her platform is. We see television advertisements produced by the Labor Party in which she is not even allowed to talk. What a ridiculous position to be in! The Premier seems to be the endorsed Labor candidate for Benalla. He is up there with the cabinet ministers and the white cars, but the Labor candidate cannot be found. The people of Benalla are telling us they want the real Labor candidate for Benalla to get up in public forums over the course of the next few days to put her point of view on the various issues of concern.

When I was in Benalla the week before last those were the issues people were putting to me. It was the same in Mansfield, and yesterday in Marysville I heard the same thing again. I am sure when I am up there on Friday I'll hear the same sorts of things. I'll be there on Sunday, and I know I will be told the same. Monday will be the same, and on the day of the election people will still be telling me the same thing. I will be up there to hear it, though, because the Benalla electorate is an important part of the great state of Victoria. That is why the National Party has put up a candidate as good as Bill Sykes, a local man who has been looking after the community in so many ways for 25 years. The people of Benalla will soon have the opportunity to vote for him.

Yesterday the government had an opportunity to do something special for all Victorians and particularly for all country Victorians through the budget. However, in its analysis of the budget, today's *Australian Financial Review* explains what the government did with that opportunity. That newspaper got it in one: 'Bracks budget uses smoke and mirrors'. Another article heading was just as telling: '$200 million variation on an old theme'. They are back in town!

The Bracks government is moving Victoria inexorably down the same old path we had to be dragged off years ago. It is splurging money, unable to understand how to spend it properly and constructively to generate jobs to ensure that all Victorians, particularly country Victorians, can properly contribute to the fortunes of this great state.

Disability services: planning

Ms CAMPBELL (Minister for Community Services) — I grieve today for the lack of planning and consultation by the former Kennett government on services for Victorians with disabilities. As the Minister for Community Services it is a great delight to announce to the house that the Bracks government is taking disability services seriously.

The Intellectually Disabled Persons' Services Act of 1986 states that the minister must ensure that a plan for the development of services for intellectually disabled persons services is prepared at three-year intervals. But guess what! The previous minister, whose responsibility it was to ensure that a state plan was prepared, did not do so. The 1996 plan should have been updated in 1999 by the previous government, but it was not. That previous minister is now the Leader of the Opposition.

The 1996 plan of the former Kennett government for the state's disability services was a disappointing document in three important areas. Firstly, it was produced without any real consultation with people with disabilities and their families, service providers or other important stakeholders. People with disabilities, their carers, families and various other groups with whom government should work in partnership have the right to have a clear understanding of future directions and options for service delivery and to have maximum input into the formulation of plans for the future.

Labor's disability services plan will recognise a charter of rights for people with disabilities. The Bracks Labor government has begun the planning process by talking directly with people with disabilities, their families and carers, who say this is a refreshing change from the Kennett government era. The government has also commissioned a systemic research project that asks people with disabilities to tell the government about their experiences, aspirations and requirements for services. A senior person in the department pointed out to me that this was a first, that the department was not used to asking people what they thought and that I needed to be mindful that I might have a problem if people with disabilities raised concerns. I told that departmental officer that it is important for the minister to know what is happening so that she can act if remedial actions are required and that I am prepared to listen to the advice of people with disabilities, to take up the issues they raise and to address their concerns.

It is important to know how people with disabilities view their life opportunities and what are their feelings about themselves and their options for community inclusion. The Kennett plan was totally flawed because of the previous government's overall policy and spending processes and failed to produce new directions and policies. It was wounded by privatisation

theories and competition in a field where partnership, support and mutual respect must dominate.

Since I became the Minister for Community Services, people in the non-government sector have continuously made the point to me that it is refreshing to be able to again have collaboration as people are not at each other's throats in the service sector and trying to compete for tenders in an environment that is not conducive to focusing on the needs of people with disabilities. Labor recognises that while people with differing disabilities face different issues and have different needs, there is a requirement for a coordinated approach to providing services for people with disabilities to ensure a fair system of service delivery.

Labor's state disability services plan will provide a vision for the future and it will address the change process at three levels.

First, it will address the individual by providing options and opportunities for people with disabilities, their families, carers or advocates to participate in, control where possible and review the most appropriate mix of services for them as individuals with individual needs.

Second, it will address the service system by providing options for flexible service models, new approaches to funding, life transition support and flexibility. The focus will be on the needs of the person with the disability and not on the organisation.

Third, the plan will address the community by developing and implementing strategies to support and encourage communities to value people with disabilities. It is encouraging to see moves within the business community to ensure that people with disabilities are given opportunities to participate in the work force in a way they enjoy and their abilities allow.

The Kennett plan failed people with disabilities because the former government did not seek to address or even consider important the basic issues of community inclusion or participation and the promotion of the citizenship rights and responsibilities that should be enjoyed by all Victorians.

The Bracks Labor government policy for community services stresses the need to rebuild a sense of community, to work in partnership and to treat people with disabilities as valued members of the community in their own right having maximum control over their own lives.

The research project I referred to earlier, the aspirations project, will inform the proposed charter of rights for people with disabilities and in turn develop under the state disability services plan tangible benefits that deliver on the charter of rights, allowing Victoria to be a more inclusive community for all Victorians and particularly those with disabilities. The 1999 Kennett — —

Mr Leigh — On a point of order, Mr Acting Speaker, the Minister for Community Services is reading from a document. I ask her to make the document available to the house. Clearly it is typed material. Unless a second-reading speech or ministerial statement is being made or a shadow minister is responding, simply reading a document is not appropriate. I therefore ask that the minister make the material available to the house and that she be cautioned on reading material to the chamber.

Ms CAMPBELL — On the point of order, Mr Acting Speaker, I am reading from copious notes — I am referring to copious notes. It is the convention of the house that honourable members are allowed to refer to copious notes.

Mr Perton — On the point of order, Mr Acting Speaker, it is your duty in this case to act on personal observations. Like the honourable member for Mordialloc and me, you saw the honourable member reading from the document. She has obviously read the rules recently and realised that she made an error in saying, 'I am reading from …'. Her first admission should apply. Several weeks ago the same minister was caught reading from a document and refused to table that document, playing fast and loose with the truth in the house. In the circumstances her first sentence was probably the truthful one: 'I am reading from …' — then catching herself.

The minister interjects through everyone else's submissions. Mr Acting Speaker, your reply should be based on the minister's first statement — that is, 'I am reading from'. She should make the document available.

Mr Brumby — On the point of order, Mr Acting Speaker, the conventions and rules of the house are clear on the matter. If a member has a document and reads from that document, it is required that it be tabled on request. However, a member is entitled to have copious notes, either handwritten or typed, and to refer to them when making a speech, which is what the minister is doing. Those are the rulings of the house. The minister is entirely in order. Again the opposition is wasting the time of the house with spurious points of order.

The ACTING SPEAKER (Mr Nardella) — Order! The Minister for Community Services has assured the house she is reading from copious notes. I take that on board. There is no point of order.

Ms CAMPBELL — As I was saying, the previous government's state plan was deficient in a number of important details. One requirement of a state plan is that there be community awareness and that an extensive campaign be undertaken. That was not the case under the previous government. The plan set out by the previous government did not include community consultation. I assure honourable members the plan of the Bracks Labor government will include community consultation.

The other important point about community consultation under the Bracks government is that it will be ensured that staff receive the opportunity to have input. Under the previous government staff in disability services had appalling employment opportunities. Generally speaking they were employed on three-month short-term contracts. It might be asked why. The previous government planned to privatise and outsource disability services. It is clear that under the Bracks Labor government it will be ensured that people with disabilities have services provided by the non-government sector and by the Department of Human Services.

The government's plan will look at the high staff turnover rate under the previous government. The government wants to ensure that staff members are valued, that the quality of service is enhanced and that people with disabilities have long-term staff at their facilities. Staff members are an asset, not a liability. The Kennett plan also did not take into account that services provided are complex and require long-term relationships and a significant commitment to training.

The failure of the previous government is clear in two obvious areas: firstly, in its failure to provide sufficient state funds, and secondly, in its failure to fight for a greater share of commonwealth funds for disability services. That has left the service with many crisis points. Families should not have to experience crisis before they can access disability services. In the past all too often families have been forced to cope with little or no support — support that would have enabled them to care for a person with a disability in their own homes.

The Bracks state plan will look 10 years into the future and examine the changes that may be faced by the community and their impact on the community. There will be both challenges and opportunities in having a 10-year forward plan. The plan will focus in detail on what needs to be addressed in both the short-term and the medium-term future. The plan will include clear, identifiable goals for people with intellectual disabilities aimed at fulfilling the requirements of the act. The plan will be prepared at timely three-year intervals, recognising the rapid pace of change and the need to be responsive to people with disabilities.

Mrs Elliott — On a point of order, Mr Acting Speaker, it is perfectly plain that the minister is reading from a prepared statement. I ask her to table the prepared statement.

Ms CAMPBELL — On the point of order, Mr Acting Speaker, I am referring to copious notes. All honourable members have the opportunity to refer to points prepared prior to speaking in the house.

The ACTING SPEAKER (Mr Nardella) — Order! I have heard enough on the point of order. I have been observing the minister. She has been referring to copious notes, as she has assured me. There is no point of order.

Ms CAMPBELL — The Bracks Labor government is establishing a disability advisory council to address the glaring anomalies it has inherited. It is the wish of the government that the council be available to people with disabilities and to government and non-government organisations so the budget's wonderful injection of funds will be well spent.

The ACTING SPEAKER (Mr Nardella) — Order! The minister's time has expired.

Westmeadows: toxic waste dump

Mr LEIGH (Mordialloc) — I rise today to discuss a good example of the open, honest Bracks government. I say at the outset that all of my notes and documents are available to the house. The game has been given away by the honourable member for Tullamarine. I shall read an article in the *Hume Observer* dated 18 April that quotes her comments:

> Plans are being made for a new toxic dump in Westmeadows …
>
> The dump, to replace the present toxic landfill next to Tullamarine airport run by waste company Cleanaway, is being considered for a nearby, disused quarry.
>
> Ms Beattie … said the Cleanaway landfill was scheduled for closure in 2001 and a new dump at the Mitchell Lasry quarry would follow close on its heels.
>
> Ms Beattie will show state environment minister Sherryl Garbutt the site today, to voice what she believes is the community's opposition to a new dump.

> 'We're saying to the minister — come and have a look at the facility, see how close the new dump would be to residential sites', she said.
>
> 'The company has not at this stage put any dollars or firm proposals on the table, but we are concerned they might soon'.
>
> Ms Beattie said the new dump would be built close to a proposed housing estate … and could have dangerous effects on Moonee Ponds Creek.

As the shadow Minister for Transport and honourable member for Mordialloc it is not my responsibility to pick the site and say whether it is perfect, but I have a couple of concerns about the outcome.

Firstly, the open and honest Bracks government has not told people that it is currently behind the scenes negotiating for a new toxic site in the northern suburbs. The words 'toxic site' are not my words but those of the government's own members. The house will remember what happened last year with the proposed site at Werribee. The new site in Western Road, Westmeadows, is owned by the government and is, I believe, Crown land. I have seen copies of minutes showing that the Urban Land Corporation, the City of Hume, Cleanaway and community people have been involved with the proposal. It is clear that Cleanaway is about to put a proposal to the government.

I have documents, which I do not intend to read from in the brief time that I have, including one entitled *Buffer Land Issues Papers — April 2000* by Maunsell and McIntyre. There is also a major document commissioned by Maunsell and McIntyre and prepared by Golder Associates. Clearly the Labor Party is putting a lot of effort into locating the site in the north-western suburbs.

As the shadow Minister for Transport I am particularly concerned about what will happen if this or any site in that area is not used — and it appears that both the honourable members for Werribee and Tullamarine are behind the scenes trying to make sure no sites are established on that side of Melbourne. The fact is that, as of today, the current landfill site at Tullamarine takes a little more than 70 000 tonnes a year of prescribed waste — toxic material according to the Labor Party. The Lyndhurst site in Dandenong currently takes about 100 000 tonnes a year of prescribed waste.

The waste at the Lyndhurst site has increased because the Labor-controlled council of the City of Greater Dandenong increased the height limits on the site before the last state election. It was preparing for the time when this or any of the other proposals in the northern suburbs failed. According to my information, it is the intention of the Labor government to allow over 16 000 large truck journeys a year along the Princes Highway, through the electorate of the honourable member for Dandenong North, down and across Nepean Highway and through to Governor Road in my electorate. The south-eastern suburbs are about to become the dumping ground for the Labor Party and the northern suburbs of Melbourne.

The Labor Party was a participant in wrecking what was proposed at Werribee. It was warned by its own members at the time. The then Leader of the Opposition was warned what might happen if it did this, but little did the Labor Party expect that it would wind up in government and, as the owners of the land, have to negotiate what is to happen with the site. The site is obviously worth millions of dollars. It is behind significant parkland and an historic facility, and there is buffer land on the side of it. Victorians, and the people of the south-eastern suburbs in particular, are increasingly concerned about what will happen.

I will quote from a document entitled *Survey of Prescribed Waste Generation and Disposal by Victorian Manufacturers — Servicing the Needs of Industry — August 1997*. The document sets out landfill proposals at the time and states:

> Currently two landfills are available to meet industry demands for disposable prescribed waste: Tullamarine largely servicing the needs of industry in the north, west and inner parts of Melbourne, and Lyndhurst largely servicing the needs of industry in the south and east of Melbourne. About 125 000 tonnes of prescribed waste is received by Tullamarine and 65 000 by Lyndhurst.

The site at Tullamarine has already gone down to 70 000 tonnes of prescribed waste and the site at Lyndhurst has gone up to 100 000 tonnes. The south-eastern suburbs have already started to become the dumping ground for the Labor Party's inaction in opposition. Now it is in government it does not want to make a decision because it knows it will upset some of its buddies such as the honourable members for Tullamarine and others, and presumably even you, Mr Acting Speaker, as the honourable member for Melton.

The study also states:

> While both landfill operations compete for clientele, it would appear that between 5 per cent and 10 per cent of the prescribed waste coming to Tullamarine is from the south and east of Melbourne. This would suggest that each market is largely segmented by regional and historical developments.

That was a comprehensive study by the Australian Chamber of Manufactures, which surveyed industry needs and considered what would happen if nothing

was done. The survey clearly shows that the net effect of what is about to happen is that the roads of the south-eastern suburbs should become the playthings of the northern suburbs of Melbourne. The people of the south-eastern suburbs are about to cop it because of a government that is inactive and because of people such as the honourable members for Tullamarine and Werribee and others who are doing everything they can to sabotage the proposals that may be being put forward for their electorates.

I am not saying the site in question should be the site; that is for the government to decide. However, the government owns the site and Cleanaway is about to put a proposal to the government about what should or should not be done. It is up to the Minister for Planning, the Minister for Environment and Conservation and the honourable members for Doncaster and Box Hill, who are the shadow ministers, to make a decision, but particularly the Minister for Planning.

The Urban Land Corporation is responsible for negotiating this position, and the Minister for Planning is responsible for the Urban Land Corporation. The document is now sitting on his desk. His officers have been negotiating with people out that way, and the community of the south-eastern and northern suburbs want the matter out in the open as it was last time with the proposal for a toxic waste dump at Werribee.

The City of Hume and various other Labor councils — such as that of Gary Jungwirth, a ministerial adviser in the former Kirner government — are doing everything possible to sabotage this proposal behind the scenes. The opposition wants to know what the government is doing and when it will make a decision. The 1997 study shows the amount of material going to Lyndhurst has significantly increased. By 31 December 2001 no other site in Melbourne will be able to take prescribed waste, according to the Labor Party.

The honourable member for Tullamarine, who is now in the house, is actively sabotaging the government behind the scenes. I hope she will contribute to the grievance debate and explain her position, because the opposition and the community need answers from the ministers involved and assurances from the Minister for Transport that he is not going to allow the state's roads to be misused in this arrangement.

At the moment various disposal sites for urban waste are regionalised. If the Labor Party is going down this track, the people of the southern suburbs will ask for their prescribed waste site to be regionalised as well. Let them organise a site on their own side of Melbourne and if they cannot do so it is their problem in regard to what happens with the industry. Waste from the northern suburbs will not come down the south-east road network, which is bad enough as a result of the budget where almost nothing has been done for projects like the Dingley bypass. The opposition wants to see the Labor Party make some decisions, whatever they may be.

I am prepared to offer bipartisan support: I am happy to work with John Lenders, the honourable member for Dandenong North; the Minister for Major Projects and Tourism, the honourable member for Dandenong; the honourable member for Oakleigh; and all other Labor members of Parliament for the south-eastern suburbs who will fight with me to ensure the northern suburbs face up to their own responsibility. I want no more than that.

Industry should be congratulated on the reduction in this type of material. Clearly the Tullamarine dump is on the verge of closing. Honourable members who represent the eastern and south-eastern suburbs should understand that over 16 000 additional large dump trucks a year will come through our territory when that occurs.

I do not care about the attitude of the honourable member for Tullamarine, who wants to sabotage her own community and the interests of Victorian industry; that is her responsibility and the government will discipline her in whatever manner it sees fit. Questions need to be answered by the government. It is being secretive, not open and honest.

To her credit, the honourable member for Tullamarine came out publicly and slammed the proposal — at least we know where she stands — but the opposition wants to know the views of other government members for the south and south-eastern side of Melbourne.

When the former member for Springvale, Mr Micallef, was here — a real member who was interested in his people — he took a stand in defence of the south-eastern suburbs of Melbourne. I seek the same response today from members who represent the south-eastern suburbs. Let them come over to this side of the chamber and support the opposition to ensure that Victoria and the south-eastern suburbs particularly are treated fairly. In the budget the south-eastern suburbs have not been treated fairly and under the current arrangement are about to cop it. As a member from the south-eastern suburbs and the shadow Minister for Transport, I will ensure they do not cop it.

Benalla Secondary College

Ms DELAHUNTY (Minister for Education) — Today I grieve for the state of the education system. When the previous government departed it left it in a state of neglect. In particular I grieve for the dilapidation left behind at Benalla Secondary College Dunlop campus. It is home — if I can call it that — to 260 year 11 and year 12 students. The campus is named after one of Australia's greatest heroes, Weary Dunlop.

For the past seven years the Dunlop campus of the Benalla Secondary College was denied every cent of maintenance funding ascertained by the Department of Education as necessary to create a decent learning environment for the students. It is a disgrace. Members of the National Party and the former coalition government should hang their heads in shame when they contemplate the state of the Dunlop campus of Benalla Secondary College.

The government knows the previous government closed nearly 200 country schools — the hearts of nearly 200 school communities were broken. Members of the Dunlop campus school community said, 'You will not break our spirit. You might not fund us but we are going to stay open because this is a valuable community asset'. The people of Benalla want the campus to stay open; the students of Benalla Secondary College want to be taught by the valuable teachers working in that environment; and the community stood up against the crude, miserly strategy of the previous government supported by the former Deputy Premier — the local member for Benalla — during the past seven years of neglect. Weary Dunlop might have just survived the Japanese in Burma but the Dunlop campus named after him barely survived the attack by the last government.

Last Thursday as Minister for Education at the request of the Labor candidate in Benalla, Denise Allen, I visited the campus. I expected to see evidence of neglect, but I was shocked by what I saw. There were cracks scarring the sides of most of the classrooms. I walked into a staffroom during the tour and I smelt the stench of dampness — indeed decay.

When we looked at the corner where the worst cracking was clearly evident — the corner of a staff room where professional English teachers of senior students had to work — we found there was a giant hole almost the size of the English Channel! That is the state in which the coalition government left the Dunlop campus of the Benalla Secondary College. It is a disgrace. In fact, it is worse than a disgrace because around 1994 or 1995 the education department audited the Dunlop campus, as was its responsibility, and said some maintenance was urgently needed, as is the case with most schools over time. What happened?

Mr Honeywood interjected.

Ms DELAHUNTY — This government can match it all right. The former government gave it absolutely nothing. It audited the school and said, 'Sorry, we raise your expectations and then we slap you in the face'. That was in 1994–95. It was miserly and vengeful.

I am informed that another audit process was carried out in 1997–98. The physical resources management system audit determined the need for at least $400 000. The government was pruning it! Even $400 000 would have been something to provide a decent learning environment for the school's 260 students. What happened? Again, no money was provided.

What was the master plan? It is quite clear that the strategy of the previous government was to cynically starve the school so that the Dunlop campus would be forced to close. That is what the former government did; that is the grubby tale of how it forced so many schools across the state to close, particularly in country Victoria. It simply withheld funds. It said, 'You need an independent audit by the department', but the department was told to stay out of it: 'This is a political decision. We want that school to close'.

As I said, that school must have had the spirit of Weary Dunlop because it withstood the onslaught for seven years and said, 'This is a community asset. This is a good school. Tom Greene is a great principal. We've got proud, professional teachers who are providing a quality education. We will not see this school closed'. Of course, the school was running against the tide because, as honourable members know, the Kennett government launched an unprecedented assault on education in this state for seven years. Honourable members know the raw statistics, but I shall state them again because it is a tale of savagery, particularly in country Victoria: 326 school sites closed, nearly 200 in country areas.

A few other schools on the list fought to survive, and the Bracks government has already saved one school. I am pleased to see the honourable member for Mildura in the house. He would know the Patchewollock group school, a tiny school in the far north of the state that is the glue of that tiny and shrinking community that has suffered the ravages of economic changes. The Bracks Labor government said those children deserve a school, and it will support the school for at least another year

until the best alternative for the students can be determined.

The government has already stemmed the tide of country school closures. Of course, many schools did not survive. The closures were driven by an agenda that was about not spending money on education. Spend on everything else; spend on buildings other than schools, but do not spend money on education.

What is the legacy of the Kennett government about which I grieve on behalf of Victorians? As the Commonwealth Grants Commission figures show, when the Kennett government left office Victoria was spending less per head on education than any other state or territory in the nation, despite the fact that it is the second-largest state in the country! That is a disgrace. As a result we have a school with 260 students that is an unfit learning environment.

When schools are closed, class sizes balloon. Under the previous government classrooms became crowded, with a consequent diminution in the quality of learning. Seven thousand teachers were sacked and student retention rates plummeted from 77.9 per cent to 69.8 per cent — in other words, our students started to leave school in increasing numbers before they finished year 12. While that was going on the coalition government was spending money on consultants. What sorts of consultants? They included Liberal Party mates such as the Half-million Dollar Man, Dr Kevin Donnelly — and as the Auditor-General said, none of those consultancies was tendered for.

While Dr Kevin Donnelly was on the gravy train to the tune of over $500 000, funding of about that figure was being crudely denied to the students and teachers of the Dunlop campus of Benalla Secondary College. We all know the former government gagged everybody, and that included gagging teachers and principals and school communities to stop the Victorian public from finding out about what was really going on in our schools. However, we now know the truth, because we have gone out to schools to have a look, and that includes the Dunlop campus. When the Labor candidate for Benalla, Denise Allen, took me to that school she said, 'You are not going to believe what you will see'.

What did the previous Minister for Education do for that school? When people go to the ballot box in Benalla in a couple of weeks I doubt they will think well of the National Party when they consider the state of the Dunlop campus of Benalla Secondary College.

Having looked at that school and examined the enrolment figures, which are steady and predicted to increase, I have decided to retain the Dunlop site. It is a community asset that the community has fought hard for, and the government will support it. Further to that, I will immediately release the Dunlop campus's funding entitlement of $330 000 so the most urgent maintenance needs of the site can be addressed. That will be only the first funding instalment for the school to enable it to start building a quality learning environment for its students. The site will also be reaudited to ensure that the government has a good understanding of the most efficient and effective way to revive it.

I am also providing funds for a master planning process. Further funds will be allocated following the completion of the maintenance audit and the planning process to ensure the achievement of a quality learning environment.

It is fascinating to note that following my visit to Benalla last week, during which I told the school community I would support its argument for keeping the school open, the National Party candidate for Benalla, Bill Sykes, welcomed the decision in the local newspaper, stating that he was absolutely delighted that the government would support the revival of the campus.

I ask Mr Bill Sykes what his party was doing while the school virtually went down the gurgler and while huge cracks were opening up in staffrooms and classrooms. It is a bit late for the National Party and Mr Bill Sykes in particular to be saying publicly what a great announcement it is. It is a great announcement, but it has happened only because the Labor government believes in providing a quality learning environment for all Victorian students, regardless of whether they go to school in the country or in the city.

Not only does the government support a quality learning environment, it also does not want to see students' opportunities limited by a dilapidated school environment — and it certainly does not want to see the professionalism and work environment of our teachers undermined. It is an insult to the profession to ask teachers to work in the standard of accommodation that I saw at the Dunlop campus.

Redevelopments like the one at the Dunlop campus, which will be replicated across the state wherever we see neglect, will result in school communities keeping their schools against the odds and despite the attacks of the previous government. In particular, I applaud the teachers who continue to teach the curriculum and

provide the necessary incentive, motivation and support for their students, despite the conditions in which they work.

Mr Honeywood interjected.

Ms DELAHUNTY — I hear the interjection from the shadow Minister for Education, the man who described teachers as coming from the reject pool. He has no understanding whatsoever of what I mean when I talk about insulting the professionalism of teachers by not providing them with a decent environment in which to work.

Mr Honeywood interjected.

Ms DELAHUNTY — I am sure you would not have said she was from the reject pool, because she married you.

Mr Honeywood interjected.

Ms DELAHUNTY — I see, only certain ones are from the reject pool.

The upgrades will continue under the 2000–01 budget — although I cannot pre-empt that!

Rural Victoria: local government

Mr SAVAGE (Mildura) — I grieve for regional Victoria, and specifically for the local authorities that are responsible for providing services to and meeting the aspirations of people living in regional and rural areas. The pain and suffering inflicted on them as a consequence of the decisions made by the previous government need some examination. I will outline how the government should respond to that grief some five years after the amalgamations and the mandatory 20 per cent rate cuts.

Firstly, governments, including the current government, should put their trust in councils — or more pointedly, in the ratepayers at the ballot box — to ensure they are accountable for their decisions. They should not urge that caps be put on rate increases, even if they are only recommendations.

Secondly, governments should not be afraid to allow an independent assessment of the success or failure of amalgamations for fear of the precedent that the breaking up of an amalgamation might set.

Thirdly, to avoid extra costs ratepayers should be allowed to decide at the council level whether they want to retain wards or ridings.

Fourthly, proportional voting should be used in council elections where there are no ridings or wards.

Fifthly, governments should have special responsibility where councils have large areas of non-rateable Crown land within their boundaries.

Sixthly, both state and federal governments have an obligation to return to motorists much more of the money they both collect from road and petrol taxes in the form of funds for road maintenance.

I will begin by talking about the Delatite Shire Council in Benalla, an electorate in which there is passing interest at the moment. It is obvious that Delatite, like most rural councils, is finding it impossible to maintain its bridges and roads. The budget for resheeting roads is inadequate. The most obvious example of the problem is Kirwan's Bridge near Nagambie, which, without a major upgrade, is in danger of being closed. The budget for maintaining parks and gardens is also under significant pressure.

Delatite shire's problems are a direct consequence of the 20 per cent rate cuts forced on councils in a cynical exercise to gain community support for the unpopular amalgamation concept. While the recent guidelines the minister has issued on rate increases are not mandatory, there is a risk that they will inhibit councils that need to increase rates by more than 5 per cent, thereby perpetuating the freeze and the inequities that it generates.

The promised savings of between $300 000 and $600 000 that Delatite should have received from the amalgamation of the city and shire of Benalla and the shire of Mansfield have never materialised because the council has had to maintain offices at both Mansfield and Benalla. The result has been a loss of community identity, with nothing to show for it. It is no wonder that in January this year 750 people attended a meeting in Mansfield and that within four weeks the Mansfield Residents and Ratepayers Association had 1300 members. It is clear that calls for an independent review of the effectiveness of that amalgamation have merit. Although the former Shire of Mansfield was small, it was not much smaller than the Shire of Strathbogie, which escaped the clutches of the amalgamation fanatics.

The honourable member for Gippsland East deals daily with the legacy of the former government's policies in his Shire of East Gippsland, the insolvency of which is profound. The shire revenue is $29 million, with a debt of $17.5 million and an annual interest bill of $1.5 million that increases by $500 000 every year.

Amalgamations have created a shire in which 76 per cent of the land is non-rateable. Some 7.5 per cent of the state is cared for by the citizens of East Gippsland. The shire has 244 bridges, of which 144 are timber, and it has no funds to replace the bridges with steel or concrete constructions. The maintenance debt is increasing by some $2 million annually, and maintenance of roads and bridges is only 50 per cent of what is required. The question facing the shire is whether to close roads and if so which ones.

I speak now about the electoral voting system. Rather than a system where councillors are elected by the entire shire or city, I believe a ward or riding system achieves the best representation. The problem with the whole-of-shire or city system is that certain parts are overrepresented while others are not represented at all.

The weaknesses are exacerbated by an exhaustive preferential system that is exploited by people knowledgeable in those matters to achieve results which may suit them but do not lead to a representative council. Worthy apolitical candidates are generally disadvantaged by the system. Clearly, where whole-of-shire or city elections exist the voting system should be proportional.

I turn now to the Surf Coast Shire, which would adopt whole-of-shire elections if the system used were proportional voting. The shire estimates that the 20 per cent rate freeze has cost it $1.5 million in revenue. In the current financial year the council increased rates by some 7 per cent. Although the increase should have been greater, discretion was thought to be the better part of valour with the possibility of an inquiry by the local government office if that occurred. The Surf Coast Shire experience highlights the potential unintended consequences of government recommendations.

While rates were capped infrastructure deteriorated. The council allocated $600 000 in a desperate effort to patch up problems, but a realistic assessment is that more than $2 million is required annually for several years. The council needs to spend some $13 million in the coming three years to cater for basic growth and tourism. It needs to raise some $7 million itself. In addition, the rehabilitation and extension of the drainage system in the fastest growing town requires a further $8 million. Some $300 000 was allocated last year for capital works, and the current rate base will not service the interest on the loan required to do the work.

Surf Coast Shire has identified important projects that would require an increase of $2.4 million in revenue, some 30 per cent. In the view of the council, rate capping has cost it at least 30 per cent in rate income. In addition, the council must borrow to service a superannuation debt of $2.3 million. The council's debt-servicing cost is $1.3 million annually.

One question that emerges from Surf Coast Shire's situation is whether tension exists between the government's desire to limit rate increases — when looked at from a city point of view in the light of substantial increases in property values in recent years that would seem highly desirable — and placing trust in each community to determine how much it is prepared to pay for services. Many would say that if local government has transparent processes, consults and informs the community and is accountable for its decisions at the ballot box, councils should be able to determine their own future without Big Brother overseeing their actions.

The problems for the Surf Coast Shire have a silver lining. It has a population growth rate second only to the City of Casey. That is not the case closer to my home in the Shire of Yarriambiack. In 1994–95 the shire spent $720 000 resheeting gravel roads and $225 000 resealing roads. The following year the amount spent on resheeting fell to $370 000, and on resealing it fell to $30 000. After increasing rates by 4 per cent last year the council projects that by 2003–04 it will spend $610 000 on resheeting and $300 000 on resealing. The amount spent on roads is inadequate. One can wish away the obvious by saying the amounts spent on roads prior to the rate cuts and amalgamations were inflated because of pork-barrelling, but that sort of rhetoric will not go very far.

The three former councils of Warracknabeal, Karkarooc and Dunmunkle which form the Shire of Yarriambiack were small but lean and mean. The $600 000 in savings the Local Government Board said would flow from amalgamation has not materialised. What is equally real is that after ensuring all-weather road access for residences and school buses the budget does not ensure all-weather road access to farms for farmers who live in towns.

Given the stagnant incomes of many of its ratepayers, the issue facing the Shire of Yarriambiack is how it catches up. Life would be difficult enough even if it had not been forced to cut its rates. Again, as with the Shire of Delatite, small communities have felt a loss of identity and believe they have gained nothing from their sacrifice.

One of the saddest post-amalgamation stories relates to the Shire of Moira, the result of amalgamating five shires, the viability of each of which could not be worse than the viability of Shire of Moira. It has more than

7500 kilometres of gravel and dirt roads, 5 main towns and 14 villages. An independent audit of the commissioners' stewardship is now on record. Spending exceeded revenue by $17.5 million, debt increased by $8 million and 87 staff were retrenched at a cost of some $3 million. However, 58 new staff were employed. The commissioners' final budget set administration costs at some $5 million, whereas the actual cost was about $6 million — almost one-third of revenue. That occurred in the environment of a 20 per cent rate cut.

Furthermore, the commissioners did not make the hard decisions the then government said councillors could not be trusted to make. They did not decide whether the administrative centre should be at Numurkah or Cobram. The councillors, left with a hot potato, passed it off to the ratepayers after a consultant's report recommending Cobram was subjected to criticism. Although Cobram's building was older than Numurkah's and Cobram is less central geographically than Numurkah, the support for Cobram was not surprising given that the bulk of the population is in the east of the shire.

The commissioners also determined that the shire would constitute a single electorate, even though public meetings voted overwhelmingly for the retention of wards or ridings. Thus, in recent elections it was predictable that of the seven councillors elected, six would come from the eastern end of the shire.

As with the Shire of Delatite, the case for reviewing the efficiency of the amalgamation appears strong. Breaking the Shire of Moira into two shires, to which the then Minister for Local Government was sympathetic, seems worthy of examination. Certainly the shires would be small, but they would be larger than the Strathbogie shire. The election results in Moira also highlight the need to introduce proportional voting if wards or ridings are to be abolished and to allow ratepayers to decide whether they want to retain the wards or ridings.

I shall refrain from reciting the lessons I have learnt from my experience in the Mildura district. People may think I am somewhat dispassionate about that subject. Suffice it to say that I reflect the experiences of the shires to which I have referred and justify the recommendations I made at the beginning of my speech.

Health: administration

Mr VINEY (Frankston East) — I grieve for Victorians who suffered grievously under the previous government's administration of the health system, in particular the four years of mismanagement by the former Parliamentary Secretary to the Minister for Health and Aged Care, who is the current shadow Minister for Health.

It is instructive when looking at the record of the previous government and attempting to contrast it with the good news in health delivered in yesterday's budget to reflect on some of the more recent comments by the honourable member for Malvern — or if you like, the quotable quotes. He has conceded, 'We cut too far, too fast'. The house has not yet heard an apology from him, but at least he has started to acknowledge the cutting too far, too fast. On another occasion, and it has been referred to frequently in *Hansard*, he also said, 'We did go too far'.

The honourable member for Malvern subsequently made some cheap political mileage out of Labor's commitments to the health system. The winter bed strategy announced by the Minister for Health a few weeks ago put an extra $26 million into the health system. The honourable member for Malvern described that as paltry. The extra funding was needed in the first place because of the crisis in the health budget in the current year — that is, the budget put together by the honourable member for Malvern in his former role as the Parliamentary Secretary to the Minister for Health and Aged Care. What he has described as paltry is our response to the crisis created by his own mismanagement.

An article in the *Herald Sun* of 13 November 1999 reports the honourable member as having said that the Labor government had inherited a vibrant, innovative and caring system of world best practice. That view seems to fly in the face of general public opinion. On 30 March the *Herald Sun* conducted a phone-in poll. People were asked, 'Has the hospital system been cut back too far?'. Indeed, that was the very point the honourable member for Malvern conceded in his comments I referred to in opening.

What was the response? It appears that 96.3 per cent of respondents voted yes — they agreed that the hospital system has been cut back too far. That result flies in the face of the view of the honourable member for Malvern that somehow the Labor government has inherited a vibrant, innovative and caring system of world best practice. Only 3.7 per cent of respondents — that is, 22 callers — disagreed with the statement and voted no. The honourable member for Malvern's office must have been pretty busy on that day making those 22 phone calls to the *Herald Sun* vote line.

In making many of the comments to which I have referred the honourable member for Malvern is trying to camouflage his involvement in the ambulance scandals over the past four years. He said, 'We did go too far' in some areas, and it is worth examining what those areas were. What did the previous coalition government do under the parliamentary secretaryship of the honourable member for Malvern, who now postulates and pontificates about Labor's commitments to the health system? Over 1000 hospital beds were closed — that is, 1 in 10 hospital beds in the public system — and 4712 patients waited on trolleys for more than 12 hours in the September quarter of 1999, double the number in the same quarter of 1998.

The ambulance service was another responsibility of the honourable member for Malvern, which was delegated to him by the former Minister for Health, who was also the Minister for Aged Care. It has been well noted on the public record that tens of millions of dollars were wasted on ambulance services through the spending of money on contracts, lawyers and consultancies.

The previous government established cheap mobile intensive care ambulances (MICAs), calling them paramedic response units. It was an attempt to develop MICA-type responses on the cheap. The previous government did not provide MICA-qualified paramedics but rather put in place lesser standards. It gave the people of Victoria the perception that it was putting additional resources into the ambulance system, but instead it was ripping the guts out of it and putting in place a cheaper variety.

During the time for members statements today the honourable member for Malvern referred to the Labor government's commitment to reduce response times to 10 minutes and suggested that it was not achieving its target. That target applies to this term of government, and it had to be set because of the mismanagement of and the Victorian people's total loss of confidence in the ambulance system under the so-called stewardship of the honourable member for Malvern.

I will examine what happened during his term of office. During that time the previous government cut the funding of 300 beds at the Alfred Hospital. That was a cut of some 46 per cent — in other words, nearly half the funding for beds at the Alfred was cut. In the past year waiting lists for semi-urgent surgery at the hospital skyrocketed. No wonder: half the beds were removed.

When as the parliamentary secretary the honourable member for Malvern had responsibility for ambulances, the number of ambulance diversions increased markedly. During the last half of 1999 the evidence shows that the health system was on the brink of a crisis. For example, in the quarter ending December 1999 there were 588 ambulance diversions. I will put that figure in context by comparing it with the figure for the same quarter of the previous year. In the last quarter of 1998 there were only 30 diversions.

I have not worked out the percentage, because such large calculations do not always make much sense. However, the increase in ambulance diversions from 30 in the December 1998 quarter to 588 in the December 1999 quarter — the period of responsibility of the then parliamentary secretary — is an extraordinary blow-out. It is no wonder the *Herald Sun* editorial states:

> In opposition, John Thwaites kept heavy pressure on the Kennett government over what he claimed was a crisis in the state's hospital system.

It also states:

> Statistics published in yesterday's *Herald Sun* show that he was justified …

It states further:

> … the opposition's cry —

the honourable member for Malvern's cry —

> that this is insufficient —

referring to Labor's $27 million budget boost for emergency beds —

> rings distinctly hollow given its role in government in creating the present crisis.

That is the point. The honourable member for Malvern stands condemned not only for his mismanagement but more importantly for his posturing and pontificating on the government's commitment to and investment in health. That was clearly demonstrated by the budget delivered yesterday. The Bracks government is reinvesting in health, and I am proud to be part of a government that is doing so.

What did the honourable member for Malvern say about Labor's commitment to health? He said, 'I think they have put the high jump bar incredibly high for themselves. I'm delighted they've set the high jump bar so high. I can't see them meeting it'. The honourable member is showing his glee at the possible problems that may develop in a health system that is at risk of being in chronic crisis, despite the fact that the crisis was created by him. He is expressing his glee because he is more concerned about the cheap political points he may be able to score against the government than he is

about service delivery. By saying that he is delighted that the government has set the high jump bar so high because he believes it will not meet the mark, he makes it clear that he is attempting to score some cheap political points.

I now refer to the details in yesterday's budget. An additional $241 million has been allocated to Victorian hospitals compared with the figure for last year. An extra $176 million has been allocated to expand and enhance hospital services to meet increased demand. That increase will allow for the unblocking of emergency departments, the provision of more beds, improved service quality and an increase in the baseline funding. That additional funding is necessary because of the previous government's downgrading of the hospital system. More funding has been allocated than was promised during the election campaign because of the poor state of the hospital system as a result of the four years of the honourable member for Malvern's mismanagement.

The additional funding includes $60.2 million for integrated elective and emergency strategies. That will result in the provision of 360 more beds to decrease the pressure on emergency departments and reduce waiting lists. That is great news for Victoria's health system. After the seven years of the previous government Victoria now has a government that is reinvesting in the state's health system by allocating an additional $241 million.

Some $93 million will be injected into the baseline budgets of hospitals in 2000–01 to ensure hospitals remain viable and meet the growth in patient numbers. As I said, the funding will provide 360 more beds and will extend the operating times in operating theatres and ease the pressures on hospital emergency departments.

Further funding has also been allocated to attract and retain skilled nurses. The nursing system was ignored and mismanaged by the previous government. Given that the government is providing for additional beds, it is necessary to cater for more nurses, so an additional $27 million has been allocated over four years to address the shortage of nurses overseen by the opposition when in government. The funding will be used for initiatives to attract more qualified nurses into the system and to provide more training and professional development opportunities.

The government is also investing in infrastructure. I mention in passing the investment being made in the Frankston Hospital. During the supplementary election campaign the people of Frankston East discovered that the previous government had ignored a desperate plea from the hospital for additional beds. The previous government apparently understood the problem only during the supplementary election campaign, when it desperately needed the votes of the people of Frankston East.

The honourable member for Malvern is posturing as a potential leadership challenger. On the ABC *News* of 29 March he stated that he had complete confidence in the Leader of the Opposition while making deliberate, slow, side-to-side movements of his head and affecting the bored, sarcastic manner of a B-grade actor repeating his least favourite line at the end of a long, drawn-out rehearsal. A sly smile came to his lips, and with a deliberate shaking of the head he said, 'Of course we have complete confidence in Denis'. I have the video, Mr Acting Speaker, and am happy to make it available in the library. It is recommended viewing and demonstrates the sort of support the honourable member for Malvern offers his leader. It is essential that honourable members look at the video.

Schools: asbestos

Mr COOPER (Mornington) — I join the debate to raise a matter of occupational health and safety at Somerville Rise Primary School that has been brought to my attention by a constituent. I am pleased the Minister for Education is in the house to hear what I have to say.

My constituent advises me that two 1962-vintage Mod–2 relocatable classrooms arrived on the school site in the first week of February, in line with the government's commitment to lower class sizes in prep and years 1 and 2. Suspecting that the internal linings of the relocatable classrooms were made of asbestos cement, the school made inquiries of the education department and was told that it was in error — that is, that the classrooms did not have asbestos in them.

When that message was relayed to concerned parents, one of the parents, the constituent who brought the matter to my attention, went to one of the classrooms, took a sample of the internal wall lining material and delivered it to Kilpatrick and Associates Pty Ltd, a firm that deals in occupational hygiene and environmental matters, to have it analysed. The analysis confirmed that the internal walls of the two relocatable classrooms were made of asbestos cement.

When members of the school community went back to the department about it, departmental officers admitted that they had known all along that the walls were made of asbestos cement but did not feel they needed to tell the school.

Ms Delahunty — That is absolute nonsense!

Mr COOPER — The problem did not stop there. Workmen came to work on the walls, drilling into the asbestos material. Even though the students were taken out of the room while the drilling was being done, the rooms were not contained as asbestos areas should be under occupational health and safety rules, so the dust and fibres would have remained in the air and on the walls and floors for many days following. In short, students in prep and years 1 and 2 at Somerville Rise Primary School were exposed to the dangerous effects of disturbed asbestos while they were being taught. The same rooms also contained Vulcan wall furnaces that had been condemned and could not be used.

When the parent who brought the matter to my attention phoned the minister's office he was told by a staff member that the government had pressed hundreds of similar classrooms back into service to meet its classroom size commitment. It is my understanding, Mr Acting Speaker — —

Ms Delahunty interjected.

Mr COOPER — You might well ask that question tomorrow — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Mornington will ignore interjections and will address his remarks through the Chair. He has been here long enough to know the forms of the house.

Mr COOPER — Thank you for your intervention and advice, Mr Acting Speaker. The minister may well ask such a question, and she may not be satisfied when she gets an answer tomorrow! I can assure her this is not the last she will hear of the issue.

It is important that the minister, the government and the house be made aware that in a desperate attempt to keep its election commitment the government has ignored the former Kennett government's policy of not using the large stock of old Mod–2 classrooms, which have been retained for many years.

Questions need to be asked. The questions I will now ask certainly do not constitute an all-inclusive list. The first is why asbestos-lined classrooms are being sent to government primary schools. Why did the department lie to the Somerville Rise Primary School when asked whether the rooms had asbestos cement lining? How many other schools have been lied to in the same way? Were the tradesmen who worked on the rooms at the Somerville Rise Primary School aware they were working with asbestos and that their health was being put at risk? What action has been or is proposed to be taken by the minister and the government to ensure that the students at Somerville Rise Primary School and any other schools with such antiquated classrooms have not been affected by asbestosis?

This is a very serious issue, and I have not raised it flippantly. The parent who brought the matter to my attention is absolutely outraged that in the first year of school his child has been put in danger by the precipitate action of a government with an uncaring attitude.

The government did not consider that it needed to take some care about and responsibility for the asbestos lining in portable classrooms but has sent them out willy-nilly. It tried to con people at the school when it lied by saying there was no asbestos lining in the classrooms. It is only because of the diligence of the parent who took a sample of the wall lining and had it analysed that the truth came out. No doubt many other such classrooms throughout the state are lined with asbestos and putting prep, year 1 and year 2 schoolchildren in severe danger.

The Minister for Education should stop worrying about the Benalla by-election and start worrying about the health and safety of primary schoolchildren.

Casino: bidding process

Mr NARDELLA (Melton) — Today I grieve about members of the Liberal and National parties not learning from the recent history of the casino tendering process and the documents and tapes released by the Minister for Gaming on 11 April. The immediate response from the opposition spokesperson on gaming, the Honourable Roger Hallam, was that the casino tendering process was pristine and that allegations of unfair dealings between the former Kennett government and the Crown consortium were groundless. Obviously, that is not true. The transcripts of the tapes and the other material that has been released, all 100 000 pages of them, demonstrate otherwise.

Rather than the white-shoe brigade that operated in Queensland for many years under the leadership of the then Premier Sir Joh Bjelke-Petersen, during the Kennett government in Victoria we had the gold-badge brigade! The members of the gold-badge brigade looked after only their mates and did only what was good for them — because they were federal Liberal Party bagmen, including the then treasurer of the Liberal Party, Ron Walker. If the sun did not reflect off

a gold badge of Victoria on one's lapel, one did not get anywhere.

The documents demonstrate that, and it is on the public record. Corruption under the Kennett government occurred with the full knowledge of cabinet ministers and backbenchers, who were spineless. They never spoke out in this Parliament, their party room or the cabinet room to challenge the Premier.

Mr Honeywood — Mr Acting Speaker, as there are only four members of Parliament in the chamber, I call your attention to the state of the house. The government cannot provide more than two backbenchers to listen to one of its members.

Quorum formed.

Mr Hulls — On a point of order, Mr Acting Speaker, the honourable member who called for a quorum immediately after having done so scampered out of the house. I think you will find that in the past Speakers have made adverse comment when such an incident has occurred. It is totally inappropriate to use a quorum for purely political purposes. Mr Acting Speaker, I ask you to have a word with the honourable member for Warrandyte for calling for a quorum, drawing attention to the state of the house and then scampering out or, alternatively, refer him to the Speaker for severe counselling.

Mr Steggall — On the point of order, Mr Acting Speaker, I want to comment on the purity the Attorney-General brings to the debate. Over many years Labor oppositions have made an art form of calling for quorums. The operation of an opposition and the personal circumstances that may require a member to be absent from the chamber are entirely the business of the opposition and the member.

The ACTING SPEAKER (Mr Seitz) — Order! I uphold the point of order raised by the Attorney-General. The ruling by Speaker Delzoppo headed 'Member calling must not disappear', states:

> It is an offence against the house for a member to call for a quorum and then disappear before the quorum is formed.

I uphold the point of order.

Mr NARDELLA — What did the ministers and members of the previous Kennett government do? They were spineless. They did not do anything when their Premier sold liquor from his electorate office. They did not do anything when the Premier and his family bought 100 000 shares in Guangdong Corporation. They did not say a word, and they protected him because of the environment of corruption.

What else occurred under the previous government? The documents released the other day demonstrate absolutely that the Liberal and National parties have no propriety whatsoever. They never dealt — —

Honourable members interjecting.

Mr NARDELLA — That is why the Labor Party is on this side of the house and those opposite are on that side. They never dealt with businesses in an even-handed manner. Time and again in the 1970s the Liberal and National parties looked after their mates. In the mid to late 1970s the dirty land deals flourished under the Liberals. At least Premier Hamer took a stand, setting up the Gowans inquiry and then the Frost royal commission, which proved corruption within that administration. People were sent to jail and three ministers were sacked. That legacy of the land deals remains in Melton and Sunbury.

The Kennett coalition government picked up where the last Liberal government left off in the 1970s, having no standards and no propriety, and with the assistance of Premier Kennett at the helm. Premier Kennett and a number of other honourable members then on the other side of the house were members of the previous Liberal government. Premier Kennett was a minister of the previous Liberal government before it lost in office 1982. What was the attitude of Liberal members to the land deals issue in the 1970s? They saw it as a bit of a mistake. The Honourable Ian Smith, then Minister for Finance, said it was a mistake and nobody should have gone to jail; further he said no ministers should have lost their positions. That was the attitude of the ministers of the previous Kennett government.

Yet the Parliament has the tapes and documents that prove without doubt there was collusion between Lloyd Williams, the Crown Casino consortium and the government of the day to ensure Crown Casino won the bid above Melbourne Casino Ltd — that is, ITT Sheraton and Leighton Holdings. ITT Sheraton and Leightons knew the process was corrupt, and it left them at an absolute disadvantage because they did not have the Premier in their pocket, unlike Uncle Lloyd and Uncle Ron, as honourable members on the other side of the house refer to them lovingly.

Those people have made millions of dollars upon the misery of good Victorians. Hudson Conway has some $65 million to invest on the back of selling off Crown Casino to the Packer consortium. Those involved back in 1994 made the former Premier and the government extend for two weeks the bids process that was supposed to have closed on 16 August 1994. In that time Crown Casino found out what the bid by

Melbourne Casino Ltd was. Also within that period a number of changes were made, changes that Lloyd Williams wanted.

What was Lloyd Williams's influence upon the Premier of the day? That is clear from the tapes. Lloyd Williams had a certain attitude to propriety and open and accountable, fair processes when they did not suit him. Lloyd Williams and his bank backers wanted an assurance that within a radius of 100 kilometres from Crown Casino there would be no poker machine venues with over 105 machines. He went out of his way to make that clear to the Victorian Casino and Gaming Authority; if it had not occurred his consortium and bank backers would have pulled out. Yet it was made clear by the Victorian Casino and Gaming Authority that that was not going to be the case. Lloyd Williams said on 23 August 1993:

> I think a couple of old Scotch boys should speak to each other, Mr Richards and Mr Kennett. That's the only way because he's the only person who will do anything about it — Jeffrey. It's no use worrying about a subcommittee.

The process was tainted and corrupt. Lloyd Williams and Ron Walker wanted their way. Walker knew about the granting of the grand prix to Melbourne and used that to their advantage and to the advantage of Crown Casino because ITT Sheraton did not have that information to use in making its bid in the two-week period. I put to the house that Crown Casino found out illegally what the ITT Sheraton bid was and increased its bid by $50 million. Within two weeks the Crown's bid was increased by $50 million!

The bid dated 16 August should have remained. The whole process was tainted back then. The members of the opposition, in particular the shadow Minister for Gaming, have not learnt the lessons. They still claim the process was pristine and believe the Honourable Haddon Storey was above board in these matters. They are wrong, and until they put together a principled position and policies that are incorruptible and recruit people in their ranks who are incorruptible and do not just follow like sheep they will be in opposition for a long time to come. Victoria needs strong but fair, open and accountable government into the future.

Livestock: government policy

Mr STEGGALL (Swan Hill) — I grieve today on behalf of livestock producers in Victoria and I mention in passing the openness of government and some of the problems and concerns the opposition has.

An Honourable Member — Too open!

Mr STEGGALL — Too open? So open that I was banned!

Honourable members know the Minister for Agriculture has an absurd set of recommendations for members of Parliament visiting authorities or departmental officers throughout Victoria. He has three rules: one for Labor Party members, one for the Independent members and one for the partnership members.

The minister and I came to an agreement some months ago. He thought the recommendations were a bit of a nonsense and so he told me not to worry and to go and do the things I wished to do throughout Victoria. I said, 'Righto, I'll do that, but because of the direction I will notify you when I am going'. This week I made arrangements to visit the Victorian Dairy Industry Authority (VDIA) to discuss the food safety arrangements it carries out in Victoria on behalf of the government and the Australian Quarantine Inspection Service.

I rang the minister's office to advise that I would be going. About 10 minutes later I received an urgent phone call saying, 'No, definitely do not go. It does not suit us. You are not to visit the VDIA'. That was a disappointing response from the minister's staff. I stress that it was not the minister but his senior adviser. I was not able to have the discussions with the VDIA that would have been rather helpful in light of the impending debate on the dairy industry bill. Given our previous discussions, I was disappointed the minister took that approach

The Premier should note that the so-called openness of this government is not very real in many ways. He and his ministers could do a number of small things that would help honourable members trying to sort through the legislation the government is introducing.

I also wish to raise the subject of ovine Johne's disease (OJD). The previous government had an eradication program in place. On coming to government the Labor Party, with all its cleverness and desire to help and assist country Victoria, took away the compensation package. Farmers have been left in a state of flux about OJD testing on their properties and those of their neighbours. The state and nation are trying to come to grips with how our society should handle OJD, and the government's decision was unfortunate.

With his instant dismissal of the OJD eradication and compensation program the Minister for Agriculture has caused a lot of problems for Victoria's farmers. One of the problems, which you may be interested in

Mr Speaker, is the fact that the minister has now referred the OJD issue to a parliamentary committee for investigation. I raise with you, Sir, the desire of that committee to come to any sort of decision. The committee is not particularly interested in OJD; it is not a committee that fills me with confidence in its ability to tackle the task given to it by the government.

The opposition has been talking about some recommendations, particularly as it approaches the Benalla by-election. Producers, particularly in South Gippsland, the south-west of Victoria and some of the areas in the central and north-central districts of Victoria, have been affected by the government's dismissal of the eradication and compensation program.

In a document dated 18 April the National Party outlines its nine recommendations for dealing with ovine Johne's disease as follows:

1. That the objective is to control the spread of OJD until it is determined whether eradication is possible and feasible.

2. That all producers with flocks presently identified as being infected with OJD be offered either slaughter and compensation, or —

as distinct from the previous system, under which farmers were given a choice —

assistance to manage the disease on the farms.

Such assistance may take the form of a feasibility study for new enterprise on the land or advice independent of the Department of Agriculture — the department is not travelling well throughout country Victoria on the OJD issue because of an absence of trust in a problematic testing system. Assistance for management and marketing of stock is also needed where the disease exists on farms or neighbouring properties. The document continues:

3. That producers presently restricted in their trading because they adjoin infected properties be allowed to trade with other properties of similar status or lower.

4. That the state government make an immediate contribution of $10 million to the Sheep Compensation Fund to continue compensating producers who wish to test and slaughter.

5. That compensation be immediately reinstated.

6. That the current market assurance program allowing trade between OJD-free flocks be encouraged and supported.

7. That the Victorian abattoir monitoring and surveillance program be supported and expanded.

8. That Victoria continue to support the national ovine Johne's disease control and evaluation program …

9. That when an evaluation has been completed of the extent of the disease in Victoria, and after consideration of the CSIRO report and other existing scientific evidence, that a decision be made in consultation with the VFF Pastoral Group …

The minister must be reminded he has a department. He has access to scientists and access to the best information in the land, and he is not acting or driving the issue as he should.

The other issue I wish to raise in my contribution to the grievance debate is the National Livestock Reporting Service. That successful service has over recent years improved enormously in Victoria and today operates in all Australian states. Nevertheless, the Minister for Agriculture is hell-bent on closing down the service by withdrawing Victoria's contribution.

The minister is arguing that the previous minister began the process of withholding funds from the National Livestock Reporting Service. The current minister is now the responsible minister. He was able to wipe out a compensation program for OJD with a snap of his fingers and he is able, irrespective of what may have occurred before, to continue the National Livestock Reporting Service and ensure the role of the department in facilitating and continuing the flow of information on livestock. The minister has been poorly advised on the subject, and I am sorry to say he is still governing from opposition.

I want it known that if Victoria withdraws from the National Livestock Reporting Service it will be the responsibility of this minister — he is in government and has his finger on the pulse. It is no good to argue that a previous government may have been having discussions on the subject of the future of the Victorian contribution. People from the National Livestock Reporting Service tell me that no discussions took place; that the present contract runs out in June; and that people started discussions about its continuation after the election last year.

The National Livestock Reporting Service has significantly reduced its costs in Victoria and has introduced a standardised language and reporting system across all states. It has developed and implemented a more efficient, timely and accurate market reporting system and has introduced reports on additional physical cattle markets in Bairnsdale, Colac and Shepparton. The service compiles and supplies weekly slaughter statistics and improved over-the-hooks reports for cattle, lamb and pigs and has commenced reporting on the major weaner markets in

the East Gippsland region. It has developed a national hide indicator; prepares weekly market summaries on a state-by-state basis for cattle and sheep; and provides a phone/fax on-demand service and an excellent web site for information retrieval.

For the minister to close the operation down would be a tragedy. As the Minister for Agriculture he must recognise the importance of the service to Victorian and Australian producers. It is the prime information source for agricultural producers on livestock markets.

It concerns me that the minister is hell-bent on closing down this first-class service when he does not need to. He has plenty in his budget, and the costs for the service have come down considerably over the past few years. The service warrants the state's participation. I call on the minister to withdraw any proposal to close down the National Livestock Reporting Service and ask him to ensure it remains with the livestock producers of Victoria.

Essendon Airport

Mrs MADDIGAN (Essendon) — I grieve for the residents of Essendon, Airport West, Strathmore, Pascoe Vale and surrounding districts whose lives are adversely affected by the flying operations at Essendon Airport. I also express their concern and disgust at opposition support for increased passenger flights from Essendon, including its endorsement of proposed Virgin and Impulse flights out of Essendon, and for the many lost opportunities for Victoria in retaining Essendon as a general aerodrome — a view shared by almost everyone except the state opposition.

Alternative uses for the site would provide increased long-term and short-term employment opportunities through construction and industrial jobs, which are generally restricted because of the current aviation activities.

There is a huge shortage of vacant land in the area, particularly for community facilities. For example, there is a critical shortage of nursing home beds in Moonee Valley, an area with an ageing population. Retirement villages are also in short supply.

The opportunities to use the land in question for community purposes are extensive. Sporting facilities are lacking in the area, and the no. 1 priority of the Moonee Valley council is an indoor netball stadium. Airport West has a critical shortage of parkland. By opening up Essendon Airport, the Tullamarine Freeway could be realigned through the middle of the airport site to decrease the time taken to travel from Tullamarine airport to Melbourne and to decrease the time taken by people in northern country areas to get into the city. At the same time it would remove the very dangerous intersection of the Calder Highway and Tullamarine Freeway.

The land at Essendon provides a unique opportunity — it is the gateway to northern Victoria and a link between Melbourne Airport and the CBD. Showing a total lack of vision, the Victorian Liberal Party wants the land to revert to the pre-Tullamarine days. The previous Premier, Mr Kennett, said Essendon Airport was past its use-by date. The desire for increased passenger flights from Essendon is not shared by the current Liberal Party's federal colleagues or the National Party. I shall quote a letter from Senator Ron Boswell, the Leader of the National Party in the Senate and the parliamentary secretary to the federal Minister for Transport and Regional Services.

Opposition members interjecting.

Mrs MADDIGAN — It has nothing to do with my party. Responding on behalf of the Minister for Transport and Regional Services, Senator Boswell states:

> The facilities at Melbourne Airport have been deliberately planned and developed to provide many advantages over the previous airport site at Essendon. For instance the runway lengths, transport links to the city for travellers, airline support facilities and absence of environmental regulatory constraints such as a curfew provide inherent advantages for any airline over the use of Essendon airport.
>
> Accordingly, the government's strong preference is for new entrants such as Virgin and Impulse to operate jet services to Tullamarine, not Essendon.
>
> The government has advised the new entrants that access by scheduled jet services to Essendon Airport raises a number of operational and environmental issues. It has been made clear to them that they should not assume that approval to use Essendon Airport will be granted.

To make honourable members opposite feel better, I inform them that there is a similar response from the Office of the Deputy Prime Minister and Minister for Transport and Regional Services.

Closer to home, the Leader of the Opposition seems to have a conflict of interest in his own ranks. The shadow Minister for Transport, the honourable member for Mordialloc, acknowledges that noise from suburban airports is a problem.

An article in the *Mordialloc–Chelsea News* of 24 April, only a couple of weeks ago, states:

> Dingley residents have vowed to continue their fight against airport noise, after they say moves by Moorabbin Airport have failed to fix the problem

> …
>
> Mordialloc Liberal MP Geoff Leigh —

who, as honourable members know, is the shadow Minister for Transport —

> said he had last week written to state environment and conservation minister Sherryl Garbutt —

the federal government controls airports —

> asking her to follow up his proposal to move helicopter training to vacant Melbourne Water land at Dandenong South.

The honourable member for Dandenong North is probably interested in this proposal. The honourable member for Mordialloc is quoted in this article as saying:

> These residents are sick of the noise, and it's just not working the way things are now. We are looking for a common solution to satisfy them and the operators …

His view is that you can't have noise in Moorabbin; you can't have helicopters flying around Moorabbin! However, the Leader of the Opposition says you can have anything that can get into the air at Essendon; it does not matter if it is noisy. How hypocritical can you get! It really makes one realise that the opposition is in a policy vacuum and listens only to its mates rather than the whole community. It has learned very little from the state election.

The residents of surrounding areas have a number of problems with aircraft using Essendon. At a meeting of approximately 150 residents in Airport West last Monday the majority pointed out their problems. They said they had to keep their windows closed because of the aviation fumes. Most have had to have their windows double glazed because of the noise from the airport, and many reported constant maintenance problems with their houses because of black residue from the activities at the airport.

An earlier meeting was held at Strathmore in February this year. At that meeting, which was attended by over 350 residents, a large number of problems were identified. The most commonly raised problems were noise, safety, breaches of the curfew and low-flying aeroplanes.

As honourable members on this side are aware — as, I presume, are honourable members on the other side — there are no firefighting or security services as Essendon Airport. The opposition is encouraging large passenger planes to fly into an airport that has no firefighting services on site! Oddly enough, at a time when the firefighting services were being removed from the airport as part of the previous federal government's rationalisation of secondary airports, the Kennett government assured Victoria that that would not be a problem at Essendon because the Bulla fire station was just down the way in Bulla Road — until the Kennett government abolished it!

To suggest that a local fire station has the right equipment to deal with fires involving aviation fuel is wrong. I was intrigued to hear the former government say, 'There are firefighting services at Tullamarine airport, so you do not have to worry if a plane runs into trouble coming to Essendon because it can just fly to Tullamarine'. If Tullamarine is such a safe place, why are the planes not flying there now? I do not think passengers sitting in a plane that has burst into flames at Essendon Airport would be happy to know that if they had flown to Tullamarine airport a fire service would have been there to assist them!

The Liberal opposition has taken an isolated position in supporting an open-house approach to Essendon Airport. If it had its way planes would be flying backwards and forwards across Essendon.

It is humorous that the National Party has suddenly discovered an interest in Essendon Airport's support of country Victoria. I am sure that has nothing at all to do with the Benalla by-election.

Mr Doyle interjected.

Mrs MADDIGAN — The honourable member for Malvern informs me that it has something to do with Benalla. The people of Benalla would be most interested in that fact, because they never heard a word from the previous government about concerns over Essendon Airport.

Given the severity of the financial effects of the Kennett government's policies on country Victoria, it is also humorous that the only country people who can afford to fly into Essendon Airport are members of the parliamentary National Party. It might be convenient for them to fly to Melbourne, but to suggest that country Victorians have the sort of money they need to fly into Essendon Airport is wrong. That suggestion would be seen as laughable by people in rural Victoria, including those in Benalla.

In a rather strange attempt to shore up support in the country, a couple of weeks ago the Leader of the Opposition put out a press release stating that Essendon Airport was necessary for country Victoria. That demonstrates again how city-centric the opposition still is. As an obvious corollary to that, if the aviation activities at Essendon Airport were relocated, more jobs

might be created in outer Melbourne and the country. Airports in places like Melton, Bacchus Marsh and Mangalore are desperate for more air traffic. A real opportunity exists to do something worth while for the country; however, the opposition can never quite work its way through that logic.

I do not know where the opposition gets its figures on the use of Essendon Airport from, but a staff member at the airport informed a Labor member that 70 per cent of the flights at Essendon are training flights. I am not quite sure how keeping training flights at Essendon helps country Victoria. People in some areas might say that country Victoria would be assisted by having training flights because some of their residents might get jobs!

I will quote briefly from a letter sent to me by one of my constituents, which I believe was also sent to the Leader of the Opposition. It is an interesting insight into the opposition's approach to Essendon Airport. The letter says:

> Apart from the safety and alternative site issues there are also the economic issues. It is very surprising to hear a member of a political party that has strenuously pushed an economic rationalist line support a facility such as Essendon Airport. This facility has provided the taxpaying public with extremely poor financial returns since the changeover of the majority of services to Melbourne Airport many years ago. During 1999, Essendon Airport Ltd made an operating profit after income tax of $160 000. This is an extremely inadequate return on an asset worth at least $15 million, according to airport sources —

that is, according to the airport's annual report —

> and up to $50 million for alternative non-aviation purposes. It is appalling that taxpayers are effectively subsidising this facility. With current term deposit rates —

this was written only a couple of weeks ago so it is fairly current, although the rates would be higher now because general interest rates have just gone up —

> of over 5 per cent the equivalent 'low risk' investment would return the public at least $0.75 million (or just under $3 million on the higher asset value estimate). The poor viability of the airport was highlighted by the lack of strong interest by prospective purchasers.

Honourable members who have an interest in the subject will recall that when the federal government attempted to sell the airport at the beginning of last year it was unable to do so because no-one wanted to run it as an aviation facility. When it realised it had failed in that attempt, the federal government sought to lease it to an operator. However, it still could not get an operator to take it on because no-one wanted to run it as a general aerodrome for the precise reason set out in the letter — that is, you just cannot make money from it!

The letter continues:

> A physical inspection of the site will confirm that it is run down and has now passed its commercial viability. Proper and careful allocation of the underlying investment would result in annual returns much greater than $3 million.

The country is currently getting an annual return of only $160 000 from Essendon Airport — an asset worth $15 million — when it could be earning at least $3 million. Essendon Airport represents a great opportunity for Victoria, but the state Liberal Party wishes to turn its back on that opportunity and hark back to a previous time.

It is interesting that the Democrats support the relocation of aviation facilities from Essendon Airport. The number of political parties that now see the sense of removing flights from Essendon is increasing.

I will conclude by quoting some figures that demonstrate how intrusive Essendon Airport is for my constituents. A constituent who lives in Essendon was so incensed by the continual interruption to her weekends, especially when she was out in her garden, that one weekend she counted the flights that went over her house. On Saturday, 4 March, 80 planes flew across — and I can give honourable members the times. They started early in the morning and went to late in the afternoon. The next day, 71 planes flew over.

Mr Wilson interjected.

Mrs MADDIGAN — It is all right for the honourable member for Bennettswood to sit there yelling and screaming; he doesn't live under a flight path.

Mr Wilson — Not true.

Mrs MADDIGAN — Given that he lives under a flight path, one would think he would have a better understanding of the problems facing people who live under flight paths and would be making a positive contribution to the debate and expressing concern for the residents of Essendon and the surrounding areas.

In the current economic environment there is a severe shortage of resources for schools, hospitals and law enforcement and other services — not forgetting badly needed nursing homes for our aged community — although the current government is doing its best to improve the situation. It is therefore negligent to squander limited public resources on inefficient facilities, which is what is happening at Essendon. Allocating funds to subsidise a facility for the benefit of a minority is poor public policy.

Alternative aviation facilities are available and should be used. A change would not cause users any lasting inconvenience. The Essendon site could then be used for the benefit of the whole community, not just a small sectional interest.

In finishing I will pick up the point raised by the honourable member for Benambra, that the air ambulance — —

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

MAS: royal commission

Mr DOYLE (Malvern) — I understand the feeling behind the heartfelt contribution of the honourable member for Essendon. However, from a different perspective, which she should also think about, I point out that the positioning of the air ambulance at Essendon Airport is critical. I understand she was about to get onto that topic, and I am sorry she did not. I look forward to having that discussion with her in a bipartisan manner at a different time and in a different place. It is an interesting but critical side issue.

I will talk about a sequence of events and a series of documents that were released to me under freedom of information. On 7 January the Premier wrote to all his ministers instructing them that departments or parts of departments were not to be represented before the Metropolitan Ambulance Service royal commission. Further to that letter, on 13 January the Acting Secretary of the Department of Human Services (DHS) wrote directly to the chief executive officer of the Metropolitan Ambulance Service saying that the MAS was not to appear before the royal commission.

I consider it odd that the Metropolitan Ambulance Service was given only 24 hours to respond to the letter faxed to it at 4.58 p.m. That was accompanied by a request to respond within 24 hours. Why did the department's acting secretary ask the service to respond so quickly and for whom? The answer is contained in the letter, which states:

> If you wish to pursue this matter further —

whether the MAS should be represented before the royal commission into itself —

> you should respond to me by close of business on 14 January 2000 to allow me sufficient time to approach the Acting Premier with a view to having the policy amended.

It is interesting to reflect on who the Acting Premier at the time was, and I shall come to that later in my contribution, but given that the Acting Premier who was about to make the decision was also the Minister for Health a strange duality of roles is involved. The solicitors for the MAS thought the situation was odd, and their letter dated 14 January states:

> It emanates from DHS and effectively 'leans' on MAS not to seek leave to appear.

The solicitors give reasons why the MAS should appear and express astonishment at the heavy-handed attempt to prevent its appearance. The advice continues:

> There is nothing in MAS appearing that would be contradictory to the royal commission's concern to establish facts.

The solicitors then judge the department's letter, stating:

> The letter is a strange mixture of concepts with the Premier allegedly advising 'there is no basis' for MAS to appear and the acting secretary of DHS expressing only a preference that MAS should not appear but at the same time threatening not to approve any expenditure involved in appearance.

I shall now deal with the sequence of letters and how it came about that subsequent to that firm directive the MAS was permitted to be legally represented. The committee of management immediately thought the MAS should be represented and requested that representation. Who was that representation to be considered by? The Acting Premier! On 20 January he had apparently considered the issue and asked the acting secretary of the DHS to write back to the MAS, which he did. The letter states:

> The issues raised in your letter have been considered by the Acting Premier.

In conclusion, the letter states:

> In my view MAS has not demonstrated sufficient reason why the Premier's policy directive should not also apply to MAS. I therefore advise that you should notify the royal commission of withdrawal of your appearance before the commission.

The directive to the MAS was not given before the royal commission began; it was an instruction as things were happening, which illustrates the strangeness of the circle. In effect, the DHS, through its minister, wrote to the Department of Premier and Cabinet — in this case to the Acting Premier — who then wrote back to the DHS and advised the Minister for Health of his decision. What is the link in that situation? It is the same person. The department of the Minister for Health wrote to the Acting Premier advising the Minister for Health's department that representation should be withdrawn.

One can only imagine the contents of the letter. The Minister for Health might have written, 'Dear John',

given the advice and then signed off, 'Best regards, Acting Premier'. The farce is apparent.

However, it gets worse. On 28 January the MAS provided independent legal advice by Lionel Robberts, QC, arguing that it should be legally represented. The MAS went to the trouble of engaging a Queen's Counsel outside the ambit of conversations that occurred about ambulances in Victoria to obtain independent advice. The advice was sent to the DHS and apparently disappeared in the decision-making process.

On 18 February the Secretary of the Department of Human Services, Mr McCann, wrote to the chairman of the Metropolitan Ambulance Service advising that the Premier had reconsidered the matter in the light of the points raised in his letter and the attached advice from senior counsel. The letter concludes:

> … I direct that you comply with the direction contained in my letter of 25 January 2000 and arrange to withdraw MAS's appearance as a party before the commission.

The documents also reveal a discussion between officers of the Department of Human Services and the Metropolitan Ambulance Service. One of the documents reveals:

> … that he has been informed that the Premier has reiterated the previous advice that MAS is to withdraw from appearing before the royal commission. A letter advising MAS will be sent in due course.

One can imagine officers of the DHS springing into action to prepare that letter on receipt of advice from the Acting Premier.

A document released under freedom of information from the Department of Premier and Cabinet dated 14 January shows that the matter had been considered by the Acting Premier. The letter states:

> The Acting Premier considers that MAS has not demonstrated sufficient justification to waive the Premier's directive that departments, or parts of departments, are not to be legally represented before the commission.

That was before the independent legal advice was obtained. I make the point that during the entire decision-making process the Department of Human Services and the Department of Premier and Cabinet are not two separate agencies of government. The same minister was considering the matter. That leads to several questions I asked in the house. On 1 March I am reported in *Hansard* as having asked:

> Is the Minister for Health aware of independent legal advice sought by the Metropolitan Ambulance Service which confirms that the MAS should be represented legally as a party to the Metropolitan Ambulance Service royal commission? If so, will the minister advise the house why the government directed the MAS to ignore the advice?

The minister is reported as having replied:

> I am not aware of that advice. If the shadow minister has a copy and makes it available to me I will be happy to look at it.

Further questions were asked on 14 March and 13 April about whether the Minister for Health stood by his statement that he was not aware that independent legal advice had been delivered.

I can accept that the Acting Secretary of the Department of Human Services, departmental officers including its legal department, the committee, the CEO and senior officers of the Metropolitan Ambulance Service, the Premier, the Secretary of the Department of Premier and Cabinet and departmental officers all knew of this independent legal advice, but the Minister for Health stands by his claim that he was unaware of it.

Let us accept that he was not aware of the advice, despite the fact that this panoply of other ministers, officers, departmental secretaries and senior people all knew of it. The crunch comes with a further document, which reveals that on 9 February the chairman of the committee of management of the Metropolitan Ambulance Service faxed 18 pages of independent legal advice directly to the ministerial office of the Minister for Health. The fax was sent to an adviser to the minister, not a departmental officer — it went directly into the ministerial office. The copy I have carries a fax header and states:

> Dear Chris,
>
> Following, as discussed.
>
> I would appreciate an opportunity to meet with Minister Thwaites to clarify and confirm issues that we discussed.

It is signed by the chairman of the committee of management of the Metropolitan Ambulance Service. It was not officers of the department, officers of the Department of Premier and Cabinet, the legal department or the MAS but the ministerial office of the Minister for Health that was being offered the legal advice. The face sheet suggests that discussions had taken place between advisers and between the MAS and the minister's office, and further that there was a request for a meeting with the minister.

Are honourable members to accept that between 9 February and 1 March none of the minister's advisers brought to his attention in the context of a royal commission a request for a meeting with him by the chairman of the MAS committee of management? Are

honourable members to believe that between 9 February, when this material was received in the minister's office, and the minister's answer in this place on 1 March he was unaware of that legal advice and that his own advisers would not put that legal advice before him? The minister reiterated those answers on 13 March and again on 14 April — and he stands by them.

Finally, there is a third set of documents. The first two sets come from the MAS and the DHS. Naturally the third arm was the Department of Premier and Cabinet, which was subject to a freedom of information request by me. In the brave new world of transparency I received approximately 33 documents from the MAS and about 29 from the Department of Human Services. There were no exceptions.

However, I was told by the Department of Premier and Cabinet that although it had 10 documents I could not have 2 of them. In fact, I could not have any of them until I paid $10.80 for photocopying. I was pleased to pay so I could get the 8 documents. Naturally I requested an internal review of the decision to deny me access to 2 documents. That review has now taken place, and I have been told that I am still not to be given access to those documents.

Why have I been denied access? The answer is simple: the documents were briefs prepared for the Premier and the Acting Premier advising them of these issues. I do not know what is contained in those documents — they may be perfectly innocent — but they are materials prepared by the Department of Premier and Cabinet in this sequence of documents concerning an argument about whether legal representation should be granted. It has since become apparent in the context of the matter that representation was subsequently granted. As I recall it the Attorney-General made that announcement one Sunday afternoon at the back door of the Parliament building. It was not a banner headline announcement, but it was appropriately received.

I am now told that critical advice to not just the Premier but also the Acting Premier, who is also the Minister for Health, is not to be made available to me. In this world of transparency and FOI, why is it that although all the documents from the Metropolitan Ambulance Service and the Department of Human Services can be released to me, two that may well be critical to why the decision was made and what conversation took place about the decision cannot be released?

Mr Hulls interjected.

Mr DOYLE — It is not now before any court, but I can assure the Attorney-General that that may happen in the future. If that point were reached I could not discuss the matter, but given that it is not now before any tribunal or court it would be difficult to apply a sub judice rule. The Attorney-General may correct me if I am wrong, but I expect that is the answer. I assure the Attorney-General that is exactly where the opposition will go next. I hope it is not necessary because the Attorney-General is an honourable man, as has been said in other speeches — —

Mr Hulls — He barracks for Geelong!

Mr DOYLE — He is not all bad. I hope, unlike some Geelong players, he will not go missing on this issue — not that I would criticise them. I hope the Attorney-General does not make me go to any other tribunal. I hope the documents can be released and the matter put to rest. It may well be that the minister was not aware of that legal document, and if that is the case I will accept it. However, if that is the case and documents can be released by the Department of Human Services and the MAS, why is it that the two documents in question, which apparently contain advice to the Premier and the Acting Premier on such an important issue, cannot be released to me?

This is a matter of some gravity. If the process is to be truly transparent and if the line of decision making that led to the appropriate decision that the MAS be legally represented before the royal commission is to be understood, those two documents should be released so that the opposition will have the full set of documents and can understand the whole picture.

Women: parliamentary representation

Mr LENDERS (Dandenong North) — I rise to grieve at the way the Liberal and National parties have treated the career aspirations of women in the Parliament of Victoria. I grieve because we in the Labor Party have listened to preaching for many years from the Liberal and National parties on their wonderful affirmative action records on returning women to Parliament.

Across Australia there are 100 Labor women in Parliament, or 28 per cent of the party's entire representation, compared to 56 Liberals, or 19 per cent of its representation, and a mere 10 Nationals, or 9 per cent of its representation. The figures for Victoria are more amazing.

Thirty-seven per cent of the members of the parliamentary Labor Party are women. Of the members of the parliamentary Liberal Party, the home of the

preachings of John Howard and past generations of Liberal women, only 16 per cent are women. The percentage of women members of the parliamentary National Party is misogynistically low — only 7 per cent.

The Labor Party expects its percentage of women members of Parliament to improve after the Benalla by-election. Several years ago the Labor Party set itself targets not only on gender issues but also on ethnicity issues, and it has achieved them. It has made every effort to be representative of this grand state. A successful parliamentary party reflects the interests of the communities it represents. The parliamentary Labor Party is fantastic, not only because it addresses gender issues and regional issues but also because it recognises the importance of educational achievement. The government continually seeks to represent the communities it serves. Labor is proud of the results it has achieved, and it challenges the Liberal Party to put its money where its mouth is on the issue of affirmative action in Victoria.

Question agreed to.

TRANSPORT (AMENDMENT) BILL

Introduction and first reading

Mr BATCHELOR (Minister for Transport) introduced a bill to amend the Transport Act 1983 to remove references to the transport functions of the Public Transport Corporation, to make certain consequential amendments to certain other acts and for other purposes.

Read first time.

PSYCHOLOGISTS REGISTRATION BILL

Introduction and first reading

Mr THWAITES (Minister for Health) — I move:

That I have leave to bring in a bill to make further provision for the registration of psychologists and investigations into the professional conduct and fitness to practise of registered psychologists, to regulate advertising relating to the provision of psychological services, to establish a new Psychologists Registration Board of Victoria and a Psychologists Registration Board Fund, to repeal the Psychologists Registration Act 1987 and for other purposes.

Mr DOYLE (Malvern) — I ask the minister for a brief explanation of the purposes of the bill — and in particular, whether there is a section 85 provision in the bill.

Mr THWAITES (Minister for Health) (*By leave*) — The bill deals with the registration of psychologists and the need to provide for better regulation of the industry, which became apparent as a result of the overall regulation review process. I understand the shadow Minister for Health was involved in that process. To the best of my recollection — although I stand to be corrected — there is no section 85 provision in the bill.

Motion agreed to.

Read first time.

HEALTH PRACTITIONER ACTS (AMENDMENT) BILL

Introduction and first reading

Mr THWAITES (Minister for Health) introduced a bill to make miscellaneous amendments to the Dental Practice Act 1999 and the Medical Practice Act 1994 and for other purposes.

Read first time.

HEALTH SERVICES (GOVERNANCE) BILL

Introduction and first reading

Mr THWAITES (Minister for Health) introduced a bill to amend the Health Services Act 1988 to facilitate the disaggregation of certain health care networks and the reorganisation of public health care agencies in the metropolitan area and for other purposes.

Read first time.

TOBACCO (AMENDMENT) BILL

Introduction and first reading

Mr THWAITES (Minister for Health) — I move:

That I have leave to bring in a bill to amend the Tobacco Act 1987 and for other purposes.

Mr DOYLE (Malvern) — I ask the minister for a brief outline of the contents of the bill, particularly whether it bans smoking in public places.

Mr THWAITES (Minister for Health) (*By leave*) — The bill tightens the regulation of tobacco use. It implements government policy on smoking bans in restaurants and increases the penalties for sales to minors. It also contains other provisions that will better

protect the health of Victorians by reducing their exposure to the harmful risks of smoking tobacco.

Motion agreed to.

Read first time.

STATE TAXATION ACTS (MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Mr BRUMBY (Minister for Finance) — I move:

That I have leave to bring in a bill to repeal the Gift Duty Act 1971 and the Probate Duty Act 1962, to amend the employment agency provisions of the Pay-roll Tax Act 1971 and the land-rich provisions of the Stamps Act 1958 and for other purposes.

Ms ASHER (Brighton) — I seek a brief explanation of the bill from the Minister for Finance, and in particular an explanation of the proposed amendments to the Stamps Act.

Mr BRUMBY (Minister for Finance) (*By leave*) — This certainly will be brief! The amendments to the Stamps Act relate to what is known as the land-rich provisions, by which companies are able to acquire property not through the usual purchase and payment of conveyancing and duties but effectively by the issue of shares. That procedure has been an avoidance mechanism. The proposed amendments are designed to ensure that there will be less avoidance in the future.

Motion agreed to.

Read first time.

SUPERANNUATION ACTS (AMENDMENT) BILL

Introduction and first reading

Mr BRUMBY (Minister for Finance) introduced a bill to amend the Emergency Services Superannuation Act 1986, the Government Superannuation Act 1999, the Parliamentary Salaries and Superannuation Act 1968, the State Employees Retirement Benefits Act 1979, the State Superannuation Act 1988, the Superannuation (Portability) Act 1989 and the Transport Superannuation Act 1988 and for other purposes.

Read first time.

ELECTRICITY INDUSTRY ACTS (AMENDMENT) BILL

Introduction and first reading

Mr BRUMBY (Minister for Finance) — I move:

That I have leave to bring in a bill to amend the Electricity Industry Act 1993, the Electricity Safety Act 1998, the Office of the Regulator-General Act 1994, the National Electricity (Victoria) Act 1997 and certain other acts and for other purposes.

Ms ASHER (Brighton) — I ask the minister for a brief explanation of this bill.

Mr BRUMBY (Minister for Finance) (*By leave*) — There are a number of bills involved here. Is there any particular one about which the shadow minister wants an explanation?

Ms Asher — It is in fact one bill containing a number of — —

The ACTING SPEAKER (Ms Davies) — Order! I ask the Deputy Leader of the Opposition to stand in her place if she wishes to clarify any point.

Ms Asher — I was just helping you out!

Mr BRUMBY — The bill relates to the introduction of retail contestability in the Victorian electricity industry. It is proposed that contestability will be implemented in the remaining sectors of the market from 1 January 2001.

Although the legislation theoretically provides for contestability and full competition, the technology needed for their implementation is unlikely to be in place in time to enable all customers to exercise a full choice among a range of electricity companies. The proposed legislation installs a regulatory system for a transitional period covering the change from the existing market arrangements to the implementation of full, effective and practical contestability and competition within the market.

The Bracks government is committed to the implementation date of 1 January 2001 and wants to see competition in the industry. However, it is true that companies are not yet ready to offer small businesses and householders the full range of customer choices, and that is why a regulatory regime is needed. It will be light handed — I want to stress that — but it will protect consumers, particularly those in rural and regional Victoria.

Motion agreed to.

Read first time.

VICTORIAN LAW REFORM COMMISSION BILL

Introduction and first reading

Mr HULLS (Attorney-General) introduced a bill to establish the Victorian Law Reform Commission and define its functions and powers, to repeal the Law Reform Commission (Repeal) Act 1992 and amend the Legal Practice Act 1996 and for other purposes.

Read first time.

CHILDREN AND YOUNG PERSONS (APPOINTMENT OF PRESIDENT) BILL

Introduction and first reading

Mr HULLS (Attorney-General) introduced a bill to amend the Children and Young Persons Act 1989 to provide for the Children's Court to be presided over by a president who is a judge of the County Court, to amend the Crimes (Family Violence) Act 1987 with respect to certain appeals under that act and for other purposes.

Read first time.

DAIRY BILL

Introduction and first reading

Mr CAMERON (Minister for Local Government) — On behalf of the Minister for Agriculture, I move:

> That I have leave to bring in a bill to establish Dairy Food Safety Victoria with responsibility for dairy industry licensing and dairy food safety, to repeal the Dairy Industry Act 1992 and for other purposes.

Mr STEGGALL (Swan Hill) — I would like an explanation of why the Minister for Local Government for the Minister for Agriculture is introducing a food safety bill when the minister responsible for food safety in Victoria is the Minister for Health?

Mr Hulls — Is this a point of order?

Mr STEGGALL — No, I am asking a question.

The ACTING SPEAKER (Ms Davies) — Order! Is the Minister for Local Government happy to provide a brief explanation of the bill?

Mr CAMERON (Minister for Local Government) (*By leave*) — I am happy to answer the question. At the present time I am acting for the Minister for Agriculture.

Motion agreed to.

Read first time.

ARTS LEGISLATION (AMENDMENT) BILL

Introduction and first reading

Ms DELAHUNTY (Minister for the Arts) introduced a bill to amend the Victorian Arts Centre Act 1979 and the National Gallery of Victoria Act 1966 and for other purposes.

Read first time.

LAND (REVOCATION OF RESERVATIONS) BILL

Introduction and first reading

Ms GARBUTT (Minister for Environment and Conservation) introduced a bill to provide for the revocation of reservations and a Crown grant affecting various parcels of land and for other purposes.

Read first time.

NATIONAL PARKS (AMENDMENT) BILL

Introduction and first reading

Ms GARBUTT (Minister for Environment and Conservation) introduced a bill to amend the National Parks Act 1975, the Alpine Resorts Act 1983 and the Alpine Resorts (Management) Act 1997 and for other purposes.

Read first time.

EMERGENCY MANAGEMENT (AMENDMENT) BILL

Introduction and first reading

Mr HAERMEYER (Minister for Police and Emergency Services) introduced a bill to amend the Emergency Management Act 1986 to establish the position of Emergency Services Commissioner, to make consequential amendments to the Country Fire Authority Act 1958, the Metropolitan Fire Brigades Act 1958 and the Victoria State Emergency Service Act 1987 and for other purposes.

Read first time.

CONTROL OF WEAPONS (AMENDMENT) BILL

Introduction and first reading

Mr HAERMEYER (Minister for Police and Emergency Services) introduced a bill to make miscellaneous amendments to the Control of Weapons Act 1990, to make a consequential amendment to the Vagrancy Act 1966 and for other purposes.

Read first time.

LOCAL GOVERNMENT (GOVERNANCE) BILL

Second reading

Mr CAMERON (Minister for Local Government) — I move:

That this bill be now read a second time.

This bill continues the local government reforms already introduced by the Bracks government with best-value Victoria. It implements the Labor government's commitment to give councils greater autonomy in the appointment of their chief executive officers (CEOs).

Appointment of chief executive officers

The proposed bill removes the requirement on councils to advertise the CEO's position before reappointing. Instead it gives the choice to councils. It enables a council to determine whether or not to advertise the CEO's position prior to reappointing a CEO.

It removes the provisions introduced by the former Kennett government which prevent a council from reappointing the incumbent CEO without advertising, even if the council is extremely satisfied with the CEO's performance. This current requirement has been widely criticised in the local government sector as overprescriptive, unnecessary and costly.

The amendments proposed in this bill ensure that where a council decides to reappoint the CEO because of the CEO's outstanding performance, the council will no longer be required to undertake a lengthy and expensive advertising and recruitment process.

These amendments will be of particular assistance to small rural councils. It is often difficult to attract CEOs to rural areas. Consequently the field of applicants for a CEO's position in a rural council may often be small. Such councils will no longer be required to undertake an expensive recruitment process if there is likely to be a very small number of applicants.

Naturally a council will advertise if they want a new CEO, or to test who is available. This bill does not remove the ability of a council to test the market. In many cases a council may decide that there is a benefit in advertising the CEO's position. The amendments proposed in this bill simply give greater autonomy to councils. It gives the choice to councils to determine if it is desirable to advertise the position.

In addition, this bill prevents a council from resolving to reappoint a CEO more than six months prior to the expiry of the term of the CEO's contract. This ensures that councils do not resolve to reappoint the incumbent CEO an excessive period prior to the expiry of the contract.

This bill makes several other amendments to ensure that where a council does not advertise the CEO's position, the reappointment process is open and transparent. The proposed bill requires a council to give public notice of its intention to put a resolution to reappoint the incumbent CEO. This will ensure that the public is made aware of a council's intention to reappoint a CEO. In addition, if a council passes a resolution to reappoint a CEO without advertising, the proposed remuneration package of the CEO will be available for public inspection. This is consistent with current provisions which require a council to make available for public inspection the CEO's gross salary, the amount of the council or employer contribution to superannuation and the value of any motor vehicle provided by the council. These requirements accord with the best-value approach of open and accountable local government, reporting to its community.

The bill also removes the requirement on councils to give the minister notice of any resolution that relates to the remuneration or termination of the employment of the council's CEO. This removes further unnecessary state involvement in the CEO appointment process.

Miscellaneous amendments

The proposed bill also makes minor housekeeping amendments to the Local Government Act. It corrects the incorrect application of certain provisions in the act to regional library corporations. It amends an oversight in the act so as to make the maximum interest payable for unpaid amounts other than rates and charges consistent with the interest payable for unpaid rates and charges. A minor amendment is also proposed to the Libraries Act to clarify the power to prescribe a certain

form relating to a request concerning the transfer of former library land.

I now turn to the provisions of the bill.

Clause 1 outlines the purpose of the bill. That is to amend the Local Government Act to make changes concerning the reappointment of CEOs under the act. The proposed bill also makes minor amendments to the Local Government Act and the Libraries Act.

Clause 2 provides for the bill to come into operation on the day after it receives the royal assent.

Clause 3 makes amendments to the provisions relating to the reappointment of chief executive officers. It enables a council to resolve to reappoint their incumbent CEO, in the six months prior to the contract's expiry, without advertising the position.

Where a council resolves to reappoint the incumbent without advertising, this clause also requires a council to give public notice of its intention to put the resolution. This public notice must be given at least 14 days before the resolution is passed. The public notice must outline that the passing of the resolution would result in the reappointment of the CEO without advertising, and any other details required by regulations.

This clause also provides that where a council appoints a person to act as its CEO for a period of not more than 12 months, it is not required to advertise the position. In addition, where a council passes a resolution to reappoint a CEO without advertising, it is required to make details of the CEO's proposed total remuneration available for public inspection. This must be made available within 14 days of passing a resolution to reappoint a CEO without advertising.

Clause 3 also repeals the requirement that councils give the Minister for Local Government reasonable notice of their intention to put a resolution that relates to the total remuneration or the termination of the employment of the council's chief executive officer.

Clause 4 is included to ensure that purported acts of a CEO or senior officer are not invalid merely because the person's contract was void at the time the thing was done.

Clause 5 corrects the provisions which are applied to a regional library. It removes irrelevant sections which do not apply to regional libraries and adds relevant sections which should be applied to regional libraries.

Clause 6 changes the method of setting the maximum interest rate on unpaid money other than rates and charges. It provides that the maximum interest rate is the rate fixed under section 2 of the Penalty Interest Rates Act 1983. This accords with the interest charged by council on unpaid rates and charges, which is calculated at the rate fixed under section 2 of the Penalty Interest Rates Act 1983.

Clause 7 amends the Libraries Act 1988 so as to clarify that there is a head of power to prescribe the details which must be included in a request concerning the transfer of former library land.

I commend the bill to the house.

Debate adjourned on motion of Ms BURKE (Prahran).

Debate adjourned until Wednesday, 10 May.

FEDERAL COURTS (CONSEQUENTIAL AMENDMENTS) BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

Introduction

Members will recall the Federal Courts (State Jurisdiction) Act 1999, which was passed in this house last sitting. At the time that bill was introduced, it was foreshadowed that a further bill would need to be passed to consequentially amend a number of state acts which form part of national cooperative schemes.

Both this bill and the now enacted Federal Courts (State Jurisdiction) Act form part of the legislative response necessitated by the High Court's decision last year in *re Wakim*. In that decision the High Court struck down the vesting of state jurisdiction in federal courts.

The *re Wakim* decision has affected a number of commonwealth–state cooperative schemes which apply certain commonwealth laws as state law and also purport to confer jurisdiction on the Federal Court. The schemes affected include the agriculture and veterinary chemicals scheme, competition policy scheme, Corporations Law scheme, gas pipelines access scheme, National Crime Authority scheme and the price exploitation scheme associated with the federal government's GST.

The Federal Courts (State Jurisdiction) Act enables state courts to deal with applications under the schemes that would otherwise have been dealt with by a federal court, and provides:

> that the rights and liabilities of persons under ineffective judgments of a federal court that purported to exercise state jurisdiction are taken to be rights and liabilities under judgments of the Supreme Court; and
>
> for the transfer of proceedings before a federal court in relation to state matters to the Supreme Court.

Description of the bill

The bill which I am now bringing before the house addresses several outstanding issues in the various acts affected by the High Court's decision. This bill, while technical in nature, achieves three main things.

First, it removes the now invalid provisions, which purported to confer state jurisdiction on federal courts. Since the commencement of the Federal Courts (State Jurisdiction) Act 1999 relevant matters are now being heard in the state's Supreme Court.

Secondly, it removes the now invalid provisions which purported to apply the commonwealth Administrative Decisions (Judicial Review) Act as a law of the state.

Finally, this bill brings the cross-vesting provisions (both generally and in relation to corporations) into line with the revision of the schemes proposed by the commonwealth and complements relevant provisions in the recently introduced commonwealth Jurisdiction of Courts Legislation Amendment Bill. In particular the commonwealth bill provides that judicial review of actions and decisions of commonwealth officers and authorities will usually continue to be dealt with by the Federal Court, although the state Supreme Court is given equivalent federal jurisdiction in limited circumstances. In addition, provision is made for special federal matters (as defined in the commonwealth Jurisdiction of Courts (Cross-vesting) Act to be heard in the Supreme Court in certain limited circumstances.

Section 85 statement

It is the intention of section 23 in part 5 and section 27 in part 6 of the bill to alter or vary section 85 of the Constitution Act 1975. I therefore make the following statements under section 85(5) of the Constitution Act of the reasons for altering or varying that section.

These are predominantly technical provisions.

Part 5 of the bill amends the Gas Pipelines Access (Victoria) Act 1998 to remove invalid references to the Federal Court. As the various state Supreme courts will now be the relevant forums in which disputes under this act are heard, the ministers responsible for the Gas Pipelines Access scheme have requested that the act clarify in which state matters arising should be heard. As a result, it is proposed that in certain cross-boundary disputes the matter will be heard in the state which has been determined to be the one most closely connected to the pipeline. If the pipeline crosses a Victorian boundary but the state which has the greatest interest is not Victoria, this part provides that the Victorian Supreme Court will not have the jurisdiction to make certain declarations or orders relevant to the dispute. Although it would seem an appropriate course of action for matters to be heard in the state which has the greatest interest in the pipeline at the centre of the dispute, expressly providing for such an approach does result in some limitation on the jurisdiction of the Victorian Supreme Court.

Part 6 of the bill amends the Jurisdiction of Courts (Cross-vesting) Act 1987. In particular it makes new provision for the hearing and transfer of 'special federal matters' as they are defined under the commonwealth Jurisdiction of Courts (Cross-vesting) Act. Special federal matters must usually be transferred from the Supreme Court to the Federal Court except in certain limited circumstances. This bill provides that the Supreme Court must only transfer so much of the proceeding as is thought to be within the jurisdiction of the Federal Court; whereas in the past the entire proceeding would have been transferred. This amendment is not of itself introducing a new limitation on the jurisdiction of the Supreme Court, however some limitation remains. Section 6 of the Jurisdiction of Courts (Cross-vesting) Act was previously the subject of a section 85 statement. Because of the amendments to section 6 made by this bill it is necessary to make this further section 85 statement.

Conclusion

Like the Federal Courts (State Jurisdiction) Act, this bill has been developed under the auspices of the Standing Committee of Attorneys-General or SCAG. This bill amends seven pieces of legislation, each piece being part of a national scheme. It is anticipated that all other states will pass legislation along these lines in the near future.

This bill provides a workable solution to problems created by the *re Wakim* decision. However, the Standing Committee of Attorneys-General assisted by state and territory parliamentary counsel and Solicitors-General, are continuing to work to find a long-term solution to address *re Wakim*.

I commend the bill to the house.

Debate adjourned on motion of Ms BURKE (Prahran).

Debate adjourned until Wednesday, 10 May.

ADOPTION (AMENDMENT) BILL

Second reading

Ms CAMPBELL (Minister for Community Services) — I move:

That this bill be now read a second time.

This bill is designed to amend various sections of the Adoption Act 1984. The proposed amendments are consistent with the fundamental purpose and intention of the legislation, and do not entail a review of the act.

The purpose of adoption is for a child to be adopted by persons who are able to provide a secure and lasting family relationship with that child, when that child is unable to live with his or her family of birth on a permanent basis.

The Adoption Act 1984 applies to the adoption of children who are Australian citizens and have been relinquished for adoption. These adoptions are known as local adoptions. In addition, the legislation governs the adoption of children who are not citizens of Australia, but who have entered Australia for the purpose of adoption. Such adoptions are referred to as intercountry adoptions.

Some of the amendments flow from Australia's ratification of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption. Other amendments give effect to bilateral agreements or arrangements on the adoption of children between Australia and a prescribed overseas jurisdiction, and allow for the recognition of an adoption from a prescribed country. The arrangements for bilateral agreements were developed to allow the establishment of an intercountry adoption program with the People's Republic of China.

Both the Hague convention and the development of an intercountry adoption program with the People's Republic of China are currently dealt with under the commonwealth Family Law Act 1975.

The amendments strengthen the current provisions in the act regarding the wishes of the child in relation to adoption, provide greater clarity and efficiency in relation to procedures for the approval of applicants and the discharge of adoption orders under the act, and enable an application to be made to the court to add conditions to an existing adoption order.

The amendments are as follows:

A. Hague convention on intercountry adoption

In December 1998, the Commonwealth of Australia ratified the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption 1998. The ratification of the convention by Australia was the culmination of extensive work between the states and territories and occurred only after the state and territory community services ministers were satisfied that Australia was in a position to comply with the requirements of the convention.

The commonwealth government amended the Family Law Act 1975 to allow the commencement of the convention in all states and territories in Australia from 1 December 1998. An agreement between the commonwealth, states and territories allows for the commonwealth legislation to be mirrored within state legislation.

The Hague convention on intercountry adoption was developed to provide protection for children under the age of 18 years who were the subject of an adoption outside their country of origin.

The convention establishes a system of cooperation between contracting states to ensure that those safeguards are respected and thereby prevent the abduction, sale of and trafficking of children. The convention requires each contracting state to establish a state central authority to ensure that there is no possible family placement in the child's country of origin and determine that any arrangements towards the adoption of a child comply with the requirements of the convention. Within Australia each state and territory has established a central authority and the commonwealth government has established a principal central authority. The commonwealth, states and territories have agreed to the functions and responsibilities of the central authorities in Australia.

Intercountry adoption remains a matter of last resort for a child and can only be considered where a suitable family cannot be found in the child's country of origin.

A fundamental aim of the convention is to establish safeguards to ensure that intercountry adoption is in the child's best interests and that the fundamental rights of the child are established in law.

The convention allows for a child from one contracting state to be adopted by approved applicants from another contracting state. Once the adoption has occurred, the child can travel with their adoptive family to the country in which the family is habitually resident. The convention ensures that the adoption of a child in the country of origin is recognised in the receiving country and the child has the same rights and privileges as a child born in the receiving country.

In Victoria, the person making the application to adopt a child from overseas must be an habitual resident of Victoria. The applicant must meet the requirements for approval as established under the convention and the Adoption Act. The state central authority determines the eligibility and suitability of applicants, ensures that they have been counselled and determines that the child is or will be authorised to enter and reside permanently in Victoria.

The amendments allow for the establishment and accreditation of a competent body in Victoria to undertake tasks such as the provision of information, assessment of applicants and the supervision of a child placed in a family for adoption.

B. Bilateral arrangements

It is proposed that the Adoption Act 1984 be amended to provide for the automatic recognition of adoptions from prescribed countries.

The Family Law (Bilateral Arrangements–Intercountry Adoption) Regulations 1998 allow for the automatic recognition of adoptions between countries which have a bilateral arrangement. The amendments provide that a country with which Australia has a bilateral arrangement can be prescribed as a country where an adoption order is automatically recognised. The amendments mirror the commonwealth regulations.

The regulations arose from the longstanding negotiations with the People's Republic of China to establish an intercountry adoption program. The People's Republic of China is a prescribed country.

C. Wishes of the child

Section 14 of the act currently provides that the court shall not grant an adoption order unless the wishes and feelings of the child have been ascertained and due consideration has been given to them, having regard to the age and understanding of the child.

Article 4(d) of the Hague convention on intercountry adoption envisages that state parties would adopt a system of ensuring that a child, having regard to the child's age and maturity, is counselled and informed of the effects of an adoption, that consideration is given to the child's wishes and that the child's consent, where such consent is required, is freely given, in the required legal form and is expressed or evidenced in writing.

Consideration was given to the benefits of requiring children to sign a legal form as evidence of their consent to their adoption. This course was rejected as placing too great a burden on children.

Section 14 has been strengthened to require that children receive counselling and information on the effects of an adoption order, depending on their age and understanding. The counselling will be provided by a counsellor approved for this purpose, and will be provided at least 28 days before the adoption order is granted. The counsellor will be required to provide a written report to the court.

As the counsellor is required to be approved under section 5 of the act, it is therefore expected that he or she will be independent of both the relinquishing and adopting parents. This will enhance the child's ability, where appropriate by virtue of age and understanding, to freely express properly informed wishes.

D. Approval of adoption applicants

Section 15 is to be amended to add a requirement that, with the exception of relative adoptions, all applicants must be approved by the secretary or the principal officer of an approved agency.

The approval process for persons wishing to be considered fit and proper to adopt is currently contained in regulations. In view of the importance of this process, these provisions are more appropriately located in the act and accordingly a new section is to be inserted in the act.

E. Discharge of adoption orders

Section 19 of the act allows for application to be made to the court to discharge an adoption order. The act prescribes who may make such an application, and the grounds upon which the application may be made.

Concern has been expressed about the absence of a procedure in the act for dealing with such applications,

in particular, who should be informed of an application, and how they may participate.

The bill amends section 19 of the act to allow the court to hear from 'interested persons' in relation to an application for discharge of an adoption.

The bill allows participation by those likely to be affected by the discharge of an adoption, namely, the child who has been adopted, the natural parents of a child, an adoptive parent of a child, the secretary, the principal officer of an approved adoption agency if they had arranged the adoption, and any other person determined by the court to have a sufficient interest in the matter.

In addition, the bill provides that the court shall only discharge an adoption order if this would promote the welfare and interests of the child. This is consistent with the basis of the Adoption Act, that the welfare and interests of the child shall be regarded as the paramount consideration.

F. Period of agency approval

The act allows the secretary to approve adoption agencies. Section 25 of the act provides that such approvals or renewals can only be for three years or any longer prescribed period.

The bill allows for approval or renewal of approval for a period up to three years. The approval of an agency for a period of less than three years will allow for the coordination of the renewal process for all agencies. This will ensure that applications for renewal can be dealt with on the same date.

G. Variation of orders and conditions

The act makes provision for adoption orders to be made subject to conditions regarding access and information exchange. Section 59A allows the court to include conditions for access between the child and one or both birth parents, or relatives as specified in the order.

If there are no conditions relating to the birth parents' contact with their child in the adoption order, conditions cannot be added to that order. Section 60 is to be amended to allow for conditions to be added in relation to access and information exchange where there is agreement between the birth parent(s) and the adoptive parents.

Where the parties agree to terms of contact being included in an adoption order, this amendment provides that those conditions can be added. Section 60(3) ensures that no condition increasing contact can be made without the consent of the adoptive parents.

I commend this bill to the house.

Debate adjourned on motion of Ms BURKE (Prahran).

Debate adjourned until Wednesday, 17 May.

Sitting suspended 1.09 p.m. until 2.03 p.m.

QUESTIONS WITHOUT NOTICE

Taxation: government policy

Dr NAPTHINE (Leader of the Opposition) — My question is to the Premier and Treasurer. I refer to answers provided by the Premier to questions on notice presented in the Legislative Council yesterday about the reintroduction of land tax for residential properties and the introduction of wealth transfer taxes and ask: given that the Premier did not take the opportunity in his answers to rule out the imposition of such taxes ahead of his planned review of taxation, will he now unequivocally state that he will not impose wealth taxes or new residential land taxes?

Mr BRACKS (Treasurer) — I welcome the question. For the benefit of honourable members, I indicate that the question was asked by the Honourable Mark Birrell, the shadow minister for industry, science and technology in the other place, who asked me whether I had received a submission from the Victorian Council of Social Service on the budget recommending increases in land tax and other taxes. I responded to the question on notice by saying that receipt of that submission did not in any way imply that the government endorsed any part of it. That is true.

There will be no increase in those taxes. In fact, the government is doing the opposite — it is reducing taxes from 1 July next year by $100 million rising to $200 million in July 2003, total tax cuts of $400 million. I am very proud that those tax cuts will ensure that the Labor objective over a four-year period is reached in the first year — that is, the average taxes in Victoria are lower than the national average and a full $500 million-plus lower than New South Wales. I am very proud the government has achieved that objective.

Rural Victoria: government commitments

Mr HARDMAN (Seymour) — I refer the Premier to the government's commitment to grow the whole of Victoria and ask him to inform the house whether

regional Victoria will receive its fair share from increased expenditure on infrastructure projects and services?

Mr BRACKS (Premier) — The Labor government is standing up for country and rural Victoria. It is governing for all Victoria and all Victorians. Nothing demonstrates that commitment better than the budget that I had the privilege of delivering in the house yesterday.

The Victorian community's response to the budget has been overwhelmingly positive, no more so than in country and regional Victoria. At the outset of the election campaign Labor promised that it would end the city-centric obsession of the Liberal and National parties, and it has delivered on that.

As newspapers across country and regional Victoria show, the budget has been overwhelmingly endorsed in every regional centre across Victoria, and I will refer to some of those endorsements. The headline in today's *Bendigo Advertiser* says 'Thumbs up for Bracks' first'; the Ballarat *Courier* headline says, '"Fair share" for country areas'; the headline in the *Warrnambool Standard*, a great paper, says 'Relief on the way for rural Victoria'; the *Shepparton News*, another good paper, says 'Good for business says chamber chief'; the *Geelong Advertiser* headline says 'Good for business'; the *Border Mail* headline says 'Rural areas given rewards'; and the front page of the *Weekly Times* has the heading 'Bracks delivers on rural election promises', with the headline underneath, 'A fair share', which is all country and regional Victoria have ever asked for.

They have not asked for a special deal; they have asked for their fair share, which they did not get from the previous Liberal–National Party government but which they are getting from a Labor government.

Whether it be through the Regional Infrastructure Development Fund, the Growing Victoria reserve, the Linking Victoria program, the upgrading of country police stations, the revitalisation of country schools and hospitals, the funding for country road black spots or whatever, the Labor government will stand up for regional and country Victorians and make sure they get their fair share.

Consultants: government expenditure

Ms ASHER (Brighton) — I refer the Treasurer to Labor's Access Economics projections for a 1 per cent public sector efficiency dividend and to Labor's commitments to cut the numbers of public relations consultants, which were to achieve savings of more than $194 million over the next three years. I further refer him to the budget, which estimates savings in those areas of only $92.5 million. Why has the Premier halved his commitment to the efficiency dividend and to cutting the number of public relations consultants?

Mr BRACKS (Treasurer) — I will explain to the shadow Treasurer the figures laid out in the budget on the expenditure reductions Labor promised to make at the last election. I indicated to the house that the government would revise the senior executive service reductions, and it has achieved half of that.

An opposition member interjected.

Mr BRACKS — I am coming to that, settle down. The government has already announced that it would deliver half those reductions and that the other half would be achieved through general departmental constraints on expenditure. That was revised on an annual basis from approximately $115 million or $120 million down to $104 million. I do not have the figures in front of me, but the budget has achieved an annual ongoing saving of approximately $94 million. That significant reduction in expenditure reduces the previous government's mismanagement and its waste of expenditure on senior executives, consultancies and public relations.

Ms Asher — On a point of order relating to relevance, Mr Speaker, I did not ask the Premier a question about cuts to the senior executive service, which he outlined ages ago. I do not wish to flout your ruling and restate the question, but I asked the Premier a question about the 1 per cent efficiency dividend and the employment of public relations consultants.

Mr Brumby interjected.

The SPEAKER — Order! The Minister for Finance!

I do not uphold the point of order. I believe the Premier was being relevant in answering the question posed by the Deputy Leader of the Opposition. I will continue to hear him.

Mr BRACKS — As I mentioned, the government has achieved ongoing savings of about $94 million to $95 million. Those savings relate to the 1 per cent productivity dividend, the senior executive service cuts, and other key cuts that the government has made to low-priority areas. The government has largely achieved its target of a 1 per cent productivity dividend. It has had to make a few adjustments because it did not want to cut into some programs. However, we have achieved a significant reduction in expenditure

following the waste and mismanagement of honourable members opposite when they were in government for seven years.

Bonlac Foods

Ms DAVIES (Gippsland West) — I refer the Minister for Finance to the Bonlac restructure, which from September this year will cost 150 jobs at Drouin, and ask him what specific action the government will take to get more jobs back into that town and that region.

Mr BRUMBY (Minister for Finance) — I thank the honourable member for Gippsland West for her question. I will say at the outset that the government has been working with Bonlac, and it understands the need for competitiveness in the value-adding side of the industry and for reasonable returns to dairy farmers. However, it is also mindful of the huge impact Bonlac's decision will have on regional and country areas, including Drouin, Toora and Camperdown.

The government initiatives for regional Victoria that were announced in yesterday's budget will be of assistance to Drouin, Gippsland and other parts of the state. Those initiatives include the Regional Infrastructure Development Fund, the black spot accident program and the Growing Victoria program.

However, I want to focus on some specific aspects relating to Drouin. At a meeting this morning organised by the honourable member for Gippsland West, I met the mayor of the Shire of Baw Baw, Cr Bill Harrington, and representatives of Bonlac. We agreed to work together to benefit the Drouin community and the region. I expect to put similar arrangements into place in other parts of the state, such as Toora and Camperdown, which have been affected by similar events.

I will identify four opportunities that arose from this morning's meeting. Firstly, my department has been working with a potential investor. I have sought Bonlac's cooperation in facilitating the entry of that company into Victoria through Bonlac's agreement to sell industrial infrastructure to that company. I am unable to go into details. However, I believe a successful process will lead to the creation of some 40 jobs close to Drouin.

Secondly, this morning the government offered to fund an opportunity study to identify opportunities for future job creation. The offer was enthusiastically accepted by shire representatives.

Thirdly, my departmental officers and representatives from the Shire of Baw Baw are engaged in ongoing discussions about the development of industrial infrastructure in the area, particularly the provision of natural gas, that will assist local industry. I hope those efforts will also attract new industry investment that will create some 30 to 40 jobs.

Finally, in its election undertakings the government undertook to provide $150 000 to support the Gateway tourist development on the freeway at Longwarry. The project has since evolved and now exceeds $10 million which, if completed, will generate employment opportunities for more than 50 people. The original offer was $150 000 — there was no offer from the former government — and because of the size of the project I have asked my department to increase the government's contribution. Negotiations between the government and the project's proponents are continuing.

I congratulate and applaud the honourable member for Gippsland West, the shire and the company for their willingness to act on behalf of the local community. Although one can never be certain with these matters, I hope the initiatives announced today will generate many new job opportunities in the Drouin area.

Rural Victoria: employment

Mr RYAN (Leader of the National Party) — I refer the Premier to his government's professed interest in generating jobs in country Victoria and ask why jobs in north-eastern Victoria are in jeopardy because the Attorney-General is undermining the tobacco growers with threats of legal action, the development of ski fields is being stopped dead in its tracks by the Minister for Planning and why the Minister for Environment and Conservation is undermining confidence by delaying a secure power supply to Mount Hotham?

Mr McArthur interjected.

Mr BRACKS (Premier) — If people saw you last night they would see it was not funny but absolutely — —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. The honourable member for Monbulk should cease interjecting and the Premier should cease inviting interjections.

Honourable members interjecting.

Mr BRACKS — I assume the Leader of the National Party wants an answer to his question. I will answer his points in turn. The issue of tobacco growers is a matter for all Australian attorneys-general, not just the Victorian Attorney-General. The government will take the required joint action with other attorneys-general under the auspices of the federal Attorney-General once legal advice is sought on whether future litigation is possible.

I assume the Leader of the National Party's question implies that his party will not endorse such an action if taken by all attorneys-general. If a legitimate case can be brought to bear nationally the National Party will stand outside that decision because of election reasons in Benalla. That is a grubby exercise.

Dr Napthine interjected.

Mr BRACKS — The Liberal Party is not standing a candidate in Benalla. The Leader of the Liberal Party was interjecting but his party has dumped on north-eastern Victoria and particularly Benalla. He interjected that he supports Bill Sykes. The government is encouraging the Leader of the Liberal Party to keep campaigning in Benalla. When one looks at the National Party one sees the Liberal Party. They are indistinguishable.

On the first day of campaigning in Benalla who was campaigning for the National Party candidate? None other than the Leader of the Liberal Party.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order to enable the Chair to hear both the Premier's answer and points of order honourable members attempt to raise.

Mr Maughan — On a point of order, Mr Speaker, regarding the question of relevance, the Premier is speaking at length about the Benalla by-election, which has nothing whatever to do with the question. There were three specific parts to the question and the Premier is now straying from that. He is also debating the question.

The SPEAKER — Order! I uphold the latter part of the point of order — that the Premier is debating the question. I ask him to come back to it.

Mr BRACKS — The government will stand up for jobs in the north-east. It has a good story to tell in the budget. Victorians living in the north-east will get their fair share of jobs, which is what they have asked for. Honourable members have seen the coverage of the budget. It is a good budget for the north-east of Victoria.

I am prepared to offer a pair to the Leader of the Liberal Party so he can go and campaign in Benalla.

An honourable member interjected.

Mr BRACKS — It is a partnership. It is indistinguishable. When you see the National Party all you see is the Liberal Party.

Hospitals: infection control

Mrs MADDIGAN (Essendon) — Will the Minister for Health advise the house of advice he has received from the Royal Melbourne Hospital in relation to a serious breach of infection control procedures?

Mr THWAITES (Minister for Health) — I have been advised by the Royal Melbourne Hospital of a serious breach of clinical protocols by a neurosurgeon at the hospital. I received initial advice of the incident last night and more detailed information today.

I understand that equipment used by the neurosurgeon on a patient who has dementia and who may have the rare Creutzfeldt–Jakob disease was incorrectly allowed to be reused in a clear breach of an established protocol. The protocol is that for any brain biopsy, where there is a risk of CJD, equipment should not be reused until a CJD diagnosis is excluded. The equipment was sterilised through the ordinary sterilisation process. It was possibly used on 10 other patients. The risk of CJD is not eliminated by normal cleaning and sterilisation.

I am advised by the hospital that while the risk to the patients is very low there is no test to determine whether they have contracted CJD. The government's first and foremost concern is with the patients and their families, who are being notified by the hospital today and offered appropriate counselling support. One of the 10 patients has died from an unrelated condition.

The hospital has advised that it will undertake an inquiry into the specific breach, but clearly that is not enough. The government and the public cannot tolerate such breaches of infection control. The government has put in place an extra $33.1 million for improved infection control and cleaning in hospitals over the next four years. In addition, $3 million in capital funding is being provided for new infection control and equipment. The government is providing resources for extra infection control practitioners, for additional training and for better equipment.

Hospitals are being required to develop detailed infection control plans. In the past not enough has been done about infection control, which is why the government has stepped in. Hospital management and medical staff also have their part to play. They must ensure that infection control protocols are followed. Most doctors do the right thing, but if they do not they must be held to account.

I am referring this incident to the Medical Practitioners Board for investigation of whether there has been any professional misconduct. I emphasise that no decision can be made on that matter until all the facts are at hand.

In addition, the government will initiate an external independent inquiry into the Royal Melbourne Hospital's risk management procedures. It will investigate the hospital's adherence to the infection control procedures, training, retraining and continual education, as well as monitoring, surveillance and reporting procedures. The lesson from this investigation will be applied system wide.

I am also calling in the chief executive officers from the six health care networks to put hospital management on notice about the seriousness with which the government regards infection control. I will ask them to provide me with an immediate update on the review of staff education and training on infection control procedures that the government ordered in March.

I emphasise that on a statewide level the government is doing everything in its control to improve infection control. That is why it is putting in an unprecedented amount of $33 million into infection control. The seriousness of infection control appears not to be getting through in some quarters. That will require a concerted effort from all players in the system, including hospital managements and boards, clinical staff and the government.

Schools: asbestos

Mr HONEYWOOD (Warrandyte) — Will the Minister for Education assure the house that the 194 portable classrooms that were reclassified and relocated before the start of this school year to meet her reduced class size commitment are free of asbestos and safe for the children and teachers who are occupying them?

Ms DELAHUNTY (Minister for Education) — I thank the honourable member for Warrandyte for his interest in this matter. I understand that when he was minister for higher education in the last government his concerns were obviously ignored, but I welcome the fact that since he has become the shadow Minister for Education he has developed a passion for quality education and matters of occupational health and safety.

The budget, which delivered $257 million extra to schools, included a substantial amount of money for capital development and refurbishment of relocatables. An additional $7 million has been accounted for in the budget for the upgrading of relocatables.

There has been an issue raised in the house today about the relocatables at Somerville Rise Primary School, which I believe would give rise to the member's question. I am informed that two units were moved from another school on the peninsula this year because that school no longer required them.

The two units have been refurbished and audited to comply with the occupational health and safety requirements of the education department, and they are very good teaching spaces. Following the occupational health and safety audit they were deemed by the department to be fit to be occupied. The units have been moved between the two schools because of fluctuations in enrolments. I have been informed by the department that the units have been refurbished and that they are fit to be occupied.

Mr Cooper — My point of order, Mr Speaker, concerns the relevance of the answer to the question. The question arose as a result of my raising a matter during the grievance debate this morning. The health of more than 40 children in prep and years 1 and 2 at Somerville Rise Primary School has been put in danger by the decision of the minister. I demand that she answer the question — —

The SPEAKER — Order! I will discontinue hearing the honourable member for Mornington because he is attempting to debate a matter in the guise of raising a point of order. There is no point of order.

Schools: funding

Mr HOWARD (Ballarat East) — I refer the Minister for Education to the former government's massive cuts to schools, including the slashing of more than 7000 teacher positions across the state and the closure of 326 school sites, and I ask how that compares with the new government's commitment to invest in the future of Victoria's education system?

Ms DELAHUNTY (Minister for Education) — I thank the honourable member for Ballarat East for his continuing interest in education and for his knowledge

of schools. No wonder he did so well at the last election.

As we all know, and as the honourable member for Ballarat East is aware, the previous government had an appalling record in education. The way it slashed and burnt our education sector meant that, according to the Commonwealth Grants Commission figures, Victoria spent less per head on education than any other state or territory in Australia. The second largest state in Australia was shamed by a government that spent less per head on education than any other state or territory.

The Bracks Labor government is reinvesting in education because it values the education of Victorian children. When the government came to office it moved immediately to allocate an additional $50 million for education from the start of the year.

Mrs Peulich — Tell the truth!

Ms DELAHUNTY — I will tell you the truth. She's gorgeous when she gets angry!

The budget delivers a beautiful set of numbers. The additional $257 million the government is putting into education, together with the $50 million it had already put in, brings the total to more than $300 million. That is what the Bracks Labor government has invested in education, despite its being in government for only six months.

In answer to the question asked by the honourable member for Ballarat East, $23.8 million has been allocated to provide for an additional 350 teachers, which will bring the total number of primary school teachers put back into our schools to 800. Some $22 million has been allocated to cater for children with disabilities and impairments — and it was necessary to provide $17 million to cover the black hole left by the previous government. The funding will be used to integrate students with disabilities and impairments — the most vulnerable students in our community — into our mainstream schools. The previous government left a giant black hole, and those children — —

Ms Asher interjected.

The SPEAKER — Order! The Deputy Leader of the Opposition.

Ms DELAHUNTY — In addition to the $17 million, $5 million has been allocated to comply with the World Health Organisation criteria. Some 3 per cent of students have been assessed as requiring integration aids.

On the issue of capital works, which I know the honourable member for Ballarat East is interested in, the government will provide quality learning environments — —

Mr Perton — On a point of order, Mr Speaker, your rules require ministers to be succinct in their answers. To allow for a proper debate of the issues it is clear that it would be more appropriate for the Minister for Education to make her comments by way of a ministerial statement. The minister has now been speaking for 5 minutes, and I ask that you ask her to cease, in accordance with your rules.

The SPEAKER — Order! I do not uphold the point of order at this stage. According to my calculations the minister has been speaking for about 4 minutes. However, I remind the minister of her obligation to be succinct.

Ms DELAHUNTY — Thank you, Mr Speaker, I value that advice.

On the capital works front 10 new schools will be built and nearly 80 will be refurbished. An amount of $24.5 million will be spent on extra classrooms, bringing the total to $32 million given the extra $7 million provided to refurbish the relocatables. The government will spend $39 million on school maintenance, $15 million on additional information technology support in our schools — which I know will please the honourable member for Doncaster — and $5 million on literacy and numeracy support for students. Those are sound financial investments in the quality of education.

Education is about more than just money; it is about valuing our teachers, fostering cooperation rather than competition in our schools, and supporting our teachers and students in valuing and achieving excellence and creating opportunities. That is why we have lifted the gag, and it is why we are raising standards and offering ongoing employment to tackle the teacher shortage.

Schools: asbestos

Mr HONEYWOOD (Warrandyte) — I refer the Minister for Education to her previous answer to a question about asbestos and ask how she justifies it given that the reclassified and relocated classrooms at Somerville Rise Primary School were asbestos audited and passed for occupancy by her department but have now been found, according to independent analysis, to contain dangerously high levels of asbestos.

Ms DELAHUNTY (Minister for Education) — I thank the honourable member for his question. I am

advised by the department that the two units have been relocated and refurbished and have been audited by occupational health and safety auditors. I am further informed that they are good teaching spaces and fit to occupy.

Opposition members interjecting.

Ms DELAHUNTY — If the honourable member for Warrandyte has evidence to the contrary, in the public interest he should — —

Dr Napthine interjected.

The SPEAKER — Order! The Leader of the Opposition!

Ms DELAHUNTY — If the honourable member for Warrandyte has information to the effect that there is a risk, he should in the public interest provide that information to the department.

Police: funding

Mr LANGDON (Ivanhoe) — I refer the Minister for Police and Emergency Services to the government's commitment to make Victoria a safer place and ask him to inform the house whether crime prevention will be boosted as a result of the government's commitment to fund an additional 800 operational police officers and substantially increase funding for equipment and facilities for our police force.

Mr HAERMEYER (Minister for Police and Emergency Services) — The previous government cut police numbers and closed police stations, even though the crime rate was going up. That is now well documented, and it is why members of that government are now sitting on the other side of the chamber.

In the budget the government has provided for the engagement of an extra 800 police officers, bringing the force to 10 300 by the year 2003. Instead of cutting police numbers the government is increasing them. Rather than close police stations, the government will open new ones. It will also provide a police force that can get down to the business of dealing with the rising crime rate in Victoria. The government has committed $64.2 million to fund those additional operational police officers, and it has allowed for an additional 300 000 hours of police time to be devoted to priority areas of crime prevention plus a further 280 000 hours a year for crime investigation.

Victoria Police had implemented a program called local priority policing. Unfortunately, because of the cutbacks inflicted by the previous government, it is finding it difficult to do anything local at all because police resources are stretched too thinly. New funding will allow police officers to get back onto the beat in foot patrols, bike patrols and vehicle patrols to do the proactive crime prevention work that was so neglected under the previous government.

In addition, the budget provides for 7 new police stations and 16 upgrades of existing country stations. So upgraded stations will enjoy new facilities, and some small towns, which were neglected by the previous government, will get new police stations. In total, the government will provide 23 new police stations in the current financial year. By comparison, the previous government threatened to close or cut the operations of 51 stations.

There is more to it than that. The government will also provide new 24-hour stations in places like Preston. The Preston police station is one of those which for seven years were at or near the top of the police priority list for capital works but which were ignored time and again. Preston, the worst police station in the state, was ignored. The government will provide new police stations for Preston, Northcote, Seymour, Moe, Belgrave, Bacchus Marsh and Kinglake, as well as for country communities including Beeac, Beech Forest–Lavers Hill, Beulah, Birchip, Broadford — —

Opposition members interjecting.

Mr HAERMEYER — Opposition members do not want to know about police stations in country areas because they do not care.

The list goes on. It includes Churchill, Dederang, Forrest, Landsborough, Lancefield, Learmonth — —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. There is far too much noise, coming in particular from the direction of the honourable member for Polwarth. He shall cease interjecting forthwith.

Mr HAERMEYER — The honourable member for Polwarth should be extremely pleased because the budget delivers five police stations to his electorate — stations that his party failed to deliver when it was in government!

In addition, the government will be upgrading the Victoria Police Force's ageing and decaying helicopter fleet, with a commitment of $6.5 million. That includes the forward-looking infra-red equipment to enhance search-and-rescue capabilities. Also, for the first time our water police will be co-located with the police

search-and-rescue unit at a new complex. That has a commitment of $2 million.

Finally, a factor that has seriously affected the ability of the Victoria Police to provide staff over the years has been the commitment made to major events. Honourable members will be aware that this year a meeting of the World Economic Forum, a mining 2000 conference and several Olympic events will be held in this state. That is great for the state but it makes a large call on the resources of our police force. The budget will provide $2 million to facilitate the substantial police resources required by those events. In the past, the police had to provide officers at major events through leave in lieu and all that did was stretch the police resources even more thinly. We are cognisant of the increasing burden that major events place on our police force and we are enabling it to deal with that issue.

Therefore, on the street, on the water or in the air, under this government the Victoria Police Force will have the staff and resources it requires.

CHINESE MEDICINE REGISTRATION BILL

Second reading

Debate resumed from 6 April; motion of Mr THWAITES (Minister for Health).

Mr DOYLE (Malvern) — The Chinese Medicine Registration Bill is of significant historic importance to the Parliament. It is now 20 years since a new health profession has been registered in Victoria, so the bill is a landmark in any case. The fact that Chinese medicine practitioners are to be registered reflects the changing utilisation of health professionals over the past 20 years. If it were suggested to practitioners 20 years ago that Chinese medicine practitioners and acupuncturists were to be registered the suggestion would have been met with disbelief, but given the explosion in the number of members of the public seeking complementary treatments, that registration seems a natural conclusion to what has been a long process.

Last night the honourable member for Bendigo East reminded me of that long process, which started in 1995. The Department of Human Services commenced a review of the practice of Chinese medicine in response to an increasing incidence of members of the public seeking complementary treatments and concerns that flowed from that about risks to the public.

The first thing to be done was to get a map of the profession and of what was happening. The initial stage of the process involved considerable research to find out who was doing what and to whom — who were the professionals, who were the patients, what were the educational provisions, what were the risks, what were the benefits and what was the suitability of any current regulatory framework.

The culmination of that first stage was the publication of a research report called *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*. Undertaken by the Department of Human Services on behalf of all states and territories, the research was carried out by the University of Western Sydney at Macarthur campus and the Southern Cross University. I praise the work of Mr Alan Bensoussan and Dr Stephen Myers, who were instrumental in not only gathering that data for perhaps the first time in Australia but also presenting it in a comprehensive and highly readable way and making a sensible set of conclusions about how it should be treated from there.

Following that process, a recommendation was made to the Australian Health Ministers Advisory Council that Victoria take the lead in exploring the feasibility of occupational registration of Chinese medical practitioners. That process, although not complete, finds its expression today in the bill. I am delighted to indicate that there is bipartisan and wholehearted support of the legislation.

The bill is not by any means the conclusion of the process. I noted with some interest that the Scrutiny of Acts and Regulations Committee inquired of the minister why there would be two and a half years between the passing of the bill and its commencement provisions. In my view that is an appropriate time frame, given the amount of work yet to be done. Although an auspicious beginning has been made, there is still much detailed work to be done before a board can be set up to register Chinese medicine practitioners in Victoria. While I note the query of the Scrutiny of Acts and Regulations Committee, I suggest it is an appropriate time frame given the work yet to be done.

I suggested in my opening comments that the Parliament should be proud of the bill. Victoria is the first jurisdiction in the world, including Chinese jurisdictions, to legislate to register the profession. That serves the Parliament well. It is a useful flag to send to the general public, the complementary and western medicine communities and legislators around the state to show there is bipartisan support among the parties for this important legislation.

I go back to the excellent report *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*. The report recommended occupational registration by statute, hence the process the Australian Health Ministers Advisory Council was involved in. It was decided at that point to protect title. The practice of the profession is not necessarily protected in the model. I shall come back to that point later because I have changed my thinking a little since the time I was working on the bill with the Department of Human Services.

There is a way forward, and I want to suggest something the minister or his parliamentary secretary may wish to take up in a later contribution. It is a way to ensure people do not practise if they are unregistered, unqualified or untrained and therefore dangerous. I would not like the public to think the house would remain silent on that dangerous aspect of practice. If the state is going to set the registration of the profession, it needs to be ensured that those who do not come within the appropriate net of training and accreditation are penalised.

The purpose of the bill is to protect the public. Some criticism has been made of the bill, mostly by western practitioners of what might be called traditional western medicine, the concern being that in some way the bill will confer kudos or offer some imprimatur to the profession and therefore is an inappropriate legislation. I argue the entire basis of the bill is to protect the public. It is not about a imprimatur of government for a particular modality of practice. As is the case with any bill, the bill before the house does not make any statements about the efficacy of seeking complementary medicine as a treatment. But the research gathered suggests that to continue to have an unregulated or unregistered group of professionals working presents a danger to the public, which means Parliament should address the problem. I make the point that the bill does not make any statement about efficacy of treatment but seeks to protect the public.

The report found that both acupuncture and Chinese herbal medicine carry significant risks. That has been well documented for the first time by Dr Myers and Mr Bensoussan and was the main impetus for the introduction of the bill. The serious, adverse events that can attend those treatments are likely to increase with the increasing use of that style of medical practice.

The other area mentioned in the bill specifically is Chinese herbal dispensing. That is a separate area, and so it should be, but that area also springs from the same concerns expressed about Chinese herbal medicine. I will talk a little later about the titles taken by professionals who complete the courses offered to train them and about the practices they will offer to the public at large, but at this point I go back to mentioning that my thinking has changed a little.

I am not suggesting that the bill should define practice, as was the case with the Dental Practice Act, but I am suggesting — some good recommendations can be teased out from the report and current thinking since its release — that it be considered what can be done to put in place mechanisms to prevent people who are untrained and therefore will not gain registration from practising acupuncture or Chinese herbal medicine illicitly. I am still unsure of the status of acupuncture practised by an unregistered and untrained person in the community. In the time frame of the couple of years left before professionals are registered, it needs to be considered how the public might be protected from those people who will be outside the tent of registration because their qualifications and training do not meet the registration high-jump bar. I will come back to that point later.

I will not talk at great length about the various options canvassed in *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia* for the administration of a regulatory scheme for Chinese medicine practitioners. Suffice to say a full range of possibilities were canvassed but the legislative option for registration seemed to be the best possible model, and that is where we find ourselves today.

I turn to what the implementation of the bill will provide. The Victorian model is probably the best model for the registration of health professionals in Australia and one that I am delighted to say has had bipartisan support in the case of all health professional registration acts. Under that model registration boards are established under a statute of the Parliament. In this instance the board will have nine members. That is a change from the previous model, which had only seven members on the board. The increase is in the number of practitioners. The board will have six practitioner members. While the opposition does not object to that, bearing in mind the potential workload that will face those practitioners, I will mention later how the six professionals will be selected and what issues need to be considered.

I have already mentioned that the Parliament has decided to register three different modalities: acupuncture, Chinese herbal medicine and the dispensing of herbal medicines. That is to be commended. Picking up the thread of my earlier comments about protecting people from those who are neither trained nor registered, the report argues that

protection of title is sufficient for traditional Chinese medicine but states no particular difficulties are seen if an individual state or government decides to implement protection of practice via what it calls a core practices model.

I would like to know what that may mean when teased out over the next couple of years. I have come to believe that greater stringency is needed in that area and it may be that the provisions in this bill, model bill though it is, which provide for a board to promulgate its own codes of optimal practice, may be a mechanism that can be used in this instance.

Other mechanisms may be taken up, but it would be a pity if, in registering this profession and setting very high standards for a very widely accepted form of practice, consideration was not given to the tiny percentage of people who inevitably give the public the most trouble — that is, those who are unqualified, unregistered and perhaps a danger to people who are not always as discerning as they should be when choosing who should be their practitioners. I offer bipartisan support for any regime already operating which might help the public to be further protected.

Two areas need careful consideration: firstly, how the registration board will approach standard setting. That will be a vexed area. It would be a pleasure to think there could be consensus between the multiplicity of practitioners, providers and colleges, but I do not believe there will be. If such consensus already existed a self-regulatory model might have been a more appropriate way to proceed. However, it is partly because of the lack of consensus that the statute registration model is preferred. The lack of consensus will not go away, and government must consider how it goes about resolving that when there are competing and conflicting interests, and self-interests, as to who should run an accredited course, what title it should allow one to take and what practice it should allow one to offer to the public. The minister or the parliamentary secretary may choose to respond to that in their contributions.

The board and the department have a lot of work to do in considering what courses should be accredited and the accreditation criteria. That could be problematic when many of the courses are Chinese in origin and provenance. Government may have limited expertise in evaluating those courses and the matter should not be looked at hastily.

Secondly, I am concerned about grandparenting provisions. Some practitioners of Chinese medicine believe the bill will simply capture all who presently practice. I hope that is not the case. Honourable members may recall that many years ago when chiropractors were first registered it was determined that a small group of chiropractors whose training did not enable them to be registered should be offered help either in the form of bridging courses, extra training or a specialist examination to enable them to reach registration standard. Not all practitioners or courses should be brought into the net straight away in order to provide a baseline from which to work. The expertise of professional associations must be used to assess qualifications and consider competency-based assessments, the standard examination and further education provisions.

It is appropriate that such provisions rest with the new board. Therefore it would seem appropriate that the board be set up reasonably quickly with a long lead time before professionals can apply for registration. The wider community expects the bill to protect the public, and therefore it would not be appropriate to say that in 2000 anyone practicing acupuncture, dispensing Chinese herbal medicine or practicing Chinese medicine as a holistic, complementary medicine should be registered because they practice under the provisions of the bill. That will be a matter for fairly delicate negotiations and appropriate setting of standards.

Assurances should be given that reasonable standards will be set so that people who are not at the appropriate standard are not registered as practitioners. It will cause some angst in the Chinese medicine community because I believe there is a mistaken belief that the bill means that all present practitioners will be included. Individuals in current practices should be dealt with sensitively, but the government's responsibility is to protect Victorians against practitioners whose qualifications and experience do not enable them to meet the registration standards. Some work must still be done in that area.

I would like the indulgence of the house to read a list. Government has progressed this matter a fair way since 1995, and that progress has not been made without a lot of hard work from professionals in the field from the full panoply of professions — western, Chinese and other traditions. I pay tribute to the people who have offered their time and expertise so generously to the Department of Human Services in order to offer the best advice not only on the principles that underpin the bill but also on the practicalities that must be considered and resolved before implementation.

A ministerial advisory committee on what was called traditional Chinese medicine — we should now adopt the appellation Chinese medicine — was established. Non-Chinese medicine practitioners from the

complementary medicine professions were involved in the process. They included Ms Jocelyn Bennett from the Australian Complementary Health Association; Ms Meredith Carter from the Health Issues Centre; Mr Max Pettelin, an ethnic affairs commissioner; Associate Professor Rob Moulds, Director of Clinical Pharmacology at Royal Melbourne Hospital; Dr Stephen Myers from Southern Cross University; Professor Dick Smallwood from the Royal Australasian College of Physicians; and Associate Professor Evan Willis from the School of Sociology and Anthropology at La Trobe University.

People with expertise in Chinese medicine were also involved. Those people were Mr Alan Bensoussan, practitioner and senior lecturer in the faculty of health at the University of Western Sydney (Macarthur); Dr Bing-Zhong Chen, a practitioner of traditional Chinese medicine (TCM); Mr Steven Clavey, another TCM practitioner; Dr Ben Foo, medical practitioner from the Australian Medical Acupuncture Association; Professor Andy Kleynhans, the associate dean of the faculty of biomedical and health sciences and head of the department of chiropractic, osteopathy and complementary medicine at RMIT; Professor T. Chiang Lin, a practitioner of traditional Chinese medicine who is also president of the Federation of Chinese Medicine Associations; Mr Brian May, another practitioner of traditional Chinese medicine; and Professor Jerry Zhang.

I also pay tribute to the departmental people who gave passion and energy to the preparation of bill, in particular Dr Heather Buchan, who at the time was manager of the health care evaluation section; Ms Anne-Louise Carlton, the project manager in the health care evaluation section, and Dr Vivian Lin, executive officer with the national public health partnership.

There were also two subcommittees that offered detailed advice. The first comprised primary traditional Chinese medicine practitioners, and the members were Ms Shelley Beer from the Chinese herbal medicine department of Victoria University; Ms Jocelyn Bennett, whom I mentioned previously; Ms Christine Berle, from the Australian Natural Therapists Association; Ms Chen Ying, from the Chinese medicine unit at RMIT; Ms Judy James, from the Australian Acupuncture Association; Professor Kai Zhu Li, from the Australian–Sino Acupuncture and Chinese Medicine Centre; Ms Sue Li, from the Australia–China Acupuncture and Chinese Medicine Association; Professor Yoland Lim, from the Victorian Traditional Acupuncture Society; Professor Wong Lun, from the Academy of Traditional Chinese Medicine; Ms Glenys Savage, from the Academy of Traditional Chinese Medicine; Professor Peter Sherwood, from the Melbourne College of Natural Medicine; Dr Deyuan Wang, from the Federation of Chinese Medicine Societies; Dr Kerry Watson, from acupuncture, Victoria University; Dr Charlie Xue, from the Chinese medicine unit of RMIT; and Dr Sam Zheng, from the College of Traditional Chinese Medicine.

The second subcommittee comprised generalist health care practitioners. The members included, again, Ms Jocelyn Bennett and Ms Christine Berle; Dr Paul Ghaie, who at the time was the chair of the Australian Medical Acupuncture Association; Mr Peter Gigante, a shiatsu massage practitioner; Ms Judy James, whom I mentioned before; Mr Raymond Khoury, a naturopath from the Australian Traditional Medicine Society; Professor Andy Kleynhans again; Mr Brian May again; Professor Yuri Sawenko, from the Australian Nurses Acupuncture Association; Dr Yuntian Sun, from Monash Medical Centre; Ms Grace Tham from the nursing faculty of RMIT; Dr C. T. Tsiang from the Australian Medical Acupuncture Association, and Ms Vivienne Williams from Victoria University.

I apologise for the dry reading of the list, but those people gave an enormous amount of time, energy and expertise. They are among the people who stand behind much of the legislation brought to the house, without whose work the politicians and the officers of the public service would not be half as effective. I formally thank them for their work.

The purposes of the bill are more than clear. I note a couple of changes to the bill which the opposition supports. One of them is in the schedules and makes it abundantly clear that any other registered health professionals would be governed only by their particular board. A medical practitioner, for instance, can and will be governed only by the Medical Practitioners Board of Victoria, and that is entirely appropriate. Some medical associations in particular have concerns that this should be so, and the mandated provision for consultation between the Chinese Medicine Registration Board and the other boards has been removed. It is a sensible provision if it satisfies a number of vested interests and I am pleased to support it.

I sound a note of caution to those practitioners. There are cases when a western practitioner may be registered under the Medical Practitioners Board but also voluntarily seek registration under the Chinese Medicine Registration Board — that is open to any practitioner. What if, for instance, the practitioner operating as a Chinese medicine practitioner commits a

sexual offence or some offence leading to restrictions on their practice as a Chinese medicine practitioner and action is taken by the relevant board?

Given the case for mandating communication between boards, it would be interesting to see whether something like a sexual offence, committed while registered and while being investigated by the Chinese Medicine Practitioners Board, could be communicated to the Medical Practitioners Board. An offence of that sort would be equally inappropriate regardless of which board a practitioner was registered under.

While it may be appropriate that there are informal lines of communication, and it will still be necessary to publish in the *Government Gazette* any such imposition or removal of registration by a particular board, I hope the boards themselves develop lines of communication that mean that people cannot escape from being properly regarded by a number of different boards because they have taken the step of registering themselves with separate boards. As I say, the opposition does not oppose it.

It has been normal practice to have a section 85 statement in health professional registration bills to protect the board. The reasoning given to the previous government, less than a year ago, was that if a board finds a practitioner must be deregistered or limitations need to be placed on the practice, the board has a mandated responsibility to publish a notice to that effect in the *Government Gazette* and transmit the information to other boards, particularly similar registers around the state. The inclusion of a section 85 statement may be a way of avoiding an action in the Supreme Court claiming defamation or slander by the board passing the information on.

It is my recollection that there was a case of a practitioner attempting to subvert the transmission of that necessary information by just such an action in the Supreme Court. It is necessary then to protect the board members against any such action in the normal course of their duties.

I understand the argument and I thank the minister for the briefing along those lines. There is an argument that says that sort of transmission of material is covered under common law, and that may be so.

The reason for asking about the Psychologists Registration Bill is that another such professional registration bill will be before the house; indeed, there will be three such bills. Notice was given today of two further amending bills to come before the house in a couple of weeks: one covering medical practitioners and one covering dentists.

If there is to be a change of philosophy because it is thought section 85 protection is no longer necessary for health professional registration boards, given that the Psychologists Registration Bill apparently does not contain a section 85 provision, it would appear obvious that such provisions will be progressively removed from the other health professional registration boards. I am not sure about that. It may be an elegant, and even an accurate, legal argument to say that common law protects the boards and their members adequately, but it may well be that this is a case where a belt-and-braces approach is appropriate. Section 85 provisions are often contentious, but in the past ministers for health and shadow ministers have taken a clear bipartisan approach to the fact that they were necessary.

I express no opinion on whether the bill should or should not have such a protection. In the absence of clear case law or a common-law argument showing the protection is there I would argue that it is better to go down the more conservative track and leave both protections. Even if the section 85 provision is unnecessary, I would argue it has given some degree of comfort to members of the Medical Practice Board and other boards which sometimes deal with extremely contentious and sensitive material. That material often ends up in the hands of the media, and the last thing honourable members would want is for the proper deliberations of a board to be held up by a practitioner as a result of technicalities and the courts. The boards should be able to make determinations for the safety of the public, as indeed is their charter.

The opposition certainly does not propose that as an amendment; I mention it not as something it would oppose or support but rather in the spirit of bipartisanship because it will have ramifications for every single health professional registration bill brought before the house. I am happy for that not even to be taken up in this forum because it is a difficult question. However, if it can be taken up I would be grateful for some argument.

Although the Scrutiny of Acts and Regulations Committee raised concerns about a two to two-and-a-half-year period before commencement takes place, it seems reasonable given the work that must be done in identifying appropriate courses, practices, practitioners and the vexed issue of identifying titles. I wish the Minister for Health the best of luck with that issue.

I shall deal firstly with appropriate courses. Lengthy discussion is required about which courses will be accredited by the board, why they will be accredited and for whom they will be accredited. I am confident a process is now in place which can determine that in a way that attracts bipartisan support. I point out, as I did earlier, that the professions involved have so far not been known for cooperating among themselves. Considerable professional rivalries exist between various groups, courses and modalities. The difficulties that lie ahead in determining which courses will be in and which courses will be out and how those courses should be monitored so the quality of their graduates can be assured and the public is given a degree of comfort about and protection from certain practices should not be underestimated.

It is both interesting and ingenious — I do not say that in any denigrating sense — that a schedule, schedule 1, will be created in the Drugs, Poisons and Controlled Substances Act to allow herbal preparations to be scheduled appropriately, thereby protecting the public by ensuring that only appropriately registered dispensers or practitioners can have access to preparations on that schedule. That seems reasonable.

I pay tribute to people like Dick Smallwood and Rob Moulds, who did so much work from such a fine knowledge base. For instance, how do we determine not only the appropriate use of those preparations but also whether practitioners of Chinese medicine understand the interactions between western medicines — drugs that may be pharmacy-only medications — and the drugs prescribed by Chinese medical practitioners?

Careful attention needs to be given to ensuring that the Chinese medical profession is not treated as though it were an autonomous, discrete profession unconnected to other professions, because although that may be the case for the practitioners it is certainly not the case for the patients. The patients often do not understand the possible inter-reactions between various drugs and treatments. It is an area that needs particular attention.

I made the point earlier, so I will not labour it, that I do not believe the bill should be seen as conferring automatic registration on all present practitioners — the so-called grandfather clauses. I will be interested to see how that works out.

I turn to the question of titles, to which I referred the minister — and I do not envy him his task. There is no doubt that the titles ‘Doctor’ and ‘Professor’ carry different connotations here from the ones they carry in China, and I do not say that by way of denigrating or praising either tradition. One of the reasons we are elected to this place is to protect the public, and in this case it is the public — the layman, the man on the Clapham omnibus — who must be protected. Therefore, when people take the title ‘Doctor’ or ‘Professor’ the public has a right to know exactly what that means. To ordinary members of the public neither of those titles would suggest that the bearer was a member of the Chinese medicine fraternity.

While terms like ‘Doctor’ and ‘Professor’ are common currency in western societies, there is a forgivable confusion among members of the public about their meaning. There will have to be a regularisation, if I can use such a clumsy word, of those titles. That aspect may have to be addressed by the board. I believe that could be done under the codes of practice model. I will come back to that later, because it offers the professions considerable power to regulate themselves.

We must not shy away from the question of titles. If the government is serious about protecting the public, it should be serious about the standards it is demanding, and that requires looking at courses, practitioners, practices, and the titles that people take to hold themselves up as practitioners of one kind or another. I am not just referring to the title ‘acupuncturist’, for example; as I said, I am referring to the titles ‘Doctor’ and ‘Professor’. It is a vexed question, but it is one that I believe we need to tackle head on.

Earlier I also touched on the title restrictions in the bill. I would like the government to look at developing a core practice model. As I said, I am increasingly convinced that we need to turn our minds to those who might not be registered under the bill or who might not be qualified but who offer services in backyard practices that are so dangerous that we could not possibly allow them to continue. I am not sure what model should be followed or how it should be done, but it is possibly the most serious problem we face in determining standards.

I come to a matter I flagged earlier, which concerns the board members themselves. I presume the usual process will be followed, which means advertising for people who are prepared to offer their services and expertise as members of the board. That was a practice that the previous government — and, to be honest, the government before that — was moving towards. It was once the case that board positions were reserved and that associations, institutions or groups could send their nominations for board membership to the minister. In many cases the minister had no choice but to accept the nominations of particular groups. That always seemed to me to be inappropriate. In most cases the institutions

and organisations put forward the best available people. However, it has always seemed odd that a board responsible to the Minister for Health should take away from the minister the right to choose the people with the expertise he or she is seeking.

I note that the model does not involve the nomination of individual practitioners. However, I ask that when the positions are advertised and the minister goes through the normal process of evaluating the applications that he keep in mind that the success of the board depends on the quality of the six practitioners he asks to serve on it, which in turn is fundamental to the success of the legislation. Make no mistake, there are eyes — both friendly and unfriendly — watching us. There are those wishing us to succeed and those wishing us to fail.

I am confident that there is sufficient goodwill and expertise in the Parliament to ensure the right people are chosen. However, it will be a difficult task. Not only will the people chosen need to have the required expertise and the right view of the profession, but they will also need to instantly establish their credibility within their own communities, some members of which are looking for them to fail.

Working out how it goes about the process will be one of the government's most difficult tasks. If it takes longer than normal to advertise, sift through the applications and appoint the board members, the government will find no criticism coming from my side of the house. I have no particular view about whether it would be appropriate to appoint to the board someone who is trained in the western and Chinese medicine traditions; however, it is one suggestion. I also suggest that the positions not be nominated — but again, the relevant expertise will suggest itself.

Obviously, someone with an academic background would be useful, but I caution against having too many academics among the practitioners on the board. It should be made up of a range of people, including those who deal with the public. I am sure the minister will take the matter up, but it would be good to have a gender balance on the board. Often the problems that practitioners face are differently reflected depending not only on their type of practice and expertise but also on their gender.

I wish the minister luck with his balancing act in selecting the six people. I will look at all the appointments with great interest. It is an area about which I have particular concern, because, as I said, there is no consensus among the groups inside the profession let alone those on the boundary between the Chinese professions and the western professions. In the meantime, the public expects the government to appoint people who can do all the difficult things that have been outlined today.

I refer to one part of the bill that I still do not understand. The minister will forgive me for not picking it up when the matter was considered by the previous government. I have some concerns about clause 13, which relates to postgraduate qualifications. That seems to be a difficult area in Chinese medicine. One can understand why, in western medicine for instance, people are registered once they have completed courses of postgraduate study.

Learned colleges offer specialty courses in western medicine, the graduates of which should be registered, because nobody wants people practising particular specialties unless they are qualified to do so. For instance, neurosurgery should not be open to the general practitioner. Sometimes the borders are difficult to establish. For example, in the dental profession a general dentist can practise some orthodontics, but the profession itself would rather say, 'No, orthodontics is a specialist field and you need postgraduate qualifications to practise'.

Western medicine has an established tradition, but it is still grappling with those exact problems. However, the bill does not seem to limit the practice to people who have postgraduate qualifications in Chinese medicine.

Mr Wells interjected.

Mr DOYLE — Anaesthetists is another good example. That is why I question the need for clause 13. Part of the bill's intent is to inform the public. If the board keeps a register of people who are qualified in various areas, that could be made available to the public. However, I am a little uneasy about it. I am not sure the board should be used as a *Yellow Pages* for the public.

The board is there to regulate the profession on behalf of the public. It is not there to direct members of the public to one practitioner or another, except in cases where, as I have said, the board makes a determination that postgraduate qualifications are necessary to practise in a particular area.

I have learnt from the brief discussions I have had with some members of the Chinese medicine profession that there is also some unease in the profession about clause 13, lest it be seen to restrict their practising as general practitioners. I register my concern about the clause. It is not an end-of-the-world issue, but the bill and the second-reading speech are a little unclear on

why the clause is there and what effect it will have on individual practitioners and the board.

In conclusion, the introduction of the bill has entailed a long and proper process of careful research, data collection, consultation and bipartisan support. There is much yet to be done, but the Parliament can be proud not only of the work that has been done thus far but also of the signal it sends about the way Parliament views the need to protect the public and the way the health professions are evolving.

I recall a conversation with a senior professor of medicine who was part of a National Health and Medical Research Council review of acupuncture some 15 years ago. My memory is a little rusty, but I believe the council recommended to the health minister that there was no need to register or regulate the profession and practice of acupuncture because it was not so widespread to be of sufficient concern to public safety. He openly and plainly said to me that his mind had been completely changed by the volume of people seeking complementary medicines, changing practices and the changing expectations of the public.

It is time for legislation such as the Chinese Medicine Registration Bill. Although I am pleased that consensus has existed to this point, I would not rely upon it in making some of the hard decisions about courses, practice, practitioners and titles. Although those decisions must be made in a clear and fair way, the public must be kept in the forefront of the government's mind rather than the individual practitioner.

I take pride in the legislation. As the minister and his parliamentary secretary will find, when one sits around a table one often finds oneself knowing the absolute least about a subject given the other expertise in the room. One hopes it happens less and less.

Mr Viney interjected.

Mr DOYLE — I found myself in that position a few times and if the honourable member for Frankston East does not I congratulate him. I believe he will find it happens more often than not in areas of the practice of traditional Chinese medicine. One must rely on the good offices and expertise of other people which has applied to this point in a spirit of goodwill and cooperation. However, it is now time for the government to step in and make those necessary hard decisions and draw those lines.

I am confident it has both the will and expertise in the department to do so. I am delighted to have played a part in bringing the bill to the Parliament. It is a step forward and I congratulate the government for bringing the legislation before the house. The opposition is delighted to support the bill in a way that I hope the government would have done in opposition.

Mr VINEY (Frankston East) — As I listened to the honourable member for Malvern I reflected on what a funny business honourable members take part in. During his contribution I received the greens of my contribution to the grievance debate this morning. In that speech I referred in some detail to his former position as parliamentary secretary for health. Yet this afternoon I recognise the spirit of bipartisanship and am quite prepared to acknowledge his work and commitment to the legislation. I welcome his commitment of bipartisan support on behalf of the opposition.

Although I think several of the more detailed questions raised by the honourable member for Malvern should be further covered at a later time rather than in the debate today, I will respond to a couple of issues. The government recognises his point that as world-first legislation much work on implementation needs to be done.

I reassure him that the government regards the legislation principally to be about the protection of the public. The honourable member for Malvern referred to public protection as his understanding of the intention of the legislation during the time he was involved in its drafting and the government will continue in that vein. Currently, the practice of Chinese medicine is largely unregulated and the bill will provide protection for the public through a regulation process.

The honourable member for Malvern named many people involved in consultations during his time as parliamentary secretary. I join with him in acknowledging the good work of those people. I have always understood the naming of a long list of people to be somewhat dangerous when inevitably one leaves someone out. I acknowledge the thoroughness of his notes if he has not done that.

The removal of the mandated provision for consultation between various health boards was picked up by the honourable member for Malvern as a key change to the legislation. The effect of the removal will be to implement a system where each health board will be in charge of registration practices under its own criterion.

I wish to clarify the section 85 issue referred to by the honourable member for Malvern. I acknowledge his understanding of the changes made. He referred to the possibility that the changes may change perceptions of how the issue might be dealt with in other legislation.

When the matter was raised by the Scrutiny of Acts and Regulations Committee the department's assistant director of legal services, Graham Morris, responded in some detail to Mr Homer, the senior legal officer of the SARC, and clarified the position in relation to the section 85 requirement. His response states in part:

> Clause 56(3) in fact does not limit the jurisdiction of the Supreme Court because it only affirms the existing common-law position, namely that a person cannot be held liable for defamation if all that he or she has done is to provide information which he or she is legally required to provide.

In essence, that is why a section 85 statement was not included in the proposed legislation.

The honourable member for Malvern also raised the issue of postgraduate qualifications. I will return to that aspect of the bill a little later.

The Chinese Medicine Registration Bill is an innovative piece of legislation and a first for Australia. No other country outside of the People's Republic of China has introduced legislation to provide a comprehensive system of regulation of this form of complementary therapy. Some countries have introduced occupational regulation of acupuncture only and many have regulation of herbal medicines, but nowhere is there a regulatory scheme that controls practitioners and herbal medicines, the latter of which include potentially toxic and dangerous raw herbs. The legislation will work in concert with commonwealth and state therapeutic goods and poisons legislation to systematically protect public health and safety while maximising choice of health care for consumers.

As was mentioned by the honourable member for Malvern, there has been extensive consultation during the development of the legislation, dating back to 1995. The first stage involved the conduct of a significant research project funded by the state health departments of Victoria, New South Wales and Queensland. The result was a report entitled *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*, which has been well received internationally. An initial review committee was established to oversee the research process.

The second stage involved extensive policy development and consultation on options for the regulation of the Chinese medicine profession. A ministerial advisory committee was formed with two subcommittees to ensure that all those with an interest in the process were represented. In 1997 a discussion paper was circulated nationally and submissions were received and analysed. The consultation process demonstrated considerable consensus on the need for statutory registration from both members of the public and health care providers at every level in the system.

In addition, during the 1998 review of the Medical Practice Act and the Nurses Act comments were again invited on the proposed regulatory framework as it affected registered medical practitioners, nurses and their representative organisations. Those opportunities for consultation have demonstrated there is a considerable consensus on the need for occupational regulation of Chinese medicine practitioners.

In introducing the bill the government has conducted another series of consultations with key groups, such as the Australian Medical Association, the Royal Australian College of General Practitioners, the Australian Acupuncture and Chinese Medicine Association, the Federation of Chinese Medicine and Acupuncture Societies of Australia and the Alliance of Chinese Medicine Associations.

There has been some disquiet within the medical profession about the decision to proceed with regulation of Chinese medicine practitioners. The decision is based not on any intention to confer government recognition on the practice of Chinese medicine, but simply to ensure that Victorians who choose that form of medicine can be assured that there are adequate protections in place.

Medical practitioners who practise acupuncture were represented on both the ministerial advisory committee and on the subcommittee that addressed the issue of the regulation of registered health professions. The final report of the advisory committee documented the consultation and policy development processes and recommended that statutory registration be implemented in Victoria as a model for other state and territory governments. I note that the ministerial advisory committee was chaired by my predecessor in the role of parliamentary secretary in the health area, the honourable member for Malvern.

Stage 3 of the review will commence with the implementation of the Chinese Medicine Registration Act and the establishment of the Chinese Medicine Registration Board. As the honourable member for Malvern mentioned, there is considerable work to be done in determining the new schedule 1 of the poisons list and in establishing the required controls over the prescribing and dispensing of scheduled Chinese herbs. It is expected that the Chinese medicine profession, the Chinese Medicine Registration Board, the Pharmacy Board, and the Poisons Advisory Committee will provide valuable input into the process. The commonwealth government and the Australian Health

Ministers Advisory Council have indicated their support for Victoria's undertaking of this work.

The commonwealth is expected to seek a national standard for the control of scheduled Chinese herbs and to use the new schedule 1 of the Victorian poisons list as a basis for the modification of the standard for uniform scheduling of drugs and poisons.

Many practitioners registered in other disciplines have been adopting Chinese medicine modalities such as acupuncture. Increasing numbers of general practitioners, physiotherapists, chiropractors, nurses and others are offering acupuncture as an adjunct to their main form of practice. The amendments to acts that regulate medical practitioners, nurses, chiropractors, physiotherapists, osteopaths, pharmacists, dental care practitioners and optometrists are required to ensure the registration boards take responsibility for regulating their registrants who adopt Chinese medicine modalities.

The Chinese medicine profession has raised concerns about the powers of these other registration boards to confer on their registrants the right to use the protected titles of the Chinese medicine profession. The profession is concerned that such a system may result in nine different standards of training in acupuncture set by the nine registration boards.

Although I understand their concerns, I am confident that will not happen. I believe the registration boards will work closely together to ensure consistency in training standards and clinical practice for the benefit of the public. A number of boards have already flagged their intention to refer any applications to use protected titles directly to the Chinese Medicine Registration Board of Victoria for assessment and recommendation. The boards have also indicated their willingness to consult the Chinese Medicine Registration Board of Victoria about codes of conduct in the practice of Chinese medicine.

The honourable member for Malvern raised the issue of specialist qualifications in Chinese medicine. The board will have the power to enter on the register any recognised postgraduate qualifications relevant to the practice of Chinese medicine. There is no well-established Chinese medicine specialist college system in Australia as there is for western medicine. However, some well-defined specialities are practised in China and to a limited extent in Australia. Many Chinese medicine practitioners who wish to specialise in areas such as paediatrics, gynaecology or orthopaedics go to China to undertake training.

To provide the public with accurate information about the practitioners who have specialist qualifications and those who do not, it is important that the board has the responsibility for recognising postgraduate qualifications. That is particularly important given the absence of an alternative system of control through specialist colleges. Similar powers are contained in the Podiatrist Registration Act, and they are also being considered by the psychology and nursing professions. The provisions will allow the public to make more informed choices about which practitioners are well qualified to treat particular conditions.

I repeat that the bill is important. It is groundbreaking legislation not only in Australia but throughout the world, and I commend it to the house.

Ms McCALL (Frankston) — I thank the honourable member for Frankston East. It is a pleasure to agree with him on this issue on behalf of the citizens of Frankston.

I congratulate the honourable member for Malvern on his contribution not only to the debate but also in pioneering the bill. As members of Parliament we often receive brickbats, but we do not often receive bouquets. As the honourable member for Frankston East said, Victoria is the first jurisdiction in the world other than the People's Republic of China to introduce legislation to deal with this field of medicine.

I wish to share with the chamber a couple of my personal experiences of Chinese medicine. One of them was my visit to the traditional Chinese medicine and training institute in Beijing two years ago. Given that I come from a conservative background I tend to go to the family doctor. Using the words of the honourable member for Forest Hill at another time — whenever I felt tired I had a cup of tea, a Bex and a good lie down.

When one talks about medicine outside the traditional western view of general medical practice and a normal visit to hospital and considers other means of dealing with health issues, one finds that many people with a conservative temperament respond with a high level of cynicism and scepticism. I have received letters from the medical profession and the general public in my electorate that express the fear that introducing such legislation will mean endorsing a form of quackery.

My visit to the Chinese medicine institute in Beijing in 1998 did much to dispel some of my personal fears about the methods and potential outcomes of that form of medicine. During my visit I found it interesting to identify some of the items contained in the jars I viewed when passing through the institute's entrance and to

learn about the professional manner in which the practitioners practised their art and the astounding results they achieved.

A dear friend of mine who lives in my electorate practises this form of medicine. The clients who visit her tell her that they have followed traditional western methods for treating and diagnosing particular illnesses but that they have found supplementing traditional treatments with alternative forms of treatment extraordinarily efficacious. There is no need for one form of medicine to be seen in isolation from the other. The two forms can work comfortably side by side to produce positive outcomes for patients.

It is important for Parliament to recognise that society may be prepared to move away from the comfort zone of traditional attitudes towards recognising the changing cultural nature of Australia. Victoria is proud of its multicultural background. When I attend citizenship ceremonies in my electorate I am always mindful of the changing face of Victoria, and I am able to acknowledge that there are different ways of approaching medical issues and treatments. That is why I heartily support the bill.

The purpose of the bill is not to criticise or promote individual professional interests but to protect the public. It is also intended to prevent unqualified, unregistered and untrained practitioners from creating false hopes in the minds of members of the public.

I recall my time working at the Footscray campus of the Victorian University of Technology. I acknowledge the excellent work it did, particularly at the St Albans campus, in setting up one of the first courses for the training of traditional Chinese medicine practitioners in Victoria.

The details of the bill have been widely canvassed by the honourable member for Malvern and the parliamentary secretary, the honourable member for Frankston East. Some of my concerns about the section 85 statement and about whether the provisions come within the scope of the health professional registration boards have been addressed to a point. Objections have been raised by the Australian Medical Association and the Royal Australian College of General Practitioners. There will always be differences of opinion within any profession, particularly the medical profession. Those are probably healthy and we should be mindful of them, particularly with the implementation of this legislation. We should be prepared to revisit in the future any areas in which problems may arise.

Another issue was whether visiting overseas Chinese medicine practitioners could become registered. Would they become temporary registrants? Other relevant pieces of legislation already exist, including one passed in the last sessional period to cater for situations such as those that may arise at the Olympic Games. For example, athletes may be travelling with particular team practitioners so there may be a need for some complementary acceptance of the qualifications of doctors who are exclusively treating their team members and not the general public.

I am mindful that many of my colleagues wish to contribute to this debate. However, I want to say that I have moved on from the conservative, even closed mindset I had before. I have listened to and read the Victorian report entitled *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*. I attended the launch of the report about a year ago in Queens Hall, when the then Minister for Health, the Honourable Rob Knowles, and members of the university communities of Victoria, the Chinese communities of Victoria and the general public came together in an extraordinary meeting of minds and an atmosphere of bipartisanship and acceptance to agree that there are different ways of looking at the one problem. I have nothing but wholehearted support for the bill and I wish it a speedy passage.

Mr LIM (Clayton) — I am delighted to support the bill. However, before I detail my support I will share a story with honourable members.

When a baby is near birth it should turn over so that it can be born head first. If it does not do so in the final weeks of pregnancy the doctor has three choices: massage the mother's abdomen to move the baby out of the dangerous breach position, prepare for a caesarean section or burn some mugroot next to the mother's little toenail.

What is mugroot, you ask? Mugroot is a Chinese herb, also known as moxa, and the right side of the little toenail is an acupuncture point. A recent study has found that moxibustion worked for 75 per cent of the 130 women trialled with the technique, whereas in the control group the baby turned on its own for just half of the expectant mothers. The amazing thing is not that the technique is so effective, because Chinese herbalists have known for centuries that it is. What is striking is that the study was recently published in a bastion of orthodox western medicine, the *Journal of the American Medical Association*.

Traditional Chinese medicine (TCM) has come of age, Madam Deputy Speaker, a fact that speaks volumes for

its significance. But its acceptance is also ironic, given that TCM has been around for a lot longer than 2000 years — indeed, it has been around throughout recorded history. In monetary terms it is estimated that over the next 10 years the TCM industry will be worth about $12 billion.

Why did it take so long for TCM to be embraced by the orthodox western medical fraternity? One reason is that TCM lacks uniform standards. In China, for example, practitioners are generally graduates of specialist schools, and many American states require some sort of licensing too. But that is not the case in Hong Kong, Taiwan or Singapore, where most practitioners learn their craft as apprentices. Another problem is that diagnoses often take place in the corners of shops or across counters, although that practice is starting to change.

It is heartening to note that Hong Kong, Taiwan and Singapore are now moving to register their practitioners; so although Victoria will be the first in the region to do so, there are others following close behind! Hong Kong and Singapore also plan to introduce licensing exams, and three Hong Kong universities have already started offering TCM degrees.

It is natural, therefore, given the uneven standards of training and licensing, that orthodox doctors may worry that patients who turn to TCM will not receive the best possible treatment. I take it that, like me, many honourable members have been lobbied by and received petitions and representations from protagonists of both sides of the debate. It would take forever just to leaf through them all. Both sides are passionate about their cause, and I respect them for that. For that reason, we should scrutinise the main thrust of the Chinese Medicine Registration Bill carefully.

The proposed legislation ensures a number of things: the training of primary care practitioners to a high standard; mechanisms for establishing and enforcing clinical standards of practice; the easy identification by the public and health care professionals of the qualifications of practitioners — especially those who are highly qualified; and access by consumers to effective mechanisms for dealing with any complaints that may arise during their Chinese medicine treatment.

The bill provides for the establishment of a nine-member Chinese Medicine Registration Board. That represents an expansion of the seven-member board suggested by members opposite when they were in government.

The provision which gives qualified Chinese practitioners and dispensers access to herbs which could be dangerous and toxic unless prepared correctly is also important. As a Chinese person who grew up in that culture and environment, I can assure honourable members that the toxicity of herbs of the same name can vary a great deal depending on the province of China they come from. The bill deals with that.

Of equal importance is the role of the newly established Chinese Medicine Registration Board in approving courses conducted by Victorian universities. Even in our own backyard different institutions require people to attend for different times before they graduate — I understand that it varies from three to five years.

While I welcome the introduction of the measure, I am concerned that it is overwhelmingly regulatory. It refers largely to registration, investigation — for example, of the appropriateness of practitioners — compliance and discipline. However, we can never get away from our need to focus strongly on the fact that the bill is about public safety — that is, the bill is intended to ensure that the practice of Chinese medicine is safe for the public. Therefore, although the bill is overwhelmingly regulatory, I accept that it is important to safeguard the public.

However, I am concerned that the bill does not touch on the fundamentals of the many unresolved issues surrounding registration. The first problem is the language barrier. A first-rate Chinese medicine practitioner who lives in my electorate must have hundreds if not thousands of clients. People keep going back to him and his clientele is growing considerably. But he speaks hardly any English, so how are we going to deal with him for registration purposes? Of course he wants to be recognised as a person to be reckoned with in that field.

The second problem is the appointment of six Chinese practitioners to the board. The member for Malvern, the shadow Minister for Health, touched on the question of who we will choose, who will be included and what mechanism will be used to make the appointments. The shadow Minister for Health mentioned that even among the fraternity of traditional Chinese medicine practitioners there is disagreement about the length of training and a range of other issues related to the profession. I was sent a list of 27 different so-called professional organisations in the field but I know many more were not listed. Unless there is some kind of agreement among those in practice about who should be their six representatives on the board, we will encounter much disquiet and disagreement about the role of the board and so forth. Having said that, I

suggest that the government should take on the task of bringing those people together and forming them into a single professional representative group instead of a series of disparate groups which compete against each other.

The member for Malvern mentioned a list of people to whom he was grateful and thanked them for their contribution to the passage of the bill. I pay special tribute to Professor T. Chiang Lin who has probably done more than anybody in the medical practitioners group. He has spent more than 15 years campaigning just to see the passage of the bill.

I particularly want also to mention another practitioner whom I have enormous respect for. I attended a function and witnessed something very moving. A young lady at nine years old was pretty well left to die. She suffers from chronic fatigue syndrome and western medicine had nothing to offer her. Her parents were in despair and went to Dr Lun Wong. When I met the young lady later she was a blooming, beautiful young person full of life and vitality. Knowing that when nobody else could help her Chinese medicine could is heartening. With that remark I commend the bill to the house and am glad to have had the opportunity to contribute to debate.

Mr WILSON (Bennettswood) — I welcome the opportunity to briefly join the debate on the Chinese Medicine Registration Bill, which is an important and substantial piece of legislation. In many ways it stands in contrast to the rest of the government's legislative program. Why is that so? That is because the bill is yet another initiative of the previous coalition government. It is not a Bracks government initiative; it is a Kennett government initiative — those are the facts.

I congratulate the shadow Minister for Health, the honourable member for Malvern, on his contribution to the debate earlier today. Those of us who know the history of the legislation will appreciate the role he played in the creation and development of the bill. The bill is another example of the honourable member's outstanding contribution when he was Parliamentary Secretary to the Minister for Health in the previous government.

Mr Hulls — It sounds like he has your vote.

Mr WILSON — I look forward to the honourable member assuming the role of Minister for Health in the incoming Napthine government. I know my view is shared by many in the professional bodies and bureaucracy.

As other speakers have noted, the legislation originated from the 1995 Department of Human Services review of the practice of Chinese medicine in response to the recognition that traditional Chinese medicine has become the choice of many Victorians and indeed many Australians. The 1995 review was undertaken by the Victorian Department of Human Services on behalf of the other states and territories in direct response to the concerns expressed by consumers, practitioners and professional groups. The review resulted in the report *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*. Since that report was issued a ministerial advisory committee has advised the government on necessary action and potential legislation — thus the bill before the house has resulted.

The main recommendation of the committee was that Chinese medicine practitioners should be regulated in the same way as other registered health care professionals. I take this opportunity to congratulate all those who have participated in the various stages of the process, in particular those involved in the 1995 review, those who served on the ministerial advisory committee, and the officers of the Department of Human Services who have devoted many hours and applied extraordinary diligence to the task. I note some of the departmental advisers are now in the advisers box.

Australian health ministers in conference have agreed that Victoria should take the lead in establishing a model of regulation. The bill is an important step towards establishing a national and perhaps international framework for regulation. The Parliament should feel very pleased with its efforts in the area.

The bill has four primary purposes: firstly, to make provision for the registration of practitioners and investigation into professional conduct and fitness to practise Chinese medicine and herbal dispensing services; secondly, to regulate Chinese medicine and herbal dispensing services; thirdly, to regulate the advertising of Chinese medicine and herbal dispensing services; and, fourthly, to establish a Chinese Medicine Registration Board of Victoria and a Chinese Medicine Registration Board Fund.

In the course of researching my contribution today, I noted that it is 20 years since a new health profession has been registered in Victoria. My understanding is that the legislation has significant support in the field and the wider community. The only specific provisions I wish to refer to are those that establish the Chinese Medicine Registration Board of Victoria. That is the most important of the initiatives because it is the core provision in the bill. Clause 67 of the bill establishes the

board. Clause 68 details the powers and functions of the board and clause 69 sets out the membership requirements of the board.

As the honourable member for Malvern outlined, the new board will have nine members, comprising six Chinese medicine practitioners, a lawyer and two persons who are not Chinese medicine practitioners. I note from the minister's second-reading speech that the board will be an incorporated body and independent of government. It will be responsible for assessing and approving appropriate qualifications. It will be responsible for the registration of Chinese medicine practitioners and Chinese herbal dispensers and for investigations into the professional conduct of practitioners.

The bill provides 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 Chinese medicine. The opposition supports the bill and wishes it a speedy passage.

Mr HOLDING (Springvale) — It gives me a great deal of pleasure to contribute to debate on the Chinese Medicine Registration Bill, a significant piece of legislation in my electorate of Springvale. I have been approached by many practitioners of Chinese medicine, seeking my support for the legislation and giving views on the various issues the legislation raises. I do not want to deal with the regulatory framework of the bill, which so many honourable members have dealt with at length in earlier contributions; I want to deal with one particular issue the legislation raises — the efficacy of traditional acupuncture and Chinese herbal medicine. I quote from a letter that is representative of some of the correspondence I have received from some of my constituents in opposition to the legislation. I do not wish to identify the author other than to say the person is a medical practitioner in my electorate. He wrote:

> I am writing to you as a practitioner in your electorate in relation to the proposed Chinese Medicine Registration Bill.
>
> I am concerned that registration will give these practitioners effective government approval in the eyes of the public for what is essentially of unproven efficacy and safety.

It is important that the Parliament has the benefit of considering the great bodies of research that form the background to the legislation. The Parliament should ensure such comments and beliefs in the community are put to rest. I take briefly as my source the report other honourable members have referred to, *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*, published in November 1996. That report formed the regulatory basis of the legislation. It was able to evaluate a great deal of the clinical research into Chinese medicine, herbal dispensing and acupuncture, to evaluate literature in English, Chinese and other languages, and the conclusions reached in literature and in clinical trials. I quote briefly from page 34 of the report, which deals with acupuncture. It states:

> Clinical trials of acupuncture are reviewed in detail in appendix 4. In summary:
>
> There are sufficient good quality clinical trials to support the use of acupuncture, especially in the treatment of pain, nausea and vomiting.
>
> There also is evidence that acupuncture:
>
> > has a marked action on a range of physiological functions, and may be of benefit in hypertension and other cardiovascular disorders, asthma and bronchospasm, digestive disorders, obstetrics, and drug addiction, although the range and quality of clinical trials is less substantive those of analgesia. …

The report goes through many other benefits of acupuncture. People in the community should not be concerned about the efficacy of acupuncture and the safety of Chinese medicine practice and herbal dispensing. More than sufficient clinical trials have dealt with many of the issues acupuncture has raised. Perhaps there has not been the same level of clinical trials into some other aspects of Chinese medicine and more work could certainly be done in some areas. Double blind clinical trials conducted in Australia have demonstrated positive results for acupuncture and Chinese herbal medicine in the treatment of conditions such as Hepatitis C, irritable bowel syndrome, chronic pain, hay fever and menopausal syndrome.

The research effort overseas is attracting considerable funding. The United States National Institutes of Health have established a National Centre for Complementary and Alternative Medicine with a total budget for 2000 of US$68.4 million. The centre funds nine specialist research centres in complementary medicine with a research budget of US$63 million. There is a need for a national research program in Australia to test the effectiveness of Chinese medicine and other complementary therapies.

Regardless of the outcome of the research initiatives it is essential that there be adequate regulatory controls to protect the public. It is particularly important that patients have confidence that the Chinese medicine practitioners they consult are well trained. Patients should also have access to effective mechanisms for dealing with any complaints that may arise about their

treatment. All those issues are dealt with in the legislation and have been canvassed by other honourable members in their contributions.

I refer to the conclusion of the report entitled *Towards a Safer Choice — The Practice of Traditional Chinese Medicine in Australia*. The question asked at page 4 is whether traditional Chinese medicine works.

The report states:

> The report reviews international trials and studies examining the efficacy of Traditional Chinese Medicine and concludes:
>
> There is a sufficiently strong case for the clinical use of acupuncture to manage pain, nausea and vomiting. Acupuncture also shows significant promise in other clinical areas, such as in hypertension and other cardiovascular disorders, digestive disorders, neurological problems, and drug addiction.
>
> There are hundreds of clinical trials on Chinese herbal medicine, the majority of which have been undertaken in China. While these generally report favourable outcomes, they do not meet a sufficiently high methodological standard for broad acceptance in the West. There is some limited evidence in western countries for the efficacy of Chinese herbal medicine in a small number of clinical disorders.

I shall add to that somewhat qualified assessment of the research. The report goes on to say at page 40:

> The Chinese herbal trials published in English language journals present some evidence for the efficacy of Chinese herbal medicine in a limited number of clinical disorders. Using the National Health and Medical Research Council grading system evidence on treatment outcomes with Chinese herbal medicine is principally Level III and IV. Further investigations are needed that combine the rigours of a good clinical trial with the flexibility of treatment approaches required in Chinese medicine.

There is a considerable body of research both in Chinese and English medicine which supports the efficacy of the treatments and herbal dispensing arrangements envisaged under the legislation. It deserves the support of honourable members. The report also includes considerable assessment of acupuncture trials and their outcomes, and I commend the tables at pages 276 and 277 of the report to honourable members.

In conclusion, I have received many representations from my constituents. I particularly mention Professor T. Chiang Lin, who has been referred to by the honourable members for Clayton and Malvern. Professor Chiang Lin is a person of great eminence and reputation in the area of Chinese medicine. He has a practice in my electorate of Springvale as well as other places in Melbourne. I have spoken to him directly about the legislation and have received correspondence from him. I thank him for his contribution to the legislation, and I commend the bill to the house.

Mr SMITH (Glen Waverley) — I shall bring a more personal aspect to the debate than has been the case so far. I have always been extremely sceptical of any sort of medicine other than traditional western medicine. Not long ago, I was at an ethnic dinner. Through Senator Tsbin Tchen I met Dr Ding Long who arrived in Australia about seven or eight years ago. He had set up a medical practice in Glen Waverley. My wife is a pretty good tennis player but she always seems to be injuring her shoulder. She said she would like to consult Dr Ding Long, which she did. The doctor stopped her playing tennis for a few months but eventually she got her shoulder back into action.

While I was at his surgery, someone suggested I talk to Dr Ding Long about the bronchitis I had been suffering from for years. I had been reluctant to take the incredible amount of pills needed to get over bronchitis, together with a few days in bed. I thought there would be no harm in talking to the doctor, and as a result I took home a concoction in a paper bag.

My wife and I cooked the herbs on the stove, reduced them and took them at certain times. Two and a half days after the first time I took the Chinese herbal medicine my congestion was completely cleared, and for the past five or six years I have not been back to my western doctors seeking treatment for this condition. I hasten to add I probably would not tell my doctor about it because of the scepticism towards it.

It might interest the house to hear that someone as sceptical as I am has found traditional Chinese medicine (TCM) extraordinarily good and I could not recommend more highly a practitioner I have found, Dr Ding Long, trained in traditional western medicine in Beijing before coming to Australia and so qualified in the two disciplines.

Like western doctors, TCM doctors take a pulse but they do not just listen for the number of beats per minute; they diagnose the state of liver, heart and various other organs from the pulse. It is extraordinary, and for my wife and me it has worked well. Our local Chinese herbalist, Dr Ding, has practices in Carlton and Glen Waverley — though I do not want too many people going to him because at this stage I wait only a limited time to see him, and I would hate to see more westerners going there! He has also plenty of Chinese and other Asian clients.

The bill researched by the Liberal Party and the Labor Party has bipartisan support. Western doctors in my

area have said the main concern is about whether members of the Medical Practitioners Board of Victoria, who practise TCM in the form of acupuncture, for example, will be regulated by the new Chinese Medicine Registration Board.

The message to doctors in my electorate — some of them are personal friends, such as Dr Stephen Blamey, one of the leading surgeons in Melbourne — is not to feel concerned, as registered doctors who practise TCM will continue to come under the jurisdiction of the Medical Practitioners Board of Victoria, not the Chinese Medicine Registration Board.

The bill does not contain a section 85 statement — a revolutionary step for the government — and it will be interesting to see how the act will work without it. The technical side of the bill has been discussed and I have added comments about my personal and practical experience. The honourable member for Clayton mentioned the language barrier. Dr Ding Long is not completely fluent in English, but his wife speaks English well.

The bill will give confidence to those people who use TCM but there will not be a great rush towards TCM practitioners. From my personal experience over an eight-year period I cannot speak highly enough of the treatment. The legislation complements my experience, and I support the bill.

Ms GILLETT (Werribee) — It is with pleasure that I make a brief contribution to debate on the Chinese Medicine Registration Bill. I am pleased to make a contribution both as the member for Werribee, as the chair of the Scrutiny of Acts and Regulations Committee and as a beneficiary of traditional Chinese medicine (TCM) for the past 24 years — four generations in my family have benefited from TCM.

Firstly, as the member for Werribee, I note that there has been significant correspondence to my office about the bill. There have been press releases, emails and correspondence from local doctors.

The majority of concerns raised by the Australian Medical Association, local doctors, the Australian College of General Medicine, the Royal Australian College of General Practitioners and the Australian Medical Acupuncture College have been addressed. That is a tribute to the bipartisan support for the bill, to the honourable member for Malvern and to the previous Kennett government, which took on an extremely difficult issue.

As the honourable member for Glen Waverley said, although traditional Chinese medicine has been around for much longer than conventional western medicine it still attracts some mystery, mysticism and scepticism. From my point of view, that is unfounded. The general feeling of the community is that there is still some misunderstanding and scepticism about that type of medical treatment. That scepticism has been overcome by virtue of the work done by the honourable member for Malvern and others. The fact that the current Minister for Health, the honourable member for Albert Park, has been able to address the final barriers to achieve general support in the medical community is a tribute to both sides of the house.

Sometimes we can feel that minds are closed and they stay closed. That is not always the case. The bill proves that even though vision may initially be a little blinkered, if people are given more information and are made to feel they are included and can work together the more quickly those blinkers can drop away.

The process adopted in the creation of the bill and the negotiation of its various parts was so important and successful that it could be recommended as the process to be followed for another very significant debate in which the community is currently engaged — the debate on supervised injecting rooms. For my part, I urge all honourable members to take note of the process followed to create the Chinese Medicine Registration Bill. Serious thought should be given to adopting the same approach to Professor Penington's recommendations.

As the chairperson of the Scrutiny of Acts and Regulations Committee I shall talk about how the committee examined the bill at its last meeting on Monday this week when the committee noted the enormously productive work that had been done to create the bill. Although it did not do so publicly, the committee privately commended the work done on the bill by the honourable member for Malvern.

The committee needed to double check a couple of matters. It was not able to gain from the minister's second-reading speech a clear understanding of why there was such a long delay in the commencement provisions of the bill — that is two-and-a-half years. Thanks to the honourable member for Frankston East, the parliamentary secretary for human services, and also the honourable member for Malvern, I am now much clearer in my own mind about the enormous amount of important work that still needs to be done to ensure all community concerns are addressed so that traditional Chinese medicine can move forward in a properly regulated and thoughtful way. The committee's concerns have been allayed somewhat by virtue of today's debate.

It is also important to point out that the introduction of the Chinese Medicine Registration Bill was made possible because both commonwealth and state health ministers agreed that Victoria should take the lead in establishing model regulations. Extensive consultation has been continuing since 1995, and Victoria is the first state to enact legislation which in effect is national scheme legislation.

The other concern expressed by the committee was about this being the first medical regulation bill for a long time that has not contained a section 85 provision.

The committee was sufficiently well informed by the minister's second-reading speech and other information it had gathered together to understand the rationale behind proposed section 56(3), which provides that:

> No action for defamation lies against the board or its members for giving a notice under this section.

Additionally, the committee understands that a common-law provision renders a change to section 85 of the constitution unnecessary.

I make no comment on that matter other than to say that the committee has written to the minister seeking clarification of the intended application of proposed section 56(3) and whether or not the provision will be replicated in other similar pieces of legislation dealing with medical regulation.

The important process that has brought the bill into being has been open, inclusive and, as the honourable member for Malvern would say, exhaustive. It has nonetheless produced a fine piece of legislation that has been put together by the Minister for Health in a form that is acceptable to all members of the medical community. The same approach is therefore commended to the house for the most important medical issue it now has to deal with — that is, the introduction of supervised injecting rooms raised by Professor Penington. I commend the bill to the house.

Mr ASHLEY (Bayswater) — It is a pleasure to be able to add a few comments on the bill, and I thank government members for giving me the opportunity. I welcome the bill in the context of debates on health service bills in general as well as in the context of the rich tapestry of our multicultural past and the relationship that Victorians have had with the Chinese community dating back 150 years.

The preparation of this epoch-making legislation has a long history. It is a unique bill not just in Australia but around the world. The minister is to be congratulated on Victoria being part of the great effort worldwide to extend the understanding of health practices in general and practices complementary to western medicine in particular. Both the government and the opposition can say that together they have played significant roles in the development of new legislation that will bring great credit to the state in the eyes of China. The bill will help build on the current relationship between the peoples of China and Australia — and the people of Victoria in particular.

In 1993 I recall standing with a group of Victorian members of Parliament in the general hospital in Nanjing in our sister province of Jiangsu and talking to the professors and heads of departments of the hospital about the health care demands they faced and their efforts to play a role in improving the wellbeing of the huge population of the province.

We were told on that occasion that many doctors in the hospital were trained in the western medical tradition and that many were also trained in the Chinese medical tradition. The point was made that China could not afford a health system based upon the western medical tradition. Victoria has a luxury that Jiangsu Province does not have.

Facilitating the development of the Chinese medicine tradition within Victoria opens up a lifestyle option for the people of this state. However, it may prove to be more than that. It may be that our scepticism over the years has been unnecessary and that the Chinese medicine option has had more going for it than we could ever have imagined.

We do not yet know what ramifications the adoption of Chinese medical practices may have. Although it is not part of the western tradition of high science and therefore not something that can be experimented with, replicated and proven time and again, Chinese medicine could be said to be a correlative science. There are plenty of other sciences which we respect and which we have regulated, such as psychology, which are based not on cause and effect and proof — on QED — but on probability. The notion is that a high correlation between what happens here and the consequences there indicates some relationship between the two, from which you may reach a significant end point that bears that out. Despite the fact you cannot experiment on it because it involves humans, it tells us something about ourselves that we would otherwise not know.

Pharmacological science and herbal science deal with chemistry and the effect synthetic drugs on the one hand and herbal remedies on the other have in interacting on the body. Provided we deal safely with pharmacological tablets or herbal remedies, bearing in

mind that both may be poisonous, each may contribute as well as the other to producing efficacious outcomes for us all.

At this stage we know very little about acupuncture, including all the issues surrounding neurotransmission, the biochemistry of the body, how the brain feeds the nerves and how the nerves can effect breakdowns in different parts of the body system.

I have an open mind. I do not believe we are giving our blessing to magic, even though that is said by some to be the case. In reality, life is far more complex and far more profound than that. As the years go by and experimentation goes on we will probably find that many of the things we are now sceptical about will be shown to have had good foundations in science. But we have not come to grips with and understood the reasons why just yet.

I commend the minister and I commend both sides of the house on the way this extraordinary piece of legislation has been dealt with. It is great to have something that is a world first. Congratulations go to the minister and the honourable member for Malvern, as well as to all those who have open minds. I commend the bill to the house.

Mr THWAITES (Minister for Health) — I thank all those honourable members who have taken part in the debate, which has been marked by the deep personal interest in the bill speakers on both sides have displayed.

It is worth acknowledging that most of the work on the lead-up to the introduction of the bill was done under the previous government. As the shadow minister said, that involved a huge amount of work by a wide range of people, and we all should thank them for the work they put in.

This is a matter to which we have devoted a great deal of time since we have been in government, because, as honourable members have noted, there are a range of views and interests to be taken into account. I particularly thank the honourable members for Clayton and Springvale for their contributions, given that they have large Chinese communities in their electorates. Their close contact with the Chinese medical profession has assisted the government's consideration of the legislation.

The honourable members for Frankston, Bennettswood and Glen Waverley also indicated their conversion to the cause as a result of personal experiences. The honourable member for Werribee played an important role in chairing the Scrutiny of Acts and Regulations Committee and acknowledging the need for work on the implementation of the bill. Finally, I thank the parliamentary secretary, the honourable member for Frankston East, who has been of immense assistance in the handling of the legislation.

The honourable member for Malvern was personally involved in preparation of the original bill and raised several important points in his contribution that I will touch on briefly. He referred to the protection of the public from those outside the registration framework, which is an issue that broadly applies across the entire field of occupational regulation.

A largely bipartisan pattern has been adopted across the legislation where title rather than the conduct of activities is protected. However, as he pointed out, an issue may arise where individuals practising in the field may not work or be qualified within the registration framework. It is important that the public is protected from any possible harm from the incompetent or improper conduct of those persons.

The field is broadened considerably because the bill provides public protection against people who portray themselves not only as registered practitioners but also in any way that misleads the public into believing they are registered practitioners. An important protection introduced by the bill provides for the registration of individuals who dispense or treat patients with certain herbs that may be harmful.

The government believes an oversight of the entire area of occupational regulation is required to determine whether people slip through the net resulting in damage to the public. The government has overall oversight of the legislation but I should think the various boards would also have a role to play, as does the Dental Board, in ensuring that unregistered practitioners do not harm the public.

The honourable member for Malvern also referred to the need for oversight of standard setting. The critical point will be who sits on the boards. It is important that board members have credibility and status. It will be a difficult task to choose board members because many people will be interested in the positions. The government will ensure it appoints the best people for the job.

The honourable member for Malvern referred to practitioners who may be guilty of offences such as sexual offences and who are registered under one occupational act. He asked how such offences will be communicated to another board. While no mandatory requirement exists for communication between boards,

neither is there any prohibition. The government would expect that if a board believed a practitioner was trying to jump the offence it would be appropriate for that board to notify another board. The number of such cases is small and tends to be highlighted in the media, giving boards the opportunity of becoming informed.

The parliamentary secretary addressed the section 85 issue. However, I make the point that section 56(3) states that no action for defamation lies against the board or its members for giving a notice. Therefore, no entitlement to sue for defamation exists. The section 85 provision does not of itself limit the right of defamation; the section 56 provision does that. All section 85 does is require that if the Supreme Court jurisdiction is limited an absolute majority is required to pass the bill. The government has received advice that the jurisdiction of the Supreme Court is not limited. Section 56(3) simply restates the position at common law and a separate section 85 statement is not needed.

The honourable member for Malvern referred to interaction between herbal medicines and western drugs. The government expects the boards, as part of their consideration of codes of conduct, to ensure that adverse reactions to herbal medicines are reported to the Commonwealth Adverse Reactions Advisory Committee.

The honourable member for Malvern referred to the important issue of research into complementary medicines and the experience in the United States of America, which needs to be looked at over time. The USA research into complementary medicines should be examined in Australia and the outcome used by the board in its determinations.

I believe that covers most of the matters raised by the honourable member for Malvern — —

Opposition members interjecting.

Mr THWAITES — I did not get a note of that one. I will have to take up that issue with the honourable member at a later stage.

I thank all honourable members for their contributions. I hope I have not left out anyone in my concluding remarks. I again commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

JOINT SITTING OF PARLIAMENT

Centenary of Federation

Message received from Council acquainting Assembly that they have agreed to joint sitting to consider passage of a resolution to invite the two chambers of the commonwealth Parliament to return to the Victorian Parliament to commemorate the centenary of the first sittings of the commonwealth Parliament in 1901.

ELECTRONIC TRANSACTIONS (VICTORIA) BILL

Second reading

Debate resumed from 6 April; motion of Mr BRUMBY (Minister for State and Regional Development).

Mr PERTON (Doncaster) — The opposition will not oppose the Electronic Transactions (Victoria) Bill but will clearly put its case — that this is only one very small part of the puzzle of electronic commerce and of the changes to society, the economy and government that are being wrought by the information or knowledge revolution.

The proposed legislation was introduced in April. It is some nine months too late and is not accompanied by the raft of other pieces of legislation and measures that are needed to maintain Victoria's leadership in e-commerce and the use of new information and communications technology. That was made particularly clear in yesterday's budget, and I shall come back to that shortly. In the second-reading speech the minister stated that the bill will provide the basis for an environment that will boost the growth of e-commerce. It seems odd therefore that budget paper no. 2 should show that the Multimedia Victoria budget is to be reduced by some 30 per cent. It seems peculiar that if the state is in the middle of a revolution and the minister wants to be a part of leading society through that revolution he would reduce expenditure in this field by that amount.

Mr Acting Speaker, as the representative of a rural constituency for which e-commerce and telecommunications provides unbounded opportunities but very real challenges and downsides you ought to share the opposition's disappointment that a budget speech so rich in rhetoric about the new economy should be accompanied by such inconsistent action.

If one looks at the budget papers and the new initiatives set out for e-commerce one finds that the main item is a $5 million budget for Internet access in town halls.

Honourable members might wonder who would go to a town hall to access the Internet. Perhaps only a backpacker or someone else seeking free Internet access. If e-commerce and the information economy are to mean something to people it would be more suitable to make them available in workplace environments, schoolrooms, home studies areas, offices, lounge rooms — any convenient place for people who want to access the Internet.

Mr Vogels — In schools.

Mr PERTON — Yes, in schools, as the honourable member for Warrnambool rightly points out.

What is utterly peculiar about the major expenditure item in this field is that the experiment has already been tried. As you would be aware, Mr Acting Speaker, Tasmania received a substantial amount of money for the purpose of improving telecommunications. The money came from the partial privatisation of Telstra. Tasmania has put Internet access in town halls. The result is an utter failure. Computer terminals remain unused day after day.

If that is what the government says e-commerce is, and if that is what the government says about leading the state into the information revolution, the chances of Victoria being a leader in this field are slight.

The bill cannot stand on its own. A couple of days after the bill was introduced the Australian Computer Society said it is a good step but that it needs to be accompanied, for example, by the provisions of the Evidence Act. Those provisions should have been introduced by the government in its first sessional period, but they are yet to be implemented. Both the Australian Computer Society and other organisations such as the Australian Information Industry Association have said that electronic commerce cannot succeed without an appropriate privacy regime — in other words, a data protection regime.

The former coalition government introduced a data protection bill in the 1999 autumn session. The proposal to introduce a similar bill was part of the Labor government's policy during the 1999 election campaign. We are now in the middle of May 2000 yet there is no data protection bill before the Parliament, and it appears the government does not propose to bring one in.

The fourth element that is necessary if the bill is to make sense is the introduction of new provisions dealing with criminal liability for improperly accessing other people's computing systems. The coalition government was about to introduce such legislation just before it lost office. However one year down the track — five years of Internet time — only one piece of legislation is before the house, which in essence provides that an electronic signature will receive recognition. That is all the bill does.

I say to the honourable member for Tullamarine that you have the right to use an electronic signature. What will you do?

She looks confused — she is right to be confused — because neither the bill nor the second-reading speech provides an answer.

Mr Hamilton — On a point of order, Mr Acting Speaker, I know the honourable member for Doncaster gets carried away — some would say passionate — about this particular subject, but he is abusing his position in this house by inviting a member to be disorderly by responding to a rhetorical question and then making disparaging remarks about her when she fails to do so. It was a theatrical gesture, Mr Acting Speaker, and I would appreciate your advising the honourable member for Doncaster not to use such means to disparage a member of this place.

Mr Richardson — On the point of order, Mr Acting Speaker, the Minister for Agriculture is complaining about theatrical gestures in this house, but it is not unknown for theatricality to be part and parcel of daily life in this place. On occasion even I have been accused of being theatrical.

Ms Beattie interjected.

Mr Richardson — I hear Tinkerbell from Tullamarine over there. I put it to you, Mr Acting Speaker, that the minister — gentleman and friend that he is — is indulging in some theatricality of his own. We all appreciate that, but I suggest to you, Sir, that it is not a point of order.

The ACTING SPEAKER (Mr Phillips) — Order! The Parliament operates successfully because debate is governed by the guidelines in the standing orders, which it is the role of the Chair to uphold at every opportunity. However, from time to time members have the opportunity to add to the debate by using a little wit, so long as it is within the guidelines. The honourable member for Doncaster should know his comments should always be directed through the Chair. The honourable member may have been straying from the debate by engaging in theatrical antics, but he is on notice that he must direct his comments through the Chair.

Mr PERTON — As I was saying before I was interrupted in that charming way by the Minister for Agriculture, all the bill does is give legal effect to electronic signatures. There are a number of available technologies that are capable of performing the same function as an electronic signature. They have different levels of reliability, and a few examples are passwords and PIN numbers, fingerprints and thermagrams, and public key cryptography — commonly known as digital signatures.

There is no guidance in the second-reading speech, in the bill or on the Multimedia Victoria web site on using electronic signatures. In Victoria that means that, although this small piece of legislation gives some legal effect to electronic signatures, the public is still left wondering what they are.

Under Alan Stockdale, the world's first Minister for Multimedia, a lot of work was done to make Victoria the leader in the field. Through the administrative leadership of John Rimmer, the first director of Multimedia Victoria, the former government had a philosophy of striving to become a leader, an exemplar and a facilitator.

That former government certainly met its own first test by becoming a leader — as I said, it created the world's first Minister for Multimedia — and in that field being first and interesting to the world media has a big effect. Alan Stockdale was invited to the first major Microsoft conference on the impact of the Internet. Of the delegates to that conference only two — Alan Stockdale and Al Gore — were elected officials. Al Gore, Vice-President of the United States of America, has been credited with coining the phrase 'the information highway'. Alan Stockdale's attendance attracted international curiosity in what Victoria was doing, and people such as Bill Gates, Larry Ellison and the members of the G7 online committee came to Victoria as a result. The government of Hong Kong came to Victoria when it was looking to put its work online. Under the former government it was clear that in the leadership stakes Victoria was right out in front.

Victoria also passed its second test by becoming an exemplar. It created the web site www.vic.gov.au — continued by the present government — and an electronic service delivery system. It set the most ambitious target in the world, that of delivering every government service that could be delivered online by 2001. It was a huge ambition, but one that was in the process of being achieved. The www.vic.gov.au web site remains one of the best government web sites in the world — because it is based on a channel system.

Ms Beattie interjected.

Mr PERTON — As the honourable member for Tullamarine rightly says, the combination of a business channel, a citizens channel, an education channel and so on on the one site gives citizens access to services at every level of government, federal, state and local. In a country like Australia most citizens are not sufficiently well informed to know about every government service or which part of government delivers what service. It is therefore intriguing for people around the world to discover that a person thinking of starting up a new business could go to a government web site as a first step.

Let me give an example. Suppose you are thinking of setting up a food processing plant in Morwell, the electorate of the Minister for Agriculture. The www.vic.gov.au model allows you to key in the fact that you are thinking of setting up such a business. When you do you will be given a range of data on all the governmental assistance programs and other information you will require. You will be told whether you need a business name, for example, and if you want to register your business online you will be given the information you need. The web site covers all the planning and application processes.

At the other end of the scale the web site can help you if your dog — or in the case of the Minister for Agriculture, your cow — is lost. You can key in the news that the animal is lost and include a description. The system will then take you to the appropriate level of government — local government in this case — and link you with the services of the dog catcher or the pound. Manningham City Council in my own constituency has already done some work on that idea, including the production of digital photos of the animals that have been lost and found. That is a simple example, but for a lot of people such a service would make life much easier and the services of government more accessible.

Mr Hamilton — How can you get a digital photo of your dog if it is lost?

Mr PERTON — The Minister for Agriculture asks how you get a digital photo of a lost dog. I'm sorry I failed to explain that. In the Manningham example I was referring to a lost dog that was found and placed in the pound, where it was photographed. The dog catcher then placed the photo in the list of animals that had been found. The service has already proved to be useful.

The third test of good government policy in this area is facilitation. The bill is part of the process by which the former coalition government was facilitating the use of online services for electronic commerce and the information revolution. The former government set up two working parties, one of which was the Data Protection Advisory Council. The council recommended the introduction of data protection legislation to cover both public and private sectors. The proposal was well received around the country. When Alan Stockdale introduced the bill into Parliament in the autumn session last year, the assessment of the legislation by the *Australian Financial Review* said that the bill would become the template for similar legislation around the country. That leadership has now been lost.

Although a federal data protection bill has recently been introduced into the commonwealth Parliament, in my view it does not go far enough in protecting the citizens of Victoria and the privacy of their data. If Victoria had had a stronger state government and a minister for information technology or multimedia when the bill was being developed, it may have had an impact on the federal government — and on both Liberal and Labor federal policy-makers — and led to the introduction of a data protection bill that met the objective of making Victoria a world leader in e-commerce.

The bill is based on the commonwealth Electronic Transactions Act of 1999. The commonwealth Attorney-General, the Honourable Darryl Williams, said in November 1999 when the commonwealth legislation passed the Senate that:

> Australians have welcomed the information technology revolution. It has the potential to enrich their lives, work and wellbeing.

The federal legislation which came into effect on 15 March this year provides that citizens can use electronic signatures to transact business with commonwealth departments and agencies. In addition, the federal evidence provisions mean they can use electronic documents that are as legally sound as traditional paperwork to communicate electronically with government on a diverse range of issues.

The question the Minister for State and Regional Development must answer either at the conclusion of this second-reading debate or during the committee stage, should the bill reach that point, is what the impact will be of Victoria having failed to adopt the provisions of the federal Evidence Act that allow for the use of that documentation. The answer may be in the bill but I do not have legal advice to indicate that it is covered in that way. The view of Victorian and interstate legal experts is that the provisions yet to be introduced into law in Victoria are a crucial cornerstone for the efficacy of the bill when it becomes law.

The federal act on which this bill is based is based on the federal government's philosophy of a light-handed legal framework to support and encourage business and consumer confidence in the use of electronic commerce. The United States government has a similar position. The former coalition government held the same view — that is, that the legal framework should be as light handed as practical. The Labor government has also used the term 'light handed' in its policy pronouncements in this area. I suspect the continuing use of that terminology in the ministerial statement on Connecting Victoria was due to the editing of the speeches not being particularly good. It appeared that in delivering his Connecting Victoria speech Mr Brumby used a number of phrases stolen directly from speeches made by the Honourable Alan Stockdale, the former Minister for Multimedia. Thus the language remained much the same.

When he was the Minister for Multimedia, Alan Stockdale understood that light handed did not mean hands off. Light handed means that if we want to make this thing work and make it fly, we must inspire people. We must have a Premier who everyone knows is interested in the field. We need to have a Premier like the Honourable Jeff Kennett, who convened a meeting of a multimedia taskforce to which executives in the computer industry flew from interstate and overseas, not just to talk to the Premier or the Minister for Multimedia but to meet among themselves. Jeff Kennett's multimedia taskforce provided a forum in which members of the industry spoke among themselves and information about new collaborative opportunities in Victoria and the Asia–Pacific region was exchanged.

What is the comparison between the leadership demonstrated by that government and this? This government abolished the Premier's multimedia taskforce. The ministerial statement on Connecting Victoria made in November last year contained a promise of the introduction of an information technology advisory group. It was said that the chairman would be announced by the end of that month. Now it is May but there has been no announcement of a chairman or members of the body and no funding has been provided for an expert committee to advise the minister.

If one thought the minister was a propeller head, if one thought Bill Gates, Larry Ellison or Al Gore were at the other end of the telephone and knew their mate John

Brumby, one would think the minister would use his contacts. The reality is it is clear that he had had no involvement in this field whatsoever before he become the Minister for State and Regional Development.

Since the honourable member for Broadmeadows has become the minister he has had very little involvement, focusing on his roles as Minister for Finance and Minister for State and Regional Development but staying well clear of Multimedia Victoria and the important decisions that need to be made in the multimedia area.

The expert advisory group has just disappeared. You would think the minister would be shamefaced about that. Rather than being shamefaced, when challenged by the media, notably the *Age*, on the failure to appoint the advisory group, what did the minister say? He said, 'I can't appoint the advisory committee. I have to plan five years into the future before I can have an advisory committee'.

A number of business people in the chamber would know that, with the way information technology is moving, you cannot plan 18 months ahead, much less 2 years ahead. Would the minister plan for the information economy without involving the professionals who are a part of the information economy? But, no, the minister arrogantly says, 'I am doing brilliantly without an advisory committee. I will set it up after I have down my five-year plan'. In his budget there is no funding at all for the advisory group. That clearly means that the intellectual leadership provided by the state — not just to Australia, not just to the Asia–Pacific region but internationally — has gone.

To see that one has only to look at the amazing changes that are taking place. Internet traffic is doubling every 100 days. It is clear that communications are moving away from paper-based systems and into the electronic sphere. All honourable members who use the Parlynet system would have noticed those changes in our lives. By way of example I mention my own correspondence. I estimate that some 70 per cent of my correspondence would be by email, 20 per cent by fax and a mere 10 per cent in hard copy. The proportion of electronic communications that make up our correspondence is accelerating for each of us. I notice that the honourable members for Sunshine and Bentleigh are nodding. They are adept in this field.

It is clear that the Internet is revolutionary. The number of documents that are travelling electronically is doubling every 100 days. The Gartner group, Forrester Research and others have estimated that international commerce will surpass $300 billion by the year 2002. In my view that is a massive understatement. As most of the stock exchanges of the world have moved to electronic delivery, dramatic changes have been seen in the stockbroking industry in Australia and internationally. Literally trillions of dollars in transactions are moving electronically.

It is estimated some 200 million to 300 million people in the world access the Internet, and that figure is increasing dramatically indeed. There are many statistics in the area. I note that in his second-reading speech the minister used similar figures. As I have already indicated, some of them might be a little dated. The reality is that Australian business is understanding the change. For instance, it is estimated that last year $13.8 billion was spent by Australian businesses and Australians in general in developing the IT industry.

What are the regulatory issues? The major regulatory issue is giving confidence to those who want to transact business online. Honourable members would all have heard stories from their friends and others of their reluctance to allow teenage children and younger children to access the Internet from home unless supervised. I see nods from a number of members in the chamber. The new and free media of the Internet presents a number of interesting challenges. United States President Bill Clinton put it well in a speech earlier this year in which he stated:

> … the Internet should be a free trade zone, with incentives for competition, protection for consumers and children …

Talking with his American audience, he continued:

> I want to work with you to find ways to give consumers the same protection in the virtual mall they now have at the shopping mall — to enhance the security and privacy of financial transactions on the Internet, an increasingly deep concern of citizens everywhere; and to bring advanced, high-speed connections into homes and small businesses.

Let us consider protection for children. In the new media pornography has flourished. For instance, if a person looking for information on the White House typed in www.whitehouse.com instead of www.whitehouse.gov that person would find himself or herself at a pornography site.

Mr Hamilton — How did you find that out?

Mr PERTON — I typed www.whitehouse.com by mistake.

Mr Stensholt — Is this a confession?

Mr PERTON — There is no need for confession. People should have the confidence to let their children search online and experience the liberation of finding

high-quality information on anything they want. Today in doing my work I clicked on to the www.britannica.com site. All honourable members would remember how much *Encyclopaedia Britannica* used to cost. When I was a child my widowed mother could not afford *Encyclopaedia Britannica*. I think we bought the *World Book*. I am sure that would be the case with many people in the chamber.

Encyclopaedia Britannica was the best encyclopedia in the world, but it was overtaken by the dramatic changes in the industry. As the Britannica people saw *Encarta*, the American encyclopedia, come online and be produced in CD-ROM format at a cost of some $US60 or $US70, they sneered. They said the content is not there. It is not as authoritative an encyclopedia. But as parents increasingly bought *Encarta* and did not spend the $10 000 or $15 000 to buy Britannica, the company tried to move online. It introduced a CD-ROM that cost some $1200 or $1300. Again the Britannica organisation was surprised when no-one bought the CD-ROM. It dropped the price to $499 and still no-one bought it. Ultimately the company producing *Encyclopaedia Britannica* went broke. Last year the intellectual property of Britannica and the name were bought by an international financier and today the *Encyclopaedia Britannica* is on the web for free. It is remarkable that that incredible intellectual resource is available to the children of Australia and any other jurisdiction of the world for free. The CD-ROM can be bought at a shop. For some people Internet access is still slow, so they will buy the CD-ROM.

Remarkable changes are taking place. If parents want their children to be able to explore that incredible world of knowledge, to follow their curiosity as far as it will take them, they will have to be given the confidence to put their children in front of an online computer without constant parental supervision. The federal government's regulations on the censorship of Internet content, while not perfect, are an attempt to head down that track — to give the parents of this country the confidence that the government is trying to eliminate the transmission of web sites that would be unsuitable for their children and to give their children that empowerment.

Bill Clinton was talking about protection for consumers. All honourable members in the chamber who use the Internet would have had people say to them, 'I would not put my Visa or American Express card number on the Internet'.

Mr Wynne — You don't get your stuff back.

Mr PERTON — The honourable member says that he did not get his stuff back. I must confess I have not had that experience. I have dealt with companies like Amazon and Australian companies doing business online, including Telstra. I have not had the experience of the honourable member for Richmond, but that is a point I will come back to because it is a strong point.

We see our friends giving their credit cards to waiters in restaurants to take round the corner and put through machines. Who knows whether they take the numbers? Who know what impressions they take of the records? How many times when ordering flowers for a funeral or for friends or the like have honourable members either given their credit card details over the phone or requested their secretaries to do the same?

Mr Wynne — You get the print out.

Mr PERTON — As the honourable member for Richmond says, ultimately the consumer gets the print out. We confidently give our credit card numbers over the telephone, but on the Internet, sites such as amazon.com offer higher security. It is very difficult to intercept those numbers as they are being transmitted across the Internet. Government must give people confidence that when they transmit financial details across the web those details will be kept secure, not just in the transmission but by appropriate rules that apply to the Internet merchant.

I am very keen to see, as was the former Minister for Multimedia, Alan Stockdale, Australians feeling confident to deal with companies such as amazon.com or britannica.com. I want Victorians and Australians to do business with Victorian companies. Government should aim to have the next amazon.com based in Melbourne in whatever field it appears, be it fine food or sporting equipment.

International consumers should feel confident transmitting their credit card details to Australia. They should feel confident that in applying an electronic signature to a document sent to an Australian company they are protected by a legal regime among the best in the world. Victoria should have the transportation infrastructure in place so the consumer who orders from a Victorian company will feel confident that fulfilment of that order will be prompt. I hope not just Fedex, DHL and other American-based transportation companies will fulfil those orders but that home-grown Australian transport companies can grab a share not just of the Victorian market and not just delivering for amazon.com and the like in Melbourne but sending our product out to the world.

That will require a sophisticated legal regime. It requires a Supreme Court with judges who understand the issues of electronic commerce, who do not need to be persuaded over a period of days that the particular electronic signature mechanism has been appropriate. I agonise that the bill will provide no guidance to a Supreme Court judge on what sort of electronic signature is appropriate. There is no way a Victorian government agency can state that a particular form of electronic signature will be recognised by the courts, and that is a tough call.

A number of honourable members in the chamber were members of the Law Reform Committee that reported on technology and the law. Judges have not been appointed on the basis of their understanding of these matters, and if Victoria does not have the personnel with the correct skills — I certainly put it to the Parliament that most barristers, solicitors, accountants and other professional do not have these skills — some guidance needs to come from government.

Victoria should have experimented with its own public key authority. No clear legislative authority exists for the introduction of electronic signatures. In this early part of the revolution if Victoria wants to lead, whether it is done through a private sector contractor or through government itself, there is certainly the opportunity to give Victorian businesses a jump-start on people in the rest of the world.

While it is understood that business-to-business transactions issues can probably be resolved more simply than business-to-consumer issues, the amazing success stories of amazon.com and the like and the amount of revenue brought into the jurisdictions within which they work says that government should be helping Australians who have the creative ideas to achieve their goals and not require them to go to the United States of America to fulfil their ambitions. People are not being unpatriotic when they leave for the United States of America.

I took some study leave in February and I met some brilliant Melbourne people working at Microsoft in Seattle. They were working there because they believed they could not get the venture capital in Australia and they could not get past the oligopolies of the Fairfax, Murdoch and Packer families who operate in Australia. Take a look at Looksmart. Maybe it would always have gone to San Francisco to become the leaders in its world market. But would it not have been great if the company could have stayed in Melbourne and achieved that same end?

It must be hoped that one of the people who have gone to America to get their business going or one of those experimenting here can return or stay and develop their business and revenue in Melbourne. As Parliamentarians we need to give people overseas confidence that they can deal with a Melbourne person or a regional Victorian person protected by the full weight of the law. Government needs to have a look at consumer law.

A number of honourable members have purchased goods from the United States of America on the web; I have purchased goods from England and elsewhere. What consumer protection do we have? If amazon.com or another overseas company cheats me, am I going to go to Washington State to make an application under their consumer laws and appear in a consumer protection tribunal?

As the honourable member for Burwood rightly says, ‘No way’! The government has to ensure the Victorian consumer affairs tribunals are in a position to deal with electronic transactions from citizens around the world who might want to deal with a Melbourne or Victorian regional business and have the confidence that electronic complaints will be dealt with speedily and expeditiously.

A copycat piece of legislation that adopts the rules of the United Nations Commission on International Trade Law (Uncitral) which are under criticism by many lawyers and are possibly obsolete, is not needed; a copycat piece of legislation following the completed legislation in New South Wales is not sufficient. Victoria must go further. The new world economy is about ideas — about doing things in a new and different way.

The legislation says an electronic signature can be used instead of a written signature, but the bill lacks the revolutionary thinking that marked the Stockdale period as Minister for Multimedia in the state.

Some people have said the approach of the previous government was bipartisan. I would love to see a bipartisan approach: a minister for multimedia or information technology or e-commerce in the Labor government coming to the opposition and saying, ‘We really want to make this thing fly in Victoria. We want to produce an education system where the kid in Walwa or Dunolly or the like can be taught by the best teacher in the world; where a person doing business from Warrnambool or Dunkeld or Merino is able to open the shop to anyone in the world’.

I offer to the Labor government the thoughts and the intellect of the opposition and the thousands of people in the multimedia and e-commerce industry who supported the previous government. If only government members were prepared to take a position of leadership! If only the Premier could acknowledge his mistake in rejecting the achievements of the Stockdale–Kennett government in the area and delegate information technology to a Minister for State and Regional Development!

Imagine an international businessman or an international government leader coming to Victoria, having read about electronic service delivery, Skillsnet and the public Internet access achieved by the former government, wanting to meet the minister for information technology in Victoria. He meets a Minister for State and Regional Development who does not visit the office of Multimedia Victoria but leaves it to the parliamentary secretary, the honourable member for Mitcham. He is a nice bloke but I do not see the honourable member for Mitcham as a leader in the field. He showed no interest in the field before the Labor Party came to government and is not the person to introduce to a Bill Gates or a Larry Ellisson.

Do the members of the Labor Party feel confident to send Steve Bracks to see a Larry Ellisson or a Bill Gates, with his charming smile and white dinner jacket — isn't that what attracted Barry Donovan?

Ms Beattie — Suave.

Mr PERTON — The Premier does not understand the game at all. On his first trip to Europe the Premier goes to Davos. Did he meet the British Prime Minister, now a leader in the field — —

An honourable member interjected.

Mr PERTON — Yes, he met Bob Carr, but did he try to get some Labor Party connections with the British Prime Minister? The Premier did not meet any people who count in information technology — the house would have heard in his speech if he had. Instead what did the Premier do? He went to Davos and met some Victorian business people.

I can take the Premier out to meet some Victorian business people in the IT industry. Dr Napthine, the Leader of the Opposition, well regarded by the IT and multimedia industries, would be happy to take the Premier to meet some people in the field.

Three weeks ago the parliamentary chamber was used for an economic summit to chart the future of the state. Was anyone from the computer industry invited? No. Did anyone attend from the telecommunications industry? No. There was no-one from the multimedia industry; no-one from e-commerce. The Premier of the state convenes a summit on the new economy and there is no-one from the new economy. It is devastating. In the circumstances the legislation is a joke and a sham.

Another important aspect is the digital divide. The budget increased the funding for Skillsnet marginally, but there is no estimate of the additional number of people who can be trained. The legislation throws into stark reality the digital divide in business and society as a whole. If it can be understood that an electronic signature can be used and then a provider of an electronic signature can be found and someone else at the other end who will accept it, users are empowered.

Who will be empowered by this legislation? The answer is the big American multinationals that have already made the changes and the few Australian major corporations that have invested money to enable them to utilise the rights provided by the measure. What does the legislation give to the businessman in Ballarat, Bendigo, Dunolly or Maryborough? Not much at all. The honourable member for Richmond should take the bill down to Victoria Street, Richmond, and then tell me how many of the shopkeepers there will be able to take advantage of it. The bill gives extraordinary rights to those who are online and switched on to e-commerce. Their growth will be stupendous and amazing, but to those who are not part of e-commerce and the new economy it becomes quite mysterious.

The Minister for Workcover is in the Chamber.

Mr Cameron interjected.

Mr PERTON — The minister wounds me by referring to 'red Dunolly'; I feel the pain! Having sat in the Dunolly pub a little over a month ago, I can feel the pain. Nevertheless, the Liberal Party governed for the whole state when it was in government, and that is why even though the voters of Dunolly rejected the coalition parties at the last election they are very much in our minds as we look at the issues arising from the new economy.

It is important that the bill is passed. It is even more important that Victoria becomes the leader in this field. The Queensland government, through its Minister for Communication and Information, has been travelling around the United States of America and Europe saying that Victoria has dropped the ball and Queensland is very much open for business.

The new leaders in this area are companies such as Red Hat, the Linux developer, and Oracle. They are

heading to Queensland and not to Victoria. What is the Victorian Labor government focusing on? What jobs has the government crowed about in this field? The establishment of call centres. A call centre might be important in depressed areas where jobs are not available, but the problem with them — —

An honourable member interjected.

Mr PERTON — That is just the point I make: the problem with a call centre is that it does not take much training for a person to become a call-centre operator, so it is inherently a business that does not have a high training component. Does it have a high investment? No. The honourable member for Tullamarine is shaking her head. She is right. It has a very low investment, and it is transient. The problem with call centres is that they go where telecommunication and labour costs are the lowest.

While the Minister for Local Government, who represents the seat of Bendigo West, crows that AAPT has set up its call centre in Bendigo, it did so under the agreements it had with the previous government for the implementation of VicOne. It is a transient business and when the telecommunication costs fall and the English language skills in other jurisdictions improve the business — —

Mr Cameron interjected.

Mr PERTON — I would rather have 500 software developers jobs in Bendigo; I would rather have young people in Bendigo being trained in how to become leaders in this field. Being a call-centre operator is not a qualification for becoming a leader in information technology. If the minister believes he is part of a government that is totally incapable of dealing with this new — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! It is getting close to the dinner adjournment, so honourable members need not get too excited. The honourable member for Doncaster must make his comments through the Chair and not be distracted by interjections from the other side.

Mr PERTON — It is a good thing the minister interjected, because it demonstrated his lack of knowledge of and lack of sympathy for the field. Given that the Premier went to Davos and came back knowing only that computer power doubles in 18 months — that was his great revelation — it is not surprising that the Minister for Local Government does not know much about the field.

Mr Wynne — He is happy with the 500 jobs.

Mr PERTON — The honourable member for Richmond says the minister is happy with the jobs.

Mr Wynne — Absolutely.

Mr PERTON — The difference between Liberal and Labor is that the Liberal Party wants Victorians to be among the best trained people in the field in the country. It wants Victorians to be confident global citizens who do business globally. The minister is satisfied with the televillage model that is the centrepiece of the Labor Party's Connecting Victoria project, which has allocated a budget of $127 000 for Ballarat and less than that for Portland. That is the centrepiece of the Labor's policy.

I have discussed the bill with a number of experts in the field. One of the comments I received from an e-commerce expert from the United States was that although the bill deals with executing transactions, it is weak on verification. The questions which people do not feel confident about and which are not resolved by the bill include who will determine when a communication is sent and who will determine when a communication is received.

The general impression in the business sector and in society generally is that most digital records are capable of being altered or intercepted. That lack of confidence requires some government intervention to help people cope with the question of third party verification.

I will refer briefly to a communication from John Gregory, one of the experts in the field from the Ontario Attorney-General's department. I refer to page 779 of *Hansard* of 6 April, which reports the minister referring to thermograms and fingerprints and electronic signatures. The Canadian expert has written the following in respect of electronic signatures:

> A biometric should be regarded as a particularly dangerous form of PIN.
>
> A PIN, when it is suspected that it has been compromised, needs to be changed.
>
> A biometric cannot be changed. Once compromised, it is compromised for all time. Some biometrics can be easily used as a means of masquerade; whereas some will be more resistant to masquerade …

He then refers to the film *Gaticca*, where a fingerprint was created for the purposes of masquerading. He says that the increasing use of biometrics as an electronic signature has its own dangers.

Other Australian commentators have said that although the bill is part of a national scheme and although it is important to have consistent law across the country, the authority for issuing electronic certificates and public key issuance has been left to chance.

This area of policy is important. It is an area in which the Liberal coalition government took the lead but which the current government has left to other states and to the national government. No longer does anyone interstate or internationally think of Victoria as a leader in the field.

Although the opposition will not call for a division and will not oppose the bill, it believes the most important thing the government could do would be to admit it has made a mistake, appoint a minister for information technology, the electronic economy and multimedia, and — —

Dr Napthine interjected.

Mr PERTON — It is vital that that be done. As I said earlier, the Leader of the Opposition is well regarded and respected by the information technology and multimedia industry. I hope the Premier has a change of heart and gains the same respect, because it is essential for the future of Victoria.

Mr STENSHOLT (Burwood) — I am pleased to support the Electronic Transactions (Victoria) Bill because over 20 years ago I edited one of the first personal computer users magazines in Australia and subsequently headed up a corporate services branch for a government department that had a large budget and a large computer area.

As the second-reading speech notes, the bill is based on the uniform legislation bill developed by the Standing Committee of Attorneys-General (SCAG). The New South Wales government produced the original draft, and in so doing adopted the key provisions of the United Nations Commission on International Trade Law (Uncitral) model law of electronic commerce of 1996.

I commend the work of such international legal bodies as Uncitral and private international law bodies such as the International Institute for the Unification of Private Law (Unidroit), with which I had a productive relationship some years ago when I was a counsellor in the Australian embassy in Rome.

The bill is a product of extensive consultation, as the previous speaker, the honourable member for Doncaster, has mentioned. I appreciate the honourable member's bipartisan support for the bill. Honourable members have seen examples of his enthusiasm and virtual theatre. It would be nice to capture him on the Internet.

An honourable member interjected.

Mr STENSHOLT — We cannot use 'Shakespearean'. We need a modern term that perhaps has not evolved yet — although it will evolve quickly.

Although there has been strong bipartisan support for information technology initiatives over the years, as the honourable member for Doncaster well knows, he was a little disparaging about the initiative on town halls. However, I recall a press release that stated that the honourable member for Doncaster would hold an electronic meeting at the Doncaster town hall. Clearly he is totally in favour of using electronic means to encourage people to go to town halls. He has shown some leadership in the past in that regard because it would allow the people in Doncaster to interact with their member of Parliament. He saw it as a means of allowing people to go online at an innovative electronic town hall meeting to enable them to question their candidate.

Town halls, as the honourable member for Doncaster has said, are an important focus for the electronic media that people can access. I commend and thank him for his past initiatives, which have now been taken up by the government.

Picking up on that point, he was congratulatory of the former Premier, the former honourable member for Burwood. When the honourable member for Doncaster had his electronic town hall he saw it as adding a local dimension to the Liberal Party's 'world-leading www.jeff.com', which some people said caused the election loss. No-one knew what the blurred advertisements were about but it had Jeff.com on the bottom.

As the successor in Burwood to jeff.com, I found when I arrived at the electorate office that there was no computer. There was no chair, desk or rubbish bin, but that is another story. Although the electorate assistant had a computer, the former honourable member for Burwood did not use a computer in his office.

Mr Perton — On a point of order, Mr Acting Speaker, one of your duties in the Chair is to ensure that honourable members at least try to speak the truth. The honourable member for Burwood rightly knows that computers were used by the former Premier's staff in his Burwood electorate office. The former Premier himself used a computer in his ministerial office. As a

guardian of the Parliament you should ensure that the honourable member for Burwood speaks the truth.

The ACTING SPEAKER (Mr Phillips) — Order! The Chair is placed in a difficult position. However, I do not uphold the point of order on the basis that the honourable member for Burwood is making a statement that when he arrived at the electorate office there was no computer. I can only take the honourable member for Burwood on his word. He has said there was no computer in the office, so there is no point of order.

Mr STENSHOLT — I perhaps did not finish my description, Mr Acting Speaker. A computer used by electorate staff was in the office. However, there was no computer in the office of the former Premier — that is, in what was his room in the electorate office. The former Premier had a computer on his desk at 1 Treasury Place but I understand he was unable to play the game on jeff.com because his computer was not fast enough.

The bill is the product of extensive consultation, part of which has been the enthusiasm and expertise of the honourable member for Doncaster, which I acknowledge. The bill aims to remove existing legal obstacles to conducting electronic transactions and I commend those involved in the process leading to its introduction.

The bill puts in place enabling rules to promote electronic communication and ensures that electronic transactions are not penalised or discriminated against in any way simply because they are electronic. The phrase used is 'functional equivalence' with non-electronic or 'hard' transactions.

The bill contains a series of technology-neutral provisions favouring no particular mode of technology. The area is difficult because, as has been pointed out, technology changes so quickly it could lead to a morass of legislation that changes every 100 days. The virtue of the bill is that it is comprised of base and enabling legislation. An earlier speaker used the term 'light handed' but the idea is 'enabling' or setting the basis.

Transactions will not be ruled invalid simply because they use electronic media or because electronic communications are involved. As has been pointed out, the bill gives legal effect to electronic signatures and encourages companies to develop reliable solutions to e-commerce security issues. The legislation sets the enabling agenda for Victoria to lead the way in the development of e-commerce.

As I said, the key word is 'enabling'. The government's Growing Victoria strategy includes many initiatives promoted by the Minister for State and Regional Development. I have no problem with the minister's involvement in the area. The government is looking at development, and leading-edge development is very much in the electronic e-commerce area. It is appropriate that the Minister for State and Regional Development has responsibility for the electronic area as part of his overall responsibility for state development.

The government has demonstrated complete support for electronic commerce development, including the 'Connecting Victoria' ministerial statement in November, the Skills Net program, and earlier this year the $1.3 million Victorian E-Commerce Early Movers scheme was launched. I was pleased to assist the minister to launch that scheme, which was well received. Recently the *Australian* published an article headed 'Bracks to back SME commerce', which was followed by a description.

The minister launched the scheme at the offices of the City of Boroondara, which is one of the three councils in my electorate. Representatives from the City of Monash, another council in my electorate, and some e-commerce entrepreneurs who have developed a program to promote e-commerce through Monash traders were also present. It is a positive move. The proposal, modest though it may be, exists to help each of the councils promote e-commerce in their municipalities. It is a partnership between state and local government, and between local government with local businesses.

It was pointed out by the previous speaker, who quoted from the figures given in the second-reading speech, that there is a lot of money involved in the development of e-commerce. The private sector is expected to be the main mover in that regard. It is important that legislation is designed to enable such movement and growth.

The government is also promoting other schemes, including the Working Dog information technology (IT) awareness program in the Goulburn Valley. It is continuing to reinvigorate Victoria's Interact festival and is establishing an IT task force. I was pleased that its membership includes an international leader on intellectual property law. The previous speaker was bemoaning the lack of understanding of this area in the legal profession, yet I see people such as Katie Stephens on that committee providing legal expertise and advice and matching that with the IT area in the development of skills. Victorians need to be skilled in the area to be at the forefront of electronic commerce and development. There are many examples in

Australia — and many in Melbourne — of the expertise in this area. There is, for example, a lot of expertise in the development of games software, IT and e-commerce.

Labor has also supported the further development of the electronic documentation archiving project, which is a joint venture between the Public Record Office Victoria and the Commonwealth Scientific and Industrial Research Organisation.

Many small and medium-sized enterprises in my electorate will be able to take good advantage of the developments in e-commerce. The business-to-business (B2B) exercise is seen as a great trial of the global development of such commerce. There has been a sudden growth of activity through the Internet and it has resulted in an explosion in e-commerce. However, there have been some initial teething troubles. Although Amazon.com is yet to turn a large profit — I understand it lost several hundreds of millions of dollars last quarter — its actual business grew astronomically. Indeed the amount of e-commerce is growing but the difficulty will be to make money in such a growing area and ensure it is secure. It is a matter of making the field profitable for investors and also making it secure for consumers.

In recent weeks there has been a degree of caution in the market. That has been demonstrated in the performance of the Nasdaq index, with the Australian index of Internet technology stocks listed on the stock exchange taking a dive. There is probably a little bit of re-rating going on, but no-one is game enough to say that the area will not be one of the drivers of growth in the future.

As the previous speaker said, there is a need for some form of caution for consumers involved in e-commerce. For example, they should make sure the people with whom they deal exist and can deliver what they promised — that they are not just post office boxes in remote places across the world.

Caution aside, e-commerce, including B2B, is growing and will continue to grow at a steady pace. The government has provided strong support for the commercial development of electronic commerce. I have already mentioned some examples and I am sure there will be many others in the public and private spheres. These are examples of the types of actions and activities the current bill will further enable.

In summary, the legislation is part of ensuring the legal and regulatory environment will facilitate the uptake of e-commerce right across the state and will enhance the global competitiveness of Victoria. The bill sets out the foundation for such facilitation. I commend the bill to the house.

Mr DOYLE (Malvern) — If someone had said to me last Sunday as I was frantically fiddling with the television set in my seat at Colonial Stadium and watched the Geelong Football Club go down in no uncertain terms that this week I would be speaking on the Electronic Transactions (Victoria) Bill it would have been an occasion of much humour given that I am happy to admit that I am a complete techno idiot. After all, that is why I have a 15-year-old son. What is the point of having children of that age if they cannot fix all these things for you — and he duly did with the television set in our seat. However, it did not do any good because the team still went down.

An honourable member interjected.

Mr DOYLE — Luckily I have two younger children, so they should see me safely into my dotage, which given last night is not that far away.

I wish to talk about two exciting clauses of the bill — clauses 9 and 10 — in conjunction with the health portfolio. Telemedicine is an interesting area that opens up great possibilities. However, I urge caution and ask for further consultation with certain groups that the government may not have considered consulting.

One of the wonderful things about technology is that it provides a means of bringing people and ideas together, and the bill provides a secure means of doing just that. There are many applications for telemedicine in the world of health. Medical consents, referrals between practitioners, signatures on documents such as prescriptions, and the health records of patients sometimes involve sensitive and delicate matters. When information has to be transmitted to a site many kilometres away it needs to be done securely to ensure it reaches only the appropriate clinicians. For instance, if a prescription is needed at a far flung bush nursing agency, a doctor will not need to go to that location to provide the required signature for the prescription. Clause 9 — the clause that deals with signatures — provides that signatures can be provided by way of electronic communication.

Clause 10 deals with the production of documents. Referrals to particular specialists, consent forms or medical records may require a high level of security and verification as well as a high degree of confidence in their communication. The bill provides an appropriate means of sharing information such as consents and referrals between agencies and clinicians

over great distances. One can think of a range of applications for electronic communication in the world of health. Information could be communicated in this way between clinician and clinician and between clinicians and institutions such as aged care, sub-acute and acute facilities, a range of nursing homes or hostels, and other such institutions.

The benefits that will flow from the legislation are enormous. However, I urge caution in one area. It would be useful for the government to consult with the appropriate professional bodies and the boards that govern those bodies. I can suggest a list of such bodies off the top of my head — the Australian Medical Association, the Pharmacy Guild of Australia, the Pharmaceutical Society of Australia, the medical colleges, the Royal Australian College of General Practitioners, the Medical Practitioners Board and the Pharmacy Board of Victoria.

The right to provide prescriptions is conferred by way of registration with any of the regulatory boards and professional associations of clinical professions. The bill may also affect optometrists, ophthalmologists and dentists. I urge the government to consult with those particular professional bodies, because each will be affected by the bill. However, we do would not want an open-slather application of the bill.

How can the government ensure a consistent approach across the health professions? The answer is simple. Each of those registration boards has a range of possibilities open to it. Any legislation dealing with a particular health profession always provides for the registration of the profession and prescribes a set of regulations that the profession must comply with. They are the legislative instruments used to regulate a particular health profession. However, it is possible for such legislation to provide for an optimal code of practice for each profession.

It would be a useful to consult with each board and ask for its recommendations regarding the particular profession it regulates. For instance, it may be useful to ask what optimal code of practice the Medical Practice Board recommends for medical practitioners and specialists who use technology to transmit signatures, consents, referrals, patient records or whatever else may be pertinent to that profession. Those codes of optimal practice could be worked out by the boards in consultation with the appropriate government departments and experts in the world of e-commerce and then promulgated throughout the professions.

I hate to look at the dark side of the issue, but it is possible for some overservicing to occur if the particular health profession is not carefully overseen. I will not go into how that may take place: that would be the province of the Health Insurance Commission or the appropriate regulatory boards.

Mr Perton — Unless it involves overservicing outside the jurisdiction.

Mr DOYLE — As the honourable member for Doncaster points out, unless it involves overservicing outside the jurisdiction. That point also raises the issues the honourable referred to earlier about the need for confidence in and verification of the process. A range of such issues should be addressed and answered before any codes are promulgated.

The government should ask the professions to consider what they believe is the optimal practice for their particular clinicians. I doubt whether any of the registration boards are even aware of the bill, much less its ramifications for the clinicians they regulate and register.

Although the opposition does not oppose the bill, I wish to raise an issue about its application in difficult legal, professional and clinical areas other than those that the bill is intended to deal with. When one considers the application of clauses 9 and 10 to the health professions, one sees that a coherent approach is needed that takes into account the points of view of the health professions. Although, as I said, the opposition does not oppose the bill, it believes a good deal of work still needs to be done. Firstly, we need to consider how the bill will impact on each of the professions; and secondly, the professions need to be consulted to determine the optimal practice for their clinicians.

I will refer briefly to the impact the bill may have on the health portfolio. Having said that, I believe there are exciting possibilities for the bill in the world of health.

Telemedicine is one of the greatest advances we have seen in the area of health — and it is expanding.

Mr Delahunty interjected.

Mr DOYLE — I am delighted to hear the honourable member for Wimmera echoing my sentiments. He may wish to talk about the application of telemedicine to some of the bush nursing agencies in his electorate.

Mr Delahunty — The Stawell Hospital.

Mr DOYLE — The Stawell Hospital is a fine institution. The bill may prove to be an excellent tool in bringing services to rural and regional health

institutions and to clinicians who may not otherwise receive them. However, I caution against allowing an open slather application of the bill. The government should take a considered approach and consult with the appropriate health professions, at least to make them aware of the existence of the bill and its possibilities.

Those professions can therefore react appropriately to the bill. I am not suggesting they should react, but it may well be that through the codes of practice available to them they can develop a policy for each of the health professions that will enable their members to take full advantage of the bill. They can make sure the verifications are in place, and they can give the community confidence in the process. Sometimes difficult situations such as these can lead to the patients they serve and the people of Victoria being the better for it.

Mr LANGUILLER (Sunshine) — I am happy to put on the record the humble comments of someone who represents a peculiar electorate, the electorate of Sunshine. After consulting with a number of groups in the community, I feel I have an obligation to raise some issues.

I commend the government on the initiative it has shown in bringing in a good bill that confirms that it is pro-business and will continue to work constructively, cooperatively and openly with the business community.

A number of speakers, particularly the honourable member for Doncaster — who is an authority in the field — have made good contributions to the debate. I sincerely welcome many of his comments and constructive criticisms. He knows where the industry is at and is aware of the challenges faced by this and other governments and the community at large. I welcome his statement that the bill delivers for the business community, because that is the intention of the bill.

Although it is designed to deliver benefits to more than just the business community, it serves business without shame. With the support provided by the budget it puts a number of packages in place. Government members are confident that, although it is pro-business and shows that the government works well with the business community, the bill will also bring many ordinary Victorians along with it.

It is a good bill because it is produced by a good government and a good minister. It opens up the debate and gives all Victorians the opportunity to participate in e-transactions, e-commerce, data transactions, electronic transactions or whichever term you wish to use. I am no expert. I am one of those members who can barely manage a laptop. However, I recognise that that is where the future lies. It seems we are damned if we engage in it and damned if we don't. I would rather engage constructively. We should be striving to be up there with the leading nations of the world.

Organisations and community groups in Victoria face a number of challenges. I will mention one section of the community that has engaged with the new technology and is doing everything it can to position itself and its members for the future — that is, the trade union movement. The Australian Council of Trade Unions and the Trades Hall Council in Victoria are doing everything they can to ensure their members have access to the software and the services they need to enhance their ability to use new technology, including electronic transactions and data transfer.

We must engage in order not to be disengaged. Both Victoria and Australia must ensure they are up there with the best. We must have access to the best technology and continually encourage providers to invest so the services will be of good quality and will continue to improve. Experts tell me that, unfortunately, some of the big providers in Australia are not necessarily using the best technology available. That disadvantages us in world trade.

Access to technology is an important issue. It affects not only a person's ability to buy software and hardware but the whole issue of education and training. I remain confident that the government is doing everything it can to provide access to the widest possible range of community members. A good example is the announcement made by the Minister for Education that every school in Sunshine will receive additional money that is specifically tagged for computers and for training and educating teachers, who can then pass on their computer skills to their students.

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

Mr LANGUILLER — It is not surprising that many of my Labor colleagues have rushed into the chamber as I am addressing access to and equity in data constructions and e-commerce. Before the suspension of the sitting for dinner I was saying that the government has made a number of good decisions that go a long way to providing access to new technologies to people in the electorate of Sunshine. It has provided assistance to the schools in Sunshine and additional funds to ensure that teachers are adequately trained to teach their students.

However, access is not simply a matter of handing out computers and modems to all citizens — even

assuming that one could ever do that. Consideration needs to be given to who in the community stands to lose the most if left out of access to the new technology. It is a complex phenomenon, because it is not simply a matter of not having the financial capacity to purchase software and/or training — it goes to the heart of a range of other issues in our society that this government and only this government has begun to address seriously.

I am obliged to put on the record the fact that there are a number of people from communities with non-English-speaking backgrounds in the electorate I represent and in the western and northern suburbs generally. The member for Richmond, who also represents those communities, is a strong advocate for them. People from communities with non-English-speaking backgrounds are disadvantaged in gaining access to technology because technology is fundamentally conducted and accessed in English.

Society ought to do something to ensure communities have access to new technology. That is being done by ensuring that communities have improved access to education in general terms. I am more than happy to put on record that a number of schools in my electorate — namely, St Albans Secondary College, St Albans Meadows Primary School and others — received significant financial assistance to start the process of rebuilding.

People of low socioeconomic status, or poor people, form a section of the community that finds it difficult to access new technology. Some people in the community are illiterate. Literacy needs to be improved, and the government is doing something about that. I have elaborated on that matter before.

People in the community with disabilities need to be remembered also. They ought to have access to new technologies because new technologies have a broad impact on our lives — on the way in which we communicate with each other, are educated and socialise.

Senior citizens are another section of the community whose access to new technologies needs to be progressively improved. There is a significant number of women in my electorate. They should have access to new technologies, too. I particularly commend a report conducted in 1999 by the La Trobe Shire Council, which comprehensively researched a large sample in the region, highlighting a number of concerns.

By the same token, new technologies can assist the very groups that I have indicated can be disadvantaged in accessing the technologies. People can communicate better and more efficiently and undertake daily tasks by accessing new technologies.

Also new technologies offer advantages to businesses in the western suburbs and beyond. Those businesses continue to embrace new technologies, taking up the opportunities to join in the global economic community.

Providers must provide access to good technologies everywhere. I am concerned about providers segmenting markets. To use an analogy, segmenting markets is somewhat like dividing up an aeroplane; some technologies are economy class, some are business class and some are first class. Unfortunately, the big providers in town are segmenting the market in that way. I call on them and on the government to do everything that can be done to ensure the big providers improve the quality and provision of technologies across the board, providing access as equally as possible.

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! There is far too much audible conversation in the chamber. Would government members wishing to talk please leave the chamber.

Mr LANGUILLER — This subject is complex. On the one hand I recognise that new and more efficient technologies must be encouraged and introduced into our communities because they can assist in the growth of the economy; on the other hand I believe that in some areas new technologies should not necessarily be welcomed. They should not be used for the purpose of replacing services that have traditionally been provided by people.

The branch of the Commonwealth Bank in Glengala Road, Sunshine, closed down three weeks ago. Members of the community, particularly older people, did not welcome the closure of the only bank in Glengala Road. The bank had assisted thousands of people and some 50 small businesses in the Glengala area.

A public rally was held rejecting the closure of the bank and the so-called introduction of new technologies. Older people, indeed the general community in Sunshine West, did not think that new technologies should necessarily replace the services the Commonwealth Bank traditionally provided to the community. Some 720 people gathered to send that message to the Commonwealth Bank; 9000 signatures were collected on a petition and a number of other

important public rallies and other such events took place. They were organised particularly by the federal member for Lalor, Julia Gillard; the federal member for Gellibrand, Nicola Roxon; and the Glengala ward councillor, Sam David from the City of Brimbank. I commend those people because they sent a message that the community wished to send.

In conclusion, the challenge is how to strike a balance between encouraging the increased introduction into our society of new technologies — data transactions, e-commerce and other such transactions — while at the same time ensuring good services continue to be provided.

Mr Perton — On a point of order, Mr Acting Speaker, the honourable member for Sunshine is making an excellent speech and a great contribution to debate in the Parliament, but I cannot hear him over the babble of members on the front bench. Mr Acting Speaker, I ask that members on the side of the honourable member for Sunshine demonstrate the same respect for him during his contribution as do opposition members.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Doncaster has reinforced a point the Chair has made on two occasions in the 12 minutes the house has been sitting since the resumption after the dinner break. I ask members on the government benches to refrain from talking. If they want to talk they should go outside.

Mr LANGUILLER — In conclusion, the challenge is to strike a balance between encouraging new technologies and enabling providers to push forward their commercial agenda and protecting consumers and ensuring access can be widened to as many community groups, trade unions, municipalities, small business sectors, older people, people from non-English-speaking backgrounds, indigenous communities and people with disabilities as possible. Society must find ways of increasing involvement with new technologies to ensure that certain groups are not disadvantaged and that there is equality in economic growth and the redistribution of wealth for the purpose of improving living standards.

The government will retain powers through regulation to respond to unforeseen and unintended occurrences likely to arise, particularly in the fast-moving new technologies industry. I commend this good bill to the house. I am sure it will be welcomed by the business community, particularly the big providers. The challenge remains for us to ensure smaller businesses in our community and the various other sections of the community I mentioned before and which I represent in the electorate of Sunshine can benefit from the introduction of new technologies to our society.

Mr DELAHUNTY (Wimmera) — I shall make a small contribution to the debate on the Electronic Transactions (Victoria) Bill, which I do not oppose. My contribution will not take as long as that of the honourable member for Doncaster, who has a great deal more knowledge than I have of this industry, and I do not have the room to move around in the chamber like he has nor the flare with the arm movements!

The bill provides a regulatory framework that recognises the importance of the information economy. The growth of the Internet and other electronic communication technologies provides a range of opportunities and benefits for Victorians, especially in the business sector. E-commerce is rapidly being adopted across Australia and the world.

When I was fortunate enough to travel overseas a couple of years ago I booked my holiday through the Internet. It was a fantastic opportunity to look at the web site of my accommodation in England, and I was able to pay the account before I left Australia. I was amazed that when I finalised the bill in London I received a £5 discount for using e-commerce. I thought it was a good system!

Mr Hulls — They thought you were Mary!

Mr DELAHUNTY — They would have charged us double!

Small business is taking up the opportunities provided by e-commerce. It is important for the government to support small business and develop the opportunities, particularly with regard to employment growth. The number of business web sites has doubled between 1996 and 1998. Internet-based commerce has grown from $61 million in 1997 and is expected to reach $1.3 billion by 2001.

For the state's future global competitiveness the government must continue down the route of the former government. I have not had the time to go through the budget papers with the detail the honourable member for Doncaster has, but in his contribution he said the Labor government's budget allocation to multimedia had decreased by 30 per cent, which is a great disappointment. It highlights that the state no longer has a multimedia minister or the opportunities to build on the strengths of multimedia in Victoria that existed under the previous government.

The bill facilitates the use of electronic transactions. Major impediments to the uptake of e-commerce arise from concerns about security of information. E-commerce has global dimensions and it is vital for regulatory initiatives to be consistent with national and international best practice. I am told the corresponding commonwealth law was enacted in 1999 and it is expected that other state and territory jurisdictions will follow suit shortly.

The bill seeks to promote business and community confidence. That is important particularly in areas such as my electorate of Wimmera. It is important that my constituents have the confidence to take in the electronic commerce of today's world.

The bill enables contractual dealings such as offers, acceptances and invitations to be conducted electronically. My experience in local government has shown me that there are great opportunities in areas such as planning, IT and multimedia to use the electronic system for work such as contracts.

The bill also provides a regulatory framework that enables businesses and the community to use electronic communications in their dealings with all sectors of government, whether they be water authorities, health providers, catchment authorities or local government, particularly with regard to planning, rates and all areas in which business and community must be confident of the confidentiality of the electronic system. Importantly, e-commerce enables the transfer of information quickly and effectively.

I refer now to telemedicine. My brother Michael is the chief executive officer of the Stawell Hospital.

An honourable member interjected.

Mr DELAHUNTY — His problem is that he barracks for Collingwood also, and they haven't won a final in September for a long time!

The ACTING SPEAKER (Mr Lupton) — Order! You can't help bad luck!

Mr DELAHUNTY — I knew the Acting Speaker would bite the bullet!

Michael won a Churchill Fellowship to study telemedicine. He and I believe — as do many honourable members — telemedicine offers enormous potential for patients, particularly in remote areas of Victoria and across Australia. It not only saves time and costs for patients but, importantly, it reduces the trauma for patients, their family and friends.

In 1998 a first for Victoria in neurology consultation using telemedicine was trialled in Stawell. The demonstration involved the use of two televideo sites — one in the Kingston Centre in Cheltenham in Melbourne and the other in the televideo room at the Stawell District Hospital.

The health professionals involved included a neurologist, occupational therapists and physiotherapists. The patients were in Stawell. The outcome of the trial from the patients' perspective was that both patients were comfortable with the consultation process and experienced no difficulties in participating in a telemedicine consultation. They were delighted that they could have a consultation in Stawell rather than undergo a 6-hour return trip to Melbourne. Follow-up consultations occurred via the telemedicine system.

The outcomes from the professional perspective were that the consultations went smoothly and provided all the necessary mediums to allow an effective consultation to occur. From an allied health point of view, all agreed it was beneficial to participate in consultations both in a professional education sense and to allow future involvement with the patient.

Telemedicine is important in the context of the bill because of the need for security of patients' files. On the matter of telemedicine, I believe the latest position is that medical benefits are derived only from face-to-face consultations. That is not an issue for this chamber but it is an issue for the use of information technology (IT) and the operation of telemedicine in remote areas of Victoria and across Australia.

I picked up a paper entitled *Telehealth+Victoria — Australian Healthcare Anywhere.* The paper states that the mission of the organisation is to make the practice of health care at a distance as natural as it would be in person. The aim of Telehealth in Victoria is to develop effective distance health initiatives and deliver independent practical services for the benefit of the health industry, government and health consumers. Telehealth is also known as telemedicine or distance health care. Telemedicine is being embraced worldwide and is becoming an integral part of modern health care. The shadow Minister for Health talked about that previously. Telehealth is beginning to deliver its potential to substantially improve the way health care is managed and delivered.

Victorians have built and are continuing to invest in a substantial technical infrastructure that is arguably superior in quality, standardisation and support to any other single network in the world. The former

government can take credit for having worked with the industry to develop that system through the multimedia portfolio. There is broad recognition that to gain maximum results from the technology, independent relationships between all components of the system need to develop and identified obstacles need to be removed — that is part of what the bill is about.

In the Wimmera, another area important to my electorate, the regional connectivity project has been established between Ballarat University and the remote areas of western Victoria. There are regional connectivity facilities at Nhill, Minyip and Edenhope, and a smaller operation at Horsham. The previous government funded knowledge navigators to work in rural communities. I have an uncle, Hugh Drum, who is not well and not as active as he was on the farm; he has embraced the use of IT through the support of knowledge navigators. He is also concerned about confidentiality and security.

Again I congratulate the previous government, and I am pleased to see there has been continuing support by the present government in the establishment of further regional connectivity projects in remote areas of Victoria.

My last comments concern the development of IT in western Victoria. If IT is to be used nationally in remote areas, the appropriate infrastructure is necessary. Major issues in the Wimmera include poor infrastructure in remote areas. That is not altogether an area of responsibility of the state government, but it could provide some support as did the previous government through the regional connectivity projects. Other major issues are the relatively high costs in regional areas in comparison to metropolitan areas; technical skills shortages — again, that is where the regional connectivity projects can assist in upskilling; the low skill level of the general community with ageing populations and the loss of young people to larger centres.

In conclusion, the second-reading speech states:

> The bill gives legal effect to electronic signatures. A person may use an electronic signature to satisfy legal requirement to provide a signature …
>
> There are a number of technologies currently available that may be capable of performing these functions. They have differing levels of reliability — a few examples are passwords and pin numbers, fingerprints and thermograms, and public key cryptography (commonly known as digital signatures).

Some progress has been made through the bill in addressing the areas of concern in security and confidentiality. I have no hesitation in not opposing the bill.

Ms BEATTIE (Tullamarine) — It gives me great pleasure to join the debate on the Electronic Transactions (Victoria) Bill. Mr Acting Speaker I hope you will not be offended if the debate does not extend as long as it did last night — it is certainly not meant as a personal affront to the Chair!

The ACTING SPEAKER (Mr Lupton) — Order! I can assure you the Chair agrees wholeheartedly with your sentiments.

Ms BEATTIE — Thank you, Sir.

The bill establishes a regulatory framework for the use of electronic transactions in commerce and also removes the legal barriers that may inhibit the use of electronic communications. The bill also recognises that electronic data is a valuable form of transaction in this modern era, and that transactions effected electronically are not, for that reason alone, invalid. In other words, it validates electronic data and provides for the meeting of certain legal requirements regarding the transmission of writing and signatures by electronic communication.

For the first time the legislation allows documents to be produced to another person by electronic communication and permits the recording and retention of information and documents in electronic form. The bill also provides for the determination of time, date and place of dispatch and receipt of electronic communication at the same time stipulating when an electronic communication will bind its purported originator.

The bill is modelled on the Commonwealth Electronic Transactions Act 1999, which in turn adopts most of the provisions of the United Nations Model Law on Electronic Commerce 1996. The commonwealth law was enacted in December 1999, and it is expected that the state and territory jurisdictions will follow the wonderful example set by the Bracks Labor government.

The bill was developed through a national scheme to promote consistent and comprehensive legislation. It seeks to promote business and community confidence in the use of electronic transactions and enables the private and public sectors and the community to communicate by electronic means.

It may be claimed by some people that it will create a group of people who, because of economic circumstances, cannot afford the latest technology. It is

most important that we do not create an upper class who are technology rich and a lower class who cannot afford technology.

The Australian Council of Trade Unions has an excellent scheme where union members can, for a small weekly amount — —

An Honourable Member — Very modest.

Ms BEATTIE — For a very modest amount they can have the latest technology in their homes. It is called Virtual Communities. I advise those honourable members who are not union members to join up pronto and get on to that scheme!

Honourable members interjecting.

Ms BEATTIE — I can see the debate causes much enthusiasm. Labor has demonstrated complete support for electronic commerce development over recent years. In opposition, Labor maintained a position of bipartisan support. Since being elected during those glorious weeks last year Labor has supported several valuable initiatives.

I see the parliamentary secretary is listening enthusiastically to the debate. Those initiatives include the landmark 'Connecting Victoria' ministerial statement. It was a great day when the Minister for Finance read that statement to the house in November last year.

Other great initiatives include the government's continuing support for the Skillsnet program and its initiating the $1.3 million Victorian E-commerce Early Movers scheme in partnership with local government.

Mr Perton interjected.

Ms BEATTIE — Bipartisan support! I urge honourable members to listen to the next initiative.

Mr Perton interjected.

Ms BEATTIE — I urge the honourable member for Doncaster to listen to the initiative, because it might be relevant to him. I refer to the Working Dog information technology awareness program in the Goulburn Valley.

Mr Robinson — An excellent initiative!

Ms BEATTIE — We know a lot of working dogs.

Other government initiatives include its continuing with and reinvigorating Victoria's Interact Festival — and I see the parliamentary secretary once again enthusiastically listening; the establishment of an information technology (IT) skills task force; and the further development of an electronic documentation archiving project, which is a joint undertaking between the Public Record Office and the CSIRO.

The House Committee of which I am a member had a meeting during the lunch break today. Although we were working when others were enjoying their lunch, it is a pleasure to be on that committee. The honourable member for Preston, who is not in the house, is an enthusiastic member of the IT committee. I am not sure whether the honourable member for Doncaster is on the committee; however, I am sure we will take any input from him.

Mr Perton — I am frequently a consultant.

Ms BEATTIE — I am pleased to hear that. We will listen carefully to any suggestions he might have. The IT subcommittee of the House Committee has proposed some fantastic initiatives to ensure that all honourable members can join the modern electronic world. I am sure honourable members value the House Committee's input.

I again remind those who want to join the e-commerce world for a small charge that the ACTU already has an excellent scheme in place. I am aware that the honourable member for Dandenong North emails his speeches to Hansard. I assure you, Mr Acting Speaker, that unfortunately not all of us are that considerate of Hansard reporters.

The bill enables contracts, offers, acceptances and invitations to be dealt with electronically. I look forward to the day when prospective buyers do not have to present themselves at house auctions, where the real estate agents can see them sweating as they near their upper limits. Prospective buyers may be able to contain themselves a little better when they are sitting by the keyboard rather than standing with sweating upper lips at house auctions. I look forward to that day.

The Bracks government has worked tirelessly to efficiently deliver government services online to all Victorians. I am not sure whether the honourable member for Doncaster talked about lost dogs or found dogs?

Mr Perton — Both.

Ms BEATTIE — He talked about dogs that were found after they had had their photographs taken. Giving people the ability to go online to locate their lost dogs, should they be found, is a great initiative. I am sure all honourable members worry about dogs of theirs that are lost.

Families will save thousands of dollars printing photographs they have taken using digital cameras. No longer will they have to go to the trouble of running to the chemist with their films and paying for photographs that are not worthy of being reproduced. The whole process can be done using a digital camera and an online computer, which I am sure interests all honourable members who are called on from time to time to have their photographs taken for publicity purposes.

Complex administrative transactions can also be dealt with online. The bill puts in place default rules relating to the times and sending places of transactions, which means that transactions should not be discriminated against simply because they are generated electronically. Another important feature of the bill is the requirement that the conduct of an electronic transaction will need the consent of both parties. The consent may be inferred from conduct or given subject to certain conditions.

I now turn to clause 9, which is the signature requirement. Subject to other laws that specify particular requirements for electronic signatures, the clause provides that where a signature is required it may be an electronic signature. There are some circumstances in which that would be entirely inappropriate, and I suggest that the making of a will would be one. That type of document should always be signed by hand. Heaven forbid — I hesitate to say this because I know it is a sensitive issue in the Liberal Party — if warring factions of a family could change wills by electronic means. That could mean that people would be hovering around a deathbed waiting to shove a document for electronic signature under the dying person's nose. I will not go into the issue of family factions; we all know how sensitive they can be.

Clause 13 recognises the importance in law of determining the place and time of dispatch and receipt of information. The clause relates to Victorian law and states that an electronic communication is dispatched when it enters an information system outside the control of the originator, and that unless otherwise agreed between the originator and the addressee of the electronic communication the dispatch of the communication is deemed to have occurred at the time it enters the information system.

In his contribution to the debate the honourable member for Doncaster talked about PIN numbers and bank slips for Visa cards, Bankcards and such things. I will briefly relate to the house a true story involving a friend of mine who had the use of a hire car when he arrived from overseas. As I said, Mr Acting Speaker, I know this has been a broad ranging debate and I thank you for allowing me to continue in this fashion. After my friend arrived from overseas he happily drove around Australia in a hire car I had booked for him using the imprint of my Bankcard. On exiting Australia he paid cash for the car, and my slip was to be torn up and thrown in the garbage bin. That did not happen. I was charged a hire fee for the car for the month or so that my friend from the United States was in Australia. I had a devil of a time — —

Ms Kosky — You too?

Ms BEATTIE — Yes. I had a devil of a time trying to get that money back. The bank wanted to charge me interest while it was deciding whether or not that transaction was valid. I urge all honourable members to be aware of that.

The honourable member for Doncaster talked about giving credit card details over the Internet. I am told by some banking experts that the best thing to do in those circumstances is to have another credit card with a small limit of, say, $500 to cover small transactions. That means you can always keep track of your purchases so you don't break the bank. That may be something we should all consider.

'That is only 113 words long' are words used to describe many of the bills that come before the house. I have not counted the words in the Electronic Transactions (Victoria) Bill, but it appears extensive and covers a broad range of subjects. The bill is comprehensive and although it takes Victoria into commercial and electronic reality it also provides the checks and balances required in our modern society.

Although the honourable member for Doncaster presents himself as the pre-eminent expert in the house on electronic technology, I urge a bipartisan approach. The Minister for State and Regional Development is also an expert on the subject, as is the parliamentary secretary and the honourable member for Coburg. The Minister for Racing has tested the commercial lines and e-commerce by having a flutter, not to bet on horses but to test the electronic transfers system. I understand those transactions were successful and that he will further test those electronic means of gambling to provide the necessary checks and balances for those who may be caught by some nefarious means.

As a member of the Scrutiny of Acts and Regulations Committee I have read the bill in its entirety. It is an important bill because it takes Victoria into the modern, worldwide system in line with other countries. I urge honourable members to not just flip through the bill but

to read it in detail. When people talk about electronic transfers and entering the e-commerce world they will know what they are talking about. I commend the bill to the house.

Ms BURKE (Prahran) — When one speaks about a bill before the house its size is not relevant; it is the content that makes a difference. The content should be of some value to the communities served by honourable members. The Electronic Transactions (Victoria) Bill will certainly make a difference. One is reminded of the overwhelming possibilities of electronic commerce that move at such a rapid pace it is difficult to keep up with.

The responsibility of government is to legally open up opportunities for the community to experience electronic commerce and to protect the interests of Victorians against criminal activities and invalid users. People who have no access to electronic technology should not suffer discrimination. Looking to the future one can clearly see that for education and every other form of communication one needs to be online.

The bill removes existing legal obstacles to conducting electronic transactions and puts in place default rules for the time and place of sending and receipt of electronic communications. It has two main principles. The first is that a transaction should not be discriminated against or held invalid simply because it is made using electronic media. The second extremely important principle is technology neutrality, meaning that the law should not provide advantages to or favour any particular kind of technology.

The bill is only one of many that honourable members will see in the house concerning communication technology and e-commerce. During the 1980s legislation was introduced to deal with faxes. Today we are looking at legal signatures on the Internet. It is possible voices transmitted via the Internet will be legal in the future. It never ceases to amaze how the entire process continues to evolve.

One area that will prove difficult for legislators is keeping in touch not only with people who use electronic technology on a commercial or community basis but also with those over the age of 40 who have little access to electronic technology and are not sure how to deal with it.

Business and contractual arrangements, the buying of shares and many other processes are now conducted online. Through facilities such as town halls and libraries the government must try to assist people to understand the simplicity of computers. Funding for town halls is about breaking down the barriers for people who not only have no computers in their homes but have no training and cannot access computers.

The wonderful thing about electronic transfer is the incredible breakdown of distance. Rural and regional Victoria suffers enormously from the problems of distance and lack of accessibility. Electronic transfer will be a big mover and shaker for businesses in the country. In the future contracts will be able to be let globally and tenders, maps, architectural drawings, plumbing plans and all sorts of other documents will be able to be transferred in a legal and statutorily correct manner under the planning rules and dealt with more speedily. That will be important in improving the quality of life in rural and regional Victoria and in making local government more efficient. The bill complements commonwealth law, the commonwealth bill being passed in December 1999.

The Australian Tax Office will be an issuer of the private and public keys — a certification of authority — until other parties start to move in and take over that responsibility. The opportunities in this area are forever growing. It will be important not only for the general community but also in areas such as local government, where it will assist in streamlining many transactions. A big problem in dealing with any government authority is the speed at which people's problems can be addressed — that is, final documents assessed, a final signing off organised and the issue filed away.

I will not speak further on the bill. Other honourable members have provided ample analyses of its provisions and I am sure more will follow. The legislation is another important advance for Victoria. It is pleasing to see it is ahead of the other states but there is a long way to go. I look forward to many more bills of this standard being brought before the house.

Mr HARDMAN (Seymour) — It was a pleasure to listen to the honourable member for Prahran as she delivered a concise and informative speech on the Electronic Transactions (Victoria) Bill. It would be great if other honourable members took note of how the honourable member presents information to the house.

The bill is important. It does several things, but basically it makes electronic signatures valid. In validating the electronic alternative to communicating with pieces of paper the bill removes the legal obstacles to electronic commerce and thereby supports it.

Currently electronic commerce is a minor part of the economy, but as with all other aspects of information technology it is growing rapidly. That growth is

reflected in estimates that the electronic commerce market will have a value this year of around US$300 billion and around US$1 trillion by 2003. The bill will allow all Victorian electronic commerce enterprises to access that huge market by aligning Victoria's regulatory initiatives with national and international best practice.

For example, people from my electorate of Seymour who might be a little isolated or a long way from larger population centres will gain a great deal from the legislation, especially if the federal government bites the bullet and spends much needed money on the updating of telephone lines to increase bandwidth. Provided the required bandwidth is available, my constituents will benefit because the large populations needed to support the more traditional businesses that exist in places such as Melbourne will not be necessary because access will be available to the whole world from home through the Internet.

I am pleased with the commitment of the Bracks government to boost electronic commerce in Victoria. The bill is essential to Victoria's future international competitiveness. The passage of the bill and the government's other initiatives in access and training — I will not go into them because they are extensive — should give Victorians confidence in the future of the state. I commend the bill to the house.

Mr MAUGHAN (Rodney) — I have a great deal of pleasure in speaking on the bill. As other speakers have indicated, the opposition will not oppose the legislation.

The bill is essentially about establishing a regulatory framework for the use of electronic transactions in commerce and removing some of the legal barriers that could inhibit the use of electronic communications. I have enjoyed listening to the debate so far because this subject is important for the future of global commerce and communications as they will affect the state and nation. As other speakers have said, the industry is expanding at a tremendous rate. There is a need to acknowledge the rapid growth in electronic communication and the storage of material. More and more people are beginning to use it to make their lives easier and more fulfilling, and to enable them to communicate with friends and business colleagues in other parts of the world.

When discussing the issue of electronic commerce it would be remiss of me not to pay tribute to the tremendous contributions of the former Treasurer and Minister for Multimedia, the Honourable Alan Stockdale, and the honourable member for Doncaster, who was the chairman of the multimedia task force that pushed Victoria to the cutting edge of electronic commerce. The former government enthusiastically embraced that initiative to try to place Victoria at the forefront of electronic commerce and to give young people in our schools the opportunity to be well versed in the use of electronic equipment such as computers.

It needs to be acknowledged that Victoria has one of the best computer-to-student ratios of any state in Australia and probably of any comparable state in the world. Victoria has been a leader not just in Australia but in the world in pushing electronic commerce. The former Premier was at the forefront of that push, together with the Honourable Alan Stockdale.

Although I remain bipartisan on the issue and do not wish to play politics, I regret that the government does not have a minister for multimedia. The lack of a responsible minister suggests that multimedia may be downgraded under this government. I am not in any way denigrating the government, but I regret that lack. We have lost the initiative, but some good things are occurring, including the continued funding of the Skillsnet program, which is provided for in the budget. As a member representing country Victoria I believe the program has had an enormous influence on making the Internet available to people in country Victoria. It gives them the skills they need to use computers to communicate with friends, relations and business colleagues in other parts of Australia and around the world.

I have had the pleasure of opening a Skillsnet program in Echuca, where numerous courses have been run at the Campaspe College of Adult and Further Education. I have also launched Skillsnet programs in Cohuna, Tongala and Kyabram. I have been involved in the launching and support of Skillsnet programs in four of the major towns in my electorate.

Mr Delahunty interjected.

Mr MAUGHAN — As the honourable member for Wimmera said, we want those programs to continue because they give the people of country Victoria the skills they need to use computers to communicate with others, to conduct business and to break down the barriers of distance. Electronic communication is important in breaking down the tyranny of distance that has disadvantaged country Victoria throughout its entire existence. I will go further by saying that if we use the technology intelligently it will enable many of the underdeveloped countries of the world to raise their standards of living and become involved in world commerce. If they have the skills and the drive they will be able to overcome some of the disadvantages

they have experienced as a result of poverty and their location in the world. Electronic communication provides tremendous opportunities.

The Skillsnet program caters for a range of different groups, including the aged, the underprivileged and farmers. The honourable member for Wimmera talked about telemedicine. That is an important development for people in country Victoria and country Australia, because doctors in one part of Australia are now able to communicate with specialists in other parts of the country. It will also benefit the legal system because it will enable expert witnesses who are required to give evidence in court cases in country Victoria to be called from other parts of Australia.

Mr Perton — And from London and New York.

Mr MAUGHAN — As the honourable member for Doncaster said, expert witnesses will be able to be called from London and New York. Instead of having to come to court they will be able to give their expert evidence in the privacy of their offices, which will reduce costs significantly. It can only add to the delivery of justice in Victoria.

The barriers of distance will be broken down in medicine, justice, social science, education and, of course, commerce. I know of a person who conducts a profitable business in New York from his home in country Victoria using the Internet. E-commerce is currently estimated to be worth US$300 billion a year, and that figure is growing rapidly.

In the two years from 1996 to 1998 the number of Australian business web sites has doubled, and that rate of increase is continuing. In 1997 the estimated worth of Internet-based commerce in Australia was $61 million. It is estimated that by 2001 the value of Internet-based commerce will have increased to $1.3 billion. That is a twentyfold increase in the value of Internet-based commerce in just four years. We have just started. I visited a virtual reality courthouse in the United States, which shows the potential of electronic communication.

The bill is based on two principles. The first is the principle of functional equivalence, which means a transaction should not be discriminated against or held to be invalid merely because it was made using electronic means. The second principle is technology neutrality, which means that the law should not advantage or favour one particular form of technology over another.

Clause 9 gives legal effect to electronic signatures and provides that if under the law of this jurisdiction the signature of a person is required that requirement is taken to have been met if you can identify the person; the person is approved; the method used was reliable and appropriate for the purposes for which the information was communicated; and the person to whom the signature was required to be given consents to that requirement. In other words, you can use electronic signatures.

I am fascinated by the method used for transferring a handwritten signature using electronic encryption. The method is such that the signature cannot be changed or altered. As a member of the Law Reform Committee I was able to observe the techniques of encryption being used in both Paris and Brussels.

Mr Robinson — That was just before I joined!

Mr MAUGHAN — Yes, we went just before the honourable member for Mitcham joined the committee. I am very sorry he was not with us because — —

Mr Robinson — You're sorry!

Mr MAUGHAN — I am indeed sorry. I enjoy travelling with the honourable member for Mitcham.

Mr Robinson interjected.

Mr MAUGHAN — It was a most enlightening trip and we learnt a great deal about encryption, which is an important aspect of the bill.

Clause 11 relates to the recording and retention of information and documents and provides the means by which that can be done.

Other honourable members wish to speak on the bill so I will be brief. The bill is good legislation. It has the potential to break down the barriers of distance and offers great opportunities to people in country Victoria. However, I conclude by reinforcing the notion that despite all that we still need good telecommunications infrastructure in country Victoria and country Australia. That is essential, as the honourable member for Wimmera made clear in his contribution. I support enthusiastically his plea for better telecommunications infrastructure in rural areas. Once we get that, the barrier of distance will be broken down.

I welcome the bill and wish it a speedy passage through the house.

Mr ROBINSON (Mitcham) — Before making some brief comments on the bill I commend the honourable members who have made contributions so far. The debate has been wide ranging, as is

appropriate. Those honourable members who have occupied the chair have demonstrated tremendous management skills and should be commended for allowing the debate to progress in the manner it has.

The bill is aimed primarily at facilitating the expected rapid growth in electronic commerce. Previous speakers have given their perspective on the way that revolution will affect the lives of Victorians and others who live beyond the state.

The bill does not contain penalties of any sort, seeking rather to encourage an acceptance of and familiarisation with the new world of business behaviour. It seeks to bring into the electronic age the longstanding, if not exactly ancient, principles of contract law.

I studied law for a little time while at university — until I saw the light and decided not to continue because I preferred to make a meaningful contribution to the state! Nevertheless, in my time studying law at university I became acquainted with one or other of the voluminous texts on contract law, such as the one by Carter, Harland and Lindgren. Honourable members should note that the passage of the bill will be a boon to people like Messrs Carter, Harland and Lindgren. Although the principles of offer and acceptance occupy only one or two pages of textbooks as large as theirs, they will in their infinite wisdom find the need to produce a 32nd or 33rd edition for the benefit of students who will go through university in years to come. If they are able to make a dollar out of doing that, half their luck.

Any number of estimates have been made of the way electronic commerce will transform business life in Australia and across the globe. Based on advice which has been circulated in the house and to which several honourable members have made reference, in his second-reading speech the minister estimated that e-commerce already accounts for about $300 billion worth of trade a year. That is an extraordinary amount and shows why parliaments such as ours need to come to terms with the field. Those developments are exciting.

We in Australia need to understand that in global terms we are coming off a rather low baseline. A couple of recent articles have attempted to quantify Australia's position in the field. They remind us that it is difficult to quantify our position accurately, even though it is possible to some extent to foreshadow developments in trade and commerce. We cannot predict precisely which path consumer behaviour will take. One of the articles, which was written by Lyall Johnson and published in the *Age* of 2 February, is headed 'Online businesses miss out on profit'. It states:

> Australian business is yet to see the benefits of the Internet with only 2 per cent that are online recording a profit from or through their web sites in 1999.

That is somewhat of a sobering statistic given the excitement which usually surrounds discussions of e-commerce. A month later, on 1 March, Ross Gittins wrote an article headed 'Why we're not buying the net sales pitch'. He makes the point quite starkly when he quotes statistics showing that six months before the date of the article more than three quarters of Australian households did not have access to the Internet:

> Of course some people use the net at work. Even so, almost 60 per cent of all adult Australians hadn't used it in the previous 12 months.
>
> … 95 per cent of adults hadn't used it to buy or order things in the previous 12 months.
>
> …
>
> The number using the net to buy groceries was too pathetic to bother recording. And in the three months to August, 97 per cent of adults didn't use the Internet for banking.

Those somewhat stark statistics do not suggest for a moment that in years to come Australians will not be avid exponents of e-commerce in its various forms but they highlight that we are working from a reasonably low base relative to the rest of the world.

It is extraordinarily difficult to accurately predict trends in consumer behaviour. My wife has occasionally studied marketing which involves some study of consumer trends and consumer psychology. She has a row of textbooks in the study at home, none of which make her or anyone else any wiser when trying to predict precisely how consumers or people in business will react to the provision of new opportunities.

Nevertheless, the role of government must remain one of taking stock of changing technologies and opportunities and doing what it can to put in place protocols and procedures to make profound transformations in business and commerce as accessible as possible. People cannot ask any more of governments and Parliament. Whether people choose to take up those opportunities is up to them.

The bill is significant because it helps put protocols in place. On 1 September Victoria will become the first state in the country to adopt a new regime for electronic commerce, and that is something of which we should all be proud. In the course of debate on the bill members on this side have spoken about the bipartisan position that has been taken on this front in recent

years. Having listened to bits and pieces of the contribution of the member for Doncaster one could be forgiven for thinking that the bipartisan position has now ended, which is disappointing. In her well-researched contribution the honourable member for Tullamarine outlined to the house a list of the current government's significant contributions to the further development of the new technologies. I will not go over those contributions as I know other members wish to speak in the debate.

It is disappointing that the honourable member for Doncaster spent so much of his contribution effectively posturing and trying to score political points on an issue that until now has thankfully been devoid of point scoring. On reflecting on some of the comments made by the honourable member for Doncaster, I am surprised that he chose to do that.

I was surprised to hear the honourable member for Doncaster denigrating town hall Internet facilitation when in his own campaign he made a highlight of suggesting that very thing. Furthermore, I am surprised to hear him wax lyrical — —

Mr Perton — On a point of order, Mr Acting Speaker, I do not mind the honourable member for Mitcham making light of that as a point of humour, but truth is another matter. In conversation with me earlier the honourable member made it clear that he understood that during the course of the election I had used the device known as an electronic town hall and that I had certainly not — —

An honourable member interjected.

Mr Perton — The point of order relates to the honourable member deliberately misleading the house. He is aware it was an Internet matter — not support for physical access to the Internet at a physical town hall. I ask the honourable member to tell the truth in the house and not attempt to mislead the house under the guise of humour.

Mr Brumby — On the point of order, Mr Acting Speaker, the honourable member for Doncaster is unusually sensitive tonight. In his point of order he claimed that the honourable member for Mitcham had deliberately misled the house. As you know, Mr Acting Speaker, that is not a parliamentary form. I ask that the honourable member withdraw that unparliamentary language.

The ACTING SPEAKER (Mr Jasper) — Order! Is the honourable member for Doncaster prepared to withdraw his comments?

Mr Perton — The minister has no entitlement to ask me to withdraw a comment relating to another member. He allegedly spoke on the point of order, so first — —

Mr Hulls — He knows the rules.

Mr Perton — You have no entitlement to ask me to withdraw. It was not an unparliamentary term.

The ACTING SPEAKER (Mr Jasper) — Order! I accept the words of explanation from the honourable member for Doncaster. The honourable member who believes an untrue comment has been made should ask for that comment to be withdrawn and not the minister at the table. Does the honourable member for Mitcham want to speak on the point of order?

Mr ROBINSON — All I want to do is get on with the speech, if that is all right with you.

The ACTING SPEAKER (Mr Jasper) — Order! Are you prepared to withdraw your comments?

Mr ROBINSON — Whatever comment I have made that has so mortally offended the honourable member — —

Honourable members interjecting.

Mr ROBINSON — I just want to get on with it.

Mr Perton — In the spirit of matters, I am more than happy for the honourable member to proceed.

The ACTING SPEAKER (Mr Jasper) — Order! Under the circumstances that is correct. Does the honourable member for Doncaster have any further comments on the point of order?

Mr Perton — No.

Mr ROBINSON — Let's get on with it. I was about to make the point that I thought it was remarkable that the honourable member for Doncaster would seek to wax lyrical about the former government's contribution in the field. He was known to have been promised by the former Premier a portfolio position in the information technology field in a third Kennett government, which was not delivered. When the interim cabinet was announced by the former Premier immediately after the election, the honourable member for Doncaster, despite his representation in the field, was not included in the first 18. I find it surprising that he would therefore seek to wax lyrical on the role of the former government.

Additionally the honourable member seems to have conveniently forgotten some of the weaknesses manifestly apparent in the former government's contribution in the field. To remind him I refer to an article in the *Australian* of 7 March 2000 headed 'Bracks to back SME e-commerce'. The journalist writes:

> Maxi Multimedia managing director Michael Lappen said the ousted Liberal government had failed to deliver on its high-tech rhetoric under former Premier Jeff Kennett and retired Treasurer Alan Stockdale.

Mr Lappen is quoted as stating:

> Our business has been basically held back by the incompetence of Stockdale and Kennett to move from strategy to delivery …

I thought up until tonight that the position on the issue was one of bipartisanship, but obviously I was mistaken. Far be it from me to offer advice to the honourable member for Doncaster in this field, but I do not think it does him any credit to claim that all that was undertaken and promised by the former government was rosy. Based on the comments I have referred to and on common knowledge in the industry, that was not the case.

Honourable members interjecting.

Mr ROBINSON — I am happy to table that document!

In conclusion, the comment made at the Scrutiny of Acts and Regulations Committee was that, in the professional opinion of people who know these things, the clause notes in the bill were probably the finest they had ever seen. That is worth recording for the purposes of the debate. Those notes are deserving of praise, and the bill deserves the support of the house. I am sure that is what it will receive.

Mr THOMPSON (Sandringham) — The bill introduces a number of practical legal amendments to the law to facilitate electronic commerce. One of the great impacts of electronic commerce over the next century will be in the number of transactions that will take place through the medium of the Internet — not transactions in the order of tens of thousands or millions, but trillions. The uptake of usage of electronic commerce is accelerating at an extremely fast pace.

The former coalition government positioned Victoria in education, in multimedia and in the general uptake of computerisation across government services in a manner that was more or less unprecedented in the Western world. Victoria had a pre-eminent role, as recognised by the Microsoft corporation and by the appointment of the world's first Minister for Multimedia, increasing the opportunity for the state to capitalise on technology innovations.

The former Minister for Multimedia has played an outstanding role in the area, positioning the opposition now to set the pace and give an example. One of great tragedies in recent months has been the failure of the government to take over the mantle in the IT and multimedia area. There was no better example of that than the World Economic Forum recently held in the chamber. Not one member of the information technology or telecommunications industry was represented at the forum, despite that being the fastest area of growth at the moment. The government has failed to travel the information superhighway. It is not on track and not even online.

I will make one further comment. The shadow minister has often been an exponent of the world's first transaction. Using the information superhighway I was able to order through Amazon books from the parliamentary chamber a book written by a constituent of mine, Arnold Zable, entitled *Jewels and Ashes*. That is one example of the impact of electronic commerce. Amazon required that I verify a 10-page contract, the fine detail of which I hope is consistent with the bill before the house. With those remarks, I conclude my contribution.

Debate adjourned on motion of Mr BATCHELOR (Minister for Transport).

Debate adjourned until next day.

NATIONAL TAXATION REFORM (FURTHER CONSEQUENTIAL PROVISIONS) BILL

Second reading

Debate resumed from 13 April; motion of Ms GARBUTT (Minister for Environment and Conservation).

Ms ASHER (Brighton) — The opposition does not oppose the National Taxation Reform (Further Consequential Provisions) Bill. This is the second bill of two put forward by the government to implement the intergovernmental agreement on national taxation reform. The house will recall that the very pivotal intergovernmental agreement on the reform of commonwealth–state financial relations was included as part of the schedule to the first bill. It will be the benchmark for national taxation reform in the Commonwealth of Australia.

The bill before the house is very technical, complex and detailed. I thank either the departmental officers, parliamentary counsel or perhaps even the minister for the detailed explanatory memorandum. I have been in this Parliament for more than eight years and it is a pleasure to see a detailed explanatory memorandum which outlines in plain English what this very complex and technical bill is designed to achieve.

I will go through the main features of the bill. First is an amendment to the Accident Compensation Bill which redefines the word 'penalties'. Under the powers of the Workcover Authority, recalcitrant employers who have not adhered to the legislation may be charged additional premiums. Those additional premiums will now be defined as penalties, which will mean they attract no goods and services tax (GST). The opposition supports that definitional alteration.

The second major feature of the bill is a series of amendments to the Funerals (Pre-paid Money) Act which allows the GST to be remitted by funeral directors. I will explain that provision to honourable members who are in ill-health! Although some interim arrangements were put in place by the commonwealth for those who have pre-paid their funeral arrangements, if one dies post-July 2000 the prepaid funeral will attract a GST.

Under Victorian law, funeral directors have a very strict investment regime for prepaid funeral funds. All investment is decreed under legislation except an administration fee. In practical terms the bill allows the GST to be remitted to the commonwealth. Indeed, if Victoria had not altered its legislation, an inconsistency would have existed between commonwealth and state legislation, and it is far preferable that they are compatible.

The third feature of the bill relates to the casino. When the first bill relating to the intergovernmental agreement was discussed I drew the attention of the house to a clause in the agreement requiring the states to adjust gambling taxes to ensure that the net outcome for gaming operators was exactly the same as prior to the imposition of the GST. I refer to the budget documents tabled in the house yesterday where, in direct contradistinction to the clauses in this bill, the budget claims credit reduction of revenues flowing from gaming.

As the sponsor of this bill, the Minister for Finance would well know that the reason state revenues are decreasing in future forward estimates is that the commonwealth and the states — every state — have signed up to offset the taxation arrangements between gaming operators and the commonwealth. Gaming revenues in every state will decrease, but the commonwealth will refund those revenues at a later date under its no-disadvantage test.

In the first bill dealing with alterations to gaming revenues the government adjusted revenues for Tatts and Tabcorp, and in this bill the government is adjusting arrangements relating to the casino, as it flagged it would do some weeks ago.

Mr Batchelor interjected.

Ms ASHER — As the minister says by interjection, the government is required to do that under the intergovernmental agreement signed off by Labor and Liberal states with the commonwealth government.

Initially the gaming taxes of the approved betting competitions, which I am advised are not currently conducted at the casino but which may well be in the future, are altered to reflect the intergovernmental agreement.

The major feature of the bill is the sixth deed of variation to the management agreement with the casino reflecting the revised taxation arrangement. As I indicated, in net terms, gaming operators under the agreement will be no worse off, and the sixth deed of variation reflects this.

It is a complex deed of agreement, but in addition to the calculations it reflects the requirement for the casino to report to the Victorian Casino and Gaming Authority and gives the Auditor-General the power to inspect the goods and services tax remittances from the casino as it ought.

The variation to the agreement was signed on 3 April by the Minister for Gaming, John Pandazopoulos, and representatives of Crown Casino. Again, despite their complexity, the opposition has received no complaints regarding the provisions. They pick up the distinction between commission-based players and ordinary players. There are enormous implications for tourism from commission-based players and those distinctions are enshrined in the deed of agreement. The distinction should continue to be enshrined.

The bill also picks up taxation alterations to interactive gaming. I will not comment on the government's longstanding objective to reduce the amount of gaming in the state, notwithstanding the fact that it has altered its position on interactive gaming and has taken on the commonwealth government, which wanted to have a moratorium on the issue. The government has facilitated interactive gaming and given tax concessions

to interactive gaming operators. It is instructive to note the difference between the rhetoric of the Labor Party in opposition and its actions in government.

The fourth major feature of the bill is adjustments to the Tattersall Consultations Act 1958. The net effect is that ticket prices will not go up and payout amounts will not go down. It is a complex arrangement which I understand will receive significant attention from Tattersalls in terms of its agents and small businesses to determine the best arrangements for them. The net effect is intended to be that the payout for players will not diminish.

I turn now to amendments to the Racing Act 1958. As honourable members will recall, there have been significant changes to bookmakers' statements from the time of the introduction of the first National Taxation Reform (Consequential Provisions) Bill.

The bill goes further than the imposition of the goods and services tax on the states and picks up a number of flagged changes to bookmakers' statements by the government. The bill flags a new bookmakers' levy — up to 1 per cent — to replace the existing dollars from the previous hypothecation of part of the stamp duty on bookmakers' statements which, as all honourable members will recall, was abolished in the first tranche of national taxation reform bills.

The revenue from the bookmakers' levy will be directed into a bookmaking development fund to be controlled, with some ministerial approval, by the Victoria Racing Club, the Harness Racing Board and the Greyhound Racing Control Board. I accord thanks to the Honourable Peter Hall in the other place, the shadow Minister for Racing, who has conducted an extensive consultation on the matter with those bodies.

Although individual bodies may have reservations regarding the changes, fundamentally the levy will accrue benefits to metropolitan racecourses where money was not allocated or hypothecated previously. There will be an increase in the amounts for non-metropolitan racecourses. While individuals associated with the gaming industry may have comments on the matter, on advice, the opposition is happy to see the new arrangements in place and to see how they go. If dilemmas emerge the opposition will call on the government to reassess the bookmakers' levy.

The next major provision of the bill is an increase to the Transport Accident Commission premium which was flagged recently in question time by the Minister for Finance. In addition to increases in the consumer price index — entrenched in the legislation for some time — the Minister for Finance claimed an increase of 5 per cent was warranted and that that was what the government would call for in terms of a premium increase.

In the 1999 annual report of the TAC the commission chairperson, Margaret Jackson, indicates:

> As a result of the analysis undertaken it is expected that there will be an initial one-off impact on the TAC's funding position of approximately $80 million.

Again I emphasise, and still within the same quote —

> This impact can be accommodated within the TAC's current solvency position.

The minister has decided to go further and have a 5 per cent premium increase. The opposition will track the increase. It is a change in policy for the government to insist on 10 per cent increases. The opposition will monitor whether a 5 per cent increase is warranted in terms of the introduction of the GST.

The final element in the bill is the provision for increases in fees that are determined by statute. The first bill looked at the issue of fees determined by regulation and accorded ministers of the Crown an unusual latitude: ministers were exempted from the requirements of the Subordinate Legislation Act. The quid pro quo was that they were allowed a one-off increase but were accorded generous latitude by the government to increase fees struck by regulation by up to 10 per cent.

The bill deals with fees determined by statute. I do not know whether the Minister for Finance shares my view, but I was surprised at the limited number of fees struck by statute. Three are itemised in the bill. The first is cemetery fees — the theme of death pervades this bill! The government allows the trustees of a cemetery trust to increase fees by up to 10 per cent.

I am more than happy to place on record my thanks to both the Premier and the Minister for Finance for providing access to briefings. I placed on record a question regarding the disciplines placed on cemetery trusts as I was concerned that they were insufficient. The answer from the briefing officers was that because the cemetery trusts are off-budget entities they are therefore subject to the provisions of the Trade Practices Act and the Australian Competition and Consumer Commission regulations and that there will be external, not internal, rigour regarding embedded tax savings. I will reserve my judgment on that aspect.

The second statutory increase provided under the proposed legislation relates to increases to legal practice fees which have ceilings placed on them and are not predetermined fees. At this stage I flag some caution that the full 10 per cent increase has been allowed but not for all of the legal practice fees. The initial fidelity fund fees may well not incur the increase, although I am not altogether sure of that. However, in terms of additional levies the full 10 per cent is allowed as a ceiling under the bill. Similarly, with respect to fees determined under the Trustee Companies Act 1984, I am advised that they are ceilings rather than absolute limits. A ruling of up to 10 per cent has been allowed.

I turn now to two fundamental issues. The first is the extraordinary claim made by the Minister for Finance in his second-reading speech when he stated categorically that no windfall gains will result from stamp duties applying to GST-inclusive prices. The opposition will hold the government to account. As I said, that is an extraordinary claim. The Minister for Finance — his second-reading speech is not a Treasury document — has said there will be no windfall gains under the GST, despite the circumstance where the government will continue to levy stamp duty and gain additional revenue as a consequence.

That claim is amazingly definite and I contrast it with the claims made by the New South Wales Labor Treasurer, Michael Egan, who acknowledges the possibility of windfall gains. I ask the Minister for Finance to clarify the underlying structure in the Victorian budget that allows him the latitude of saying there will be no windfall gains in contrast with New South Wales where a Treasurer of the same political persuasion has acknowledged there may be windfall gains.

What structural difference is there between the New South Wales and Victorian budgets? The Minister for Finance says New South Wales is a high-taxing state. That comment is in direct contradiction to claims the minister has made in this house that Victoria is a high-taxing state. Everyone knows Victoria's taxes have dropped considerably and that New South Wales is the no. 1 state for taxation. I ask the Minister for Finance to clarify why there is such a different structural circumstance between stamp duty revenue paid to Victoria and that paid to New South Wales which would lead the Victorian Minister for Finance to say there will be no windfall gains while the New South Wales Treasurer says there may well be.

I direct the minister's attention to the budget, which clearly shows that in the 2000–01 financial year state revenue from the stamp duty on property sales will increase by 14 per cent per annum; stamp duty on insurance will increase by 17 per cent per annum; and stamp duty on vehicle transfers will increase by 2.4 per cent per annum. It is clear that the government has already budgeted for increased stamp duties. With the extra component of stamp duty — which is a tax being levied on a tax, which is not what the commonwealth said would occur but which the government is going to do anyway — there is a real chance of a windfall gain.

The second interesting issue is whether the government has been sufficiently rigorous in looking at the goods and services tax in terms of embedded tax savings, about which we have heard a lot of nonsense. Every economist says that $100 million of embedded tax savings is achievable. The GST is a growth tax, the revenue from which will flow to the states. The Victorian government has been slack. It has refused to look at the issue. There has been a complete lack of rigour in the way the Victorian government has approached the implementation of the GST.

Nothing illustrates my point better than the difference between the way the Victorian government wants to apply the national taxation reform to itself and the way it wants to apply it to community organisations. In the two bills the house has already dealt with the government has said it will allow its own entities to increase taxes by up to 10 per cent. However, it has said that the most vulnerable groups in our society — disability services groups, community service groups and other groups catering to vulnerable people — will get the 10 per cent embedded tax savings and that as a consequence they will have their grants cut by 10 per cent.

The Labor government has made a political decision to pass the GST on to non-government organisations and vulnerable community groups, but it will not apply any rigour to itself to find any embedded taxation savings. For example, it will allow the cemetery trusts and the legal community to charge up to 10 per cent, and it will allow a heap of other organisations to avoid the application of any rigour at all.

The tragedy is that although its entities can be referred to the Australian Competition and Consumer Commission, the government cannot. No authority in the commonwealth can do anything about the Victorian government's cynical exploitation of the GST issue, including the fact that it will cut the funds or grants of community organisations while allowing its own revenues to increase — and then blame the GST.

The state government wants everything its own way — and it wants a growth tax. There was a rush to sign off

on the intergovernmental agreement between the commonwealth and the states. The New South Wales Premier, Bob Carr, bowled everyone over in his rush to sign it! The Labor states want the growth tax just as much as the Liberal states want it.

The Labor government also endorses its federal leader's approach, which is to say that a federal Labor government will not get rid of the goods and services tax. Those on the other side of politics want the revenue and the growth. There may well be minor pullbacks on a number of things, given what the federal opposition leader, Kim Beazley, is saying, but fundamentally the federal ALP is wedded to the GST. The states know it will give them the growth revenue, which is the reason why they have signed up to the agreement.

Not only does the Victorian government want the growth tax and not only does it endorse Kim Beazley's decision not to fundamentally change the GST, it also does not want to find any embedded tax savings to distribute to community groups. The government is lazy, slack, and happy to simply say, 'Everything will go up by 10 per cent'.

In a classic example of wanting something in every possible way, Labor wants the growth revenue, but it says, 'Gosh, we think the tax is awful'. Regardless of whether they are Liberal or Labor, state governments have for years asked for access to a growth tax — and now they have it.

The opposition does not oppose the bill, but it finds the application of the GST extraordinary. The government has embarked on a cruel regime of forcing community organisations to find embedded tax savings. It has cut the grants to those organisations at the same time as it is not prepared to apply any rigour to itself. The government will impose increases of 10 per cent because it has no rigour and no intellectual honesty. Despite its laziness the government has bagged the ultimate growth tax, for which state governments have been asking for years.

As I said earlier, the opposition does not oppose the bill, but it does oppose the manner in which the government has sought to shirk its obligations to search for embedded tax savings.

Mr LENDERS (Dandenong North) — I enthusiastically support the bill, which the government has had to introduce to deal with the awful situation Victoria has been left in by the previous government's signing of the intergovernmental agreement, which will burden Victorians with a tax that none of us wants but which we will have to deal with.

Firstly, I note the gracious comments of the Deputy Leader of the Opposition in acknowledging the access to briefings provided by the Treasurer and the Minister for Finance. The government is more than prepared to provide briefings and delighted that the opposition appreciates them, because in the end if Victoria is to get out of the mess imposed on it by the federal Liberal government's goods and services tax, the bill needs to be passed. The bill, which is the third relating to the implementation of the GST that the house has debated, deals with a lot of areas, including Tattersalls and scratch tickets and even the inequity of imposing the goods and services tax on prepaid funerals. It is primarily an enabling bill to reduce the burden of the GST on Victoria and to put some sense into the issue.

I found a couple of the comments of the Deputy Leader of the Opposition a touch amusing.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The ACTING SPEAKER (Mr Loney) — Order! Under sessional orders the time for the adjournment of the house has arrived.

Malvern Elderly Citizens Welfare Association

Ms BURKE (Prahran) — I refer the Minister for Housing to the second stage of a housing project for the Malvern Elderly Citizens Welfare Association. MECWA started as a small group looking after elderly citizens and is now a multimillion-dollar provider of fine aged care services with a fabulous — probably the grooviest — hostel in Greville Street in my electorate.

The first stage of the project consisted of 10 housing units. To be eligible for public housing units people must be assessed under public housing criteria. The project is up and running and works well. The second stage is a $2-million project involving 20 units. Most people eligible for public housing are over the age of 60 and have been removed from rooming houses and low-cost flats which are common in inner Melbourne and which are now being restored into new housing by what we call yuppies. Some $2 million is outstanding. While the MECWA has waited for the funding, costs have risen and only 18 units can now be provided.

I ask the Minister for Housing to inquire about the status of the funding and to assist those elderly and vulnerable people to be housed as soon as possible. The community would be grateful if the minister would evaluate the situation and let me know as soon as possible.

Gladstone Views Primary School

Ms BEATTIE (Tullamarine) — I refer the Minister for Education to the Gladstone Views Primary School in my electorate and ask her to investigate what priority a $500 000 gymnasium has at the school. When doing the rounds of schools in my electorate earlier this year I was welcomed with open arms.

The former principal of the school, Mr Rob Cook, raised with me a telephone call he received shortly before the state election last September from my predecessor, a man rejected not only by the voters of Tullamarine but by his own party, which rejected his ambition to become vice-president of the Liberal Party.

The former honourable member for Tullamarine advised Mr Cook that the school would receive a grant of $500 000 for the gymnasium. Mr Cook, a fine principal who worked tirelessly for his school, quite rightly was sceptical of the claim in the pre-election period. It now seems that the telephone call was a cruel hoax. Surely not even my predecessor could be so cruel as to make false promises to a fine, hardworking school community such as Gladstone Views.

Swan Hill: railway land

Mr STEGGALL (Swan Hill) — I refer the Minister for Transport to the leasing of railway land in Swan Hill. Freight Australia has refused the application of the Swan Hill Rural City Council to lease railway land for car parking for a new development in Swan Hill. Currently Freight Australia cannot legally sublet any land under its primary lease unless the land use is railway connected.

To surrender the land to the council Freight Australia must relinquish the lease to Victrack so that a new lease can be drawn up between the council and Victrack. Freight Australia has some 60 small parcels of land in Victoria that are caught in the same situation. The leases form part of the company's primary lease agreement with the government, and it is understandably reluctant simply to relinquish the leases. It has offered to relinquish the parcels of land and future small parcels from its primary lease if the government will add the South Dynon railway site currently leased by Freight Australia to its primary lease.

The small pieces of land are required for many and varied developments throughout Victorian country areas and the inability to move on the leases is creating a logjam. A policy issue exists between the government and Freight Australia that needs sorting out. At Swan Hill the land is required for a car park which the city council wishes to provide. The company also has land at Tresco that is housing a disused cooperative packing shed. That land is needed by private enterprise to develop a new packing operation for the area's fast-growing international fruit industry.

I urge the minister to make the exchange with Freight Australia and remedy the logjam. It would be of particular advantage to rural districts, and metropolitan areas would also benefit. There are many parcels of land under the Freight Australia primary lease that will come up from time to time.

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

Forests: Trentham coupes

Ms DUNCAN (Gisborne) — I ask the Minister for Environment and Conservation to report on a matter that was brought to my attention this morning.

Honourable members may recall a strong community campaign that developed out of Trentham in response to the regional forest agreement (RFA). A contingent from the town came to Parliament a month or so ago to present a petition to the government requesting that a series of coupes be set aside in recognition of the discovery of a set of powerful owls in the area. It was a hard-fought and successful community campaign in which many people were heavily involved.

The RFA that was finally delivered gave the people of Trentham a lot of pleasure because it recognised the powerful owl site and provided a 500-hectare protection zone around the town from which any form of logging is excluded. That area was a critical RFA issue for me. The much-improved outcome that resulted from groups making representations demonstrated the government's commitment not just to looking after conservation values but also to recognising the existing significant flora and fauna and tourism values that are provided by the forest around the town.

Today I received a number of calls from people in Trentham, but one in particular was from a woman who was involved in the campaign and was a leader in her community on this issue. Her call disturbed me, because although there is to be no logging in the special protection zones, she believed a logging team was about to commence or had already commenced logging in a special protection zone. This woman is pretty au fait with all of the issues, and I believe she would know whether the loggers were in or out of the coupe. The conservation of the specified area is a significant issue,

and the townspeople have worked very hard to achieve it.

I ask the minister to advise how the area that was set aside as a special zone under the RFA to protect the powerful owl was today logged at the boundary and whether that will have an impact on the breeding of the powerful owl in the area.

Wimmera–Mallee Water: charges

Mr SAVAGE (Mildura) — Wimmera–Mallee Water has a policy of providing only half the normal dam fills for farmers in the Wimmera–Mallee system because of the current low status of its reservoirs. There is a crisis in the volume of water remaining, and that is compounded by the fact that the system is so inefficient that it loses up to 90 per cent of the water that is transmitted. Consequently, there is a significant impost on farmers because they are receiving only half the water they need. The rating system is based on a hectare charge, and farmers pay significant amounts whether they take water or not, as well as extra amounts on the basis of having dams filled.

I wrote to Wimmera–Mallee Water on 6 April and yesterday received a call from Mr John Konings, the chief executive officer, to say that this was a ministerial matter and that he would not adjudicate on it. He suggested I refer it on for ministerial decision. I am disappointed that it took Wimmera–Mallee Water four weeks to advise me of that requirement. The authority is also discouraging self-managed catchments, so whether farmers have their own water supply or not they still have to pay the hectare charge, which is compounding the current water shortage.

I ask the Minister for Environment and Conservation to inquire into the issue and advise whether farmers who are receiving only half the normal dam fills should pay the extra rating charge. Some farmers are already facing difficulties because of low commodity prices, and action on this matter could ease the burdens they currently face.

Rail: Tongala crossing

Mr MAUGHAN (Rodney) — I refer the Minister for Transport to the need for flashing lights at a rail crossing intersection at Curr Road, Tongala. The Echuca–Toolamba railway line intersects with Curr Road, which was named after one of the early settlers of the area. It travels north-south and intersects with the railway line to the east of Tongala. It has always been a dangerous crossing. The rail line does not go across the road at right angles. Visibility is obscured for traffic travelling in a northerly direction when trains are travelling in an easterly direction from Echuca towards Kyabram.

I can remember about four major accidents at the site in a period of 15 to 20 years, and many near misses. Fortunately nobody has been killed. People have been seriously injured and there have been some very narrow escapes. It is dangerous enough when trains travel on a regular schedule, but I say in passing that until recently there had not been a train on the line for a period of 15 or 20 years because it was closed by the previous Labor government in the 1970s. However, over the past two or three years freight trains have been running again transporting rice and rice products to and from the rice mill at Echuca.

Part of the problem is that although the crossing is properly marked, drivers have become complacent because of the irregular train schedule. There was another major accident at that crossing on Saturday night. Two locomotives were tipped on their sides, four rail trucks were derailed and a road transport vehicle was badly damaged. Fortunately, no-one was killed or injured.

There is a lack of warning lights at the site and visibility is poor. It is a busy road, and the number of vehicles that travel along it is increasing. I ask the minister to investigate the possibility of installing warning lights at the crossing to help avoid the recurrence of any accidents.

Occupational health and safety: first aid

Mr HOLDING (Springvale) — I ask the Minister for Workcover to investigate the activities of a company in my electorate that provides first-aid courses for workplaces, which a constituent has directed to my attention.

Last year the company promoted the first-aid courses it provides for employees. As a result a firm located in Keysborough decided to pay for four of its employees to attend the course and received a receipt verifying the payment. Subsequently, the firm advised the course provider that two employees would not be attending. However, at the conclusion of the course the first-aid course provider sent one of the workers who was unable to attend the course a certificate that stated that he had completed the course and that he had obtained a level of proficiency in infection and disease control, resuscitation, the treatment and control of bleeding and so on. That certificate was provided under the common seal of the training company.

On 29 November the firm wrote to the first-aid course provider advising that the employee had not attended the course. The firm is yet to receive a response to the letter, a refund or an explanation of how the certificate came to be issued. First-aid training is important, and I am concerned that the situation was able to occur. The provision of first-aid training is not regulated, and it would appear that the Occupational Health and Safety Act is not being adhered to.

Caulfield South Primary School

Mrs SHARDEY (Caulfield) — I refer the Minister for Education to the promised upgrade of the Caulfield South Primary School. I first raised the issue with the minister last November, when I informed her that in 1998 the school had created a strategic plan for its future needs. Based on that strategic plan and on advice from the former Department of Education, the previous government promised an upgrade to the tune of $500 000 to provide for multipurpose rooms, canteens and toilets.

When I raised the matter in the house the minister gave a flippant response. She stated that she would not promise anything that had been promised by the previous government. However, the school was subsequently informed — the information was reported in the local newspaper of 6 December — that the minister had investigated the situation and had promised $500 000 for the upgrade as part of a $60 million capital works program for state schools. As I said, that upgrade was designed to provide for multipurpose rooms, canteens and toilets. The school was to receive between $10 000 and $15 000 to produce a detailed master plan for the project, and the bulk of the funding was to be allocated in the 2000–01 budget.

To the school's horror there is no mention of the funding in the budget. The school council contacted the appropriate regional office of the Department of Education, Employment and Training to ask what had happened to the funding. The response was not good news: the council was told that it could not be given an answer. It seems the school has been given a Clayton's promise.

I ask the minister to investigate what has happened to her promise to provide for a $500 000 upgrade of the Caulfield South Primary School. If she does not wish to tell the local member — she normally does not wish to advise local members on this side of the house what is happening — I ask her to at least inform the school council.

Police: Mordialloc station

Ms LINDELL (Carrum) — I ask the Minister for Police and Emergency Services to provide some clarification on the provision of the proposed new Mordialloc police station.

The issue gives the lie to the campaign slogan of the honourable member for Mordialloc, which was 'Geoff Leigh gets results'. As all honourable members know, the honourable member was unable to deliver on his 1996 election campaign promise that the Kennett government would build the Dingley bypass. He was also unable to deliver on the other campaign commitment he gave during the 1996 election campaign — to keep the Mordialloc–Cheltenham Community Hospital open. His other 1996 election commitment was to ensure the provision of a new Mordialloc police station. Unfortunately, that is another commitment on which the honourable member for Mordialloc failed to deliver.

Mr Perton — On a point of order, Mr Acting Speaker, the purpose of the adjournment debate is to allow members to ask ministers to undertake courses of action. The honourable member is using the opportunity to cast aspersions on a fellow honourable member. I ask you to bring the honourable member to order and ask her what matter she is raising with the minister that is within the purview of his administration.

The ACTING SPEAKER (Mr Loney) — Order! I do not uphold the point of order at this stage. The honourable member has been speaking for 1 minute, during which she has identified the minister to whom she is addressing her request. I assume she will shortly come to the action she is requiring of that minister.

Ms LINDELL — One thing the honourable member for Mordialloc has delivered is the seat of Carrum to the Bracks government.

Honourable members interjecting.

Ms LINDELL — The honourable member ran a vendetta against the Aspendale Gardens community by continually denying them a primary school. His efforts were instrumental in the defeat of his Liberal colleague and the removal of his party from government. I have a bit of a soft spot for him — —

Mr Perton — On a point of order, Mr Acting Speaker, you directed the honourable member to identify the action she wants taken.

Honourable members interjecting.

Mr Perton — I know she is a little phobic and likes to have a go at the honourable member for Mordialloc — —

The ACTING SPEAKER (Mr Loney) — Order! The honourable member for Carrum has spent a further 30 seconds getting to the point, during which — —

Mr Perton interjected.

The ACTING SPEAKER (Mr Loney) — Order! The honourable member for Doncaster will come to order!

During that time there has been a loud interchange across the chamber. I have asked the honourable member for Carrum to come to the action she wants taken, and I am sure she will.

Ms LINDELL — In my first sentence I said I was seeking from the Minister for Police and Emergency Services clarification about the provision of a new building for the Mordialloc police station. That was my very first sentence.

Mr Leigh interjected.

Ms LINDELL — I have a bit of a soft spot for the honourable member for Mordialloc. That is why I am asking the Minister for Police and Emergency Services to help him out a bit by interpreting the budget for him. The people of Mordialloc were promised a new police station for a number of years, but it was funded only in last year's budget — according to what the honourable member for Mordialloc has been telling local residents for the past 12 months. However, he still seems confused. Yesterday and today he has been bleating in the chamber about the funding for the police station not being available.

I ask the minister whether he can shine some light on the issue. Was the funding for the Mordialloc police station made available in the last budget, as the honourable member for Mordialloc has led local residents to believe, or has he again failed to get results? This is an important local issue. Police officers stationed at Mordialloc service much of the electorate of Carrum, including the suburbs of Aspendale, Edithvale, Mordialloc, Parkdale, Mentone and, of course, Aspendale Gardens.

Wimmera business and community leadership program

Mr DELAHUNTY (Wimmera) — I raise for the attention of the Minister for State and Regional Development a matter relating to a regional training scheme for the Wimmera — and I hope he is listening from his office.

To achieve dynamic and growing economies, Victoria's regions — in this case, the Wimmera — must have dynamic and growing communities. Strong community and business leadership is imperative in all sectors of the Wimmera if sustainable regional economic growth is to be achieved. The region must have the capacity to nurture and develop leadership in some of its people, because leadership is the key to growth and development.

The Wimmera Development Association, with funding assistance from the federal government, has led the way in meeting that challenge. Early in 1999 a WDA steering committee appointed a project team of regional development specialists to research, develop and articulate a leadership program for the Wimmera.

Research undertaken in the region highlighted the fact that the Wimmera lacked locally based opportunities for personal and professional development programs that would foster the skills and competencies local organisations needed. Throughout the research phase of the project existing leadership models were evaluated, regional needs were identified and possible program structures were assessed.

Extensive research led to the designing of the Wimmera business and community leadership program. The program aims to develop the region's leadership so that the growth of businesses and rural communities can be stimulated and sustained. It seeks to achieve those goals through three specific and highly integrated elements, each designed to touch the region's full spectrum of business and community organisations.

The cost of delivering the leadership and business management skills program is estimated to be $250 000. It is envisaged that $82 000 of that amount will be gathered from regional contributions. The WDA seeks project funding from the state government to the value of $165 000 to help with establishing the pilot program. The leadership management committee that will implement and coordinate the program estimates that it will be self-funding after two years of operation.

I ask the minister to fund this worthwhile program because it will lead to the further development of community and business leaders for the Wimmera.

Hopkins–Moore street intersection, Footscray

Mr MILDENHALL (Footscray) — I ask the Minister for Transport to investigate the failure of westbound heavy trucks to turn right, as suggested by

the signs, at the intersection of Hopkins and Moore streets in Footscray and to seek advice from Vicroads on what measures might be taken to prevent heavy trucks from moving through the narrow main streets of the Footscray shopping centre. They reduce the amenity of the area and cause congestion and inconvenience not only to shoppers but to the buses and trams that move through the centre of the busy shopping centre.

The issue, which has been championed by Des Carroll of the Footscray *Mail*, warrants attention. I ask that Vicroads investigate the matter and provide a series of suggestions to the council — —

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

Responses

Mr BATCHELOR (Minister for Transport) — The member for Swan Hill raised a complex issue about communities particularly those in his electorate but it is a problem across metropolitan and country areas — that is, getting access to land which the community regards as being surplus to transport requirements. The example raised by the member is land that is currently part of a lease to Freight Australia. The community is seeking to get access to that land for community or economic purposes. The member highlighted the cases of a supermarket in Swan Hill and a packing shed at Tresco. He indicated that Freight Australia was reluctant to facilitate that access while it was in negotiations with the Victorian Rail Track Corporation (Victrack) about rail-track access at South Dynon. As I understand it, the issue at South Dynon concerns commercial negotiations for rent rather than a straight swap.

I understand the point the member is making and I will take it up with both Freight Australia and Victrack as they are the parties to the negotiations at South Dynon. However, I can tell the member for Swan Hill that there is a lot of land around the rail system which community groups or outsiders may regard as surplus to transport needs but which is part of leases and long-term plans. The government will ensure that any site that might be excised from Freight Australia's head lease and made available for community or some other commercial or economic use is spare and excess to requirements and that current and future transport needs are not overlooked in the releasing of that land. We must be careful to protect the current and long-term rail requirements of that land. However, if we can facilitate a more productive use of the land through some community or commercial activity, we will move towards that.

The member for Rodney raised the issue of a level crossing in Curr Road in Tongala which was recently the site of a collision between a train and a semitrailer. That particular crossing is notorious locally and I was interested to read in one of the local newspapers the comments of a local resident, Peter Tomkins, about the accident. In his opinion, the accident was a result of poor visibility at the crossing, truck driver complacency and a lack of warning lights which made for a dangerous scenario.

The accident caused two locomotives to be derailed and considerable damage was done to railway infrastructure. The truck did not come out of it too well. A train driver was injured as a result. The most worrying concern is that anybody — the car driver, the truck driver or the train driver — could have been injured in such an accident. It has been suggested that the government look at installing flashing warning lights at the intersection. I will ask the Department of Infrastructure to look at that suggestion but also to examine whether other issues could be attended to to improve safety at the crossing.

It may be that some advice needs to be given to the local truck-driving community. It may be that the approach or the alignments need to be rechecked. It could be that some other environmental issues need to be addressed. I will ask the department to look at that.

The honourable member for Footscray raised an important matter relating to westbound trucks at the intersection of Hopkins and Moore streets in Footscray. The trucks turn into the shopping centre when it is inappropriate. I will ask Vicroads to investigate the matter to see whether some change could be implemented at the intersection to provide some relief to shoppers while looking after the freight movements of trucks, perhaps encouraging more appropriate alternative routes.

Ms DELAHUNTY (Minister for Education) — The honourable member for Tullamarine raised the matter of the Gladstone Views Primary School having received a hoax call from the former honourable member for Tullamarine. As the current honourable member for Tullamarine accurately said, the former honourable member for Tullamarine was rejected by the electorate and furthermore rejected by the party, and for good reason.

It appears the former honourable member for Tullamarine called the Gladstone Views Primary School promising that if staff members voted Liberal in the next budget they would receive $500 000 for a new

gymnasium. I believe that when he was asked to put that in writing he demurred, for good reason.

I will happily investigate the matter and get back to the current honourable member for Tullamarine. The former member got his just deserts when the electorate threw him out. He was holding out false hopes. However, if the school is entitled to a gymnasium, I look forward to proceeding with that through the normal channels.

The honourable member for Caulfield raised the matter of funding for the Caulfield South Primary School. She spent some time discussing the matter, referring to a local newspaper. The honourable member raised that matter with me publicly in the house in November. I said on that occasion that if a promise had been made by the previous government this government would honour that commitment — if that was in the forward estimates. I consistently said that during the election campaign and have continued to say that since coming to office. I have never deviated from that. There is no need to be churlish. Under the budget the school will receive not just $500 000 but $550 000 as the total end cost for a canteen, toilets and a multipurpose room. The first instalment of that money will be $36 000 in the year 2000–01. It is well deserved by the students of Caulfield South Primary School.

Ms GARBUTT (Minister for Environment and Conservation) — The honourable member for Gisborne raised with me a serious matter concerning logging in the Trentham area. This morning I received phone calls from Trentham residents who believed that logging was occurring in an area set aside under the regional forest agreement for the protection of the powerful owl in a special management protection zone. I ordered the logging to be stopped immediately and demanded a full explanation from the department. This afternoon the department advised me that it had made a serious error by commencing logging at the boundary of an area set aside as a special management zone. That is absolutely outrageous and totally unacceptable.

I understand that the honourable member is distressed and so are the residents of Gisborne, and I am concerned and angry that that has occurred. I have demanded a full investigation immediately. I have asked for full details on how that occurred, how it can be ensured that it does not and cannot happen again and what can be done to offset the incident. I expect to receive a report tomorrow and will consider all the options at that time and get back to the member.

I have been advised by the department that so far the impact on the powerful owl is concerned the incident did not occur in a pristine area. It was logged some years ago. As a result the department does not expect it will have a severe impact on the powerful owl in the area.

The government recognises the commitment of Trentham residents to the protection of the powerful owl. They made representations to the independent panel I appointed to hear community concerns during the regional forest agreement process. They campaigned strongly. The government listened and acted, providing that protection to the powerful owl. It is disturbing, indeed outrageous, that the department should make such a damaging mistake, and I will make sure it does not happen again.

The honourable member for Mildura raised with me an issue concerning Wimmera–Mallee Water. He has outlined how it is discouraging self-management of water catchments. That is a serious issue in the present extended drought. Wimmera–Mallee Water has advised the member it will not make a decision about the issue and that it should be a ministerial decision. I will seek details from Wimmera–Mallee Water, consider the decision and advise the member of its resolution.

Mr CAMERON (Minister for Workcover) — The honourable member for Springvale raised a matter concerning first-aid courses. He outlined to the house that a firm in Keysborough had enrolled some employees in a course but only two of the four employees did the course. Nevertheless an employee who did not do the course was subsequently sent a certificate saying they he had complete proficiency in a whole range of workplace health and safety areas.

Naturally the honourable member for Springvale is concerned about that. I suspect that that would be of concern to other local people, particularly as this is Health and Safety Week. In Health and Safety Week the government is keen to promote good workplaces, together with unions, employers, organisations and a range of community organisations. The honourable member for Springvale has asked that I look at the matter, investigate how that could have come about and consider the need to examine the requirements of conducting workplace first-aid certificate courses. I advise the honourable member that I will examine the matter and subsequently reply to him.

Mr HAERMEYER (Minister for Police and Emergency Services) — The honourable member for Carrum raised the provision of a new police station for Mordialloc, which I have to say has been a running sore for some time. It was one of the police stations committed to by the Cain–Kirner government, the last

Labor government. The previous government upon coming to office spent some millions of dollars in buying out contracts to ensure the police station was not built.

I congratulate the honourable member for Carrum. She is the one local member in the area who has taken an ongoing interest in this matter, unlike the honourable member for Mordialloc. The honourable member for Carrum says the honourable member used the campaign slogan of 'Geoff Leigh gets results'.

Honourable members interjecting.

Mr HAERMEYER — He promised the Dingley bypass in 1996 — nothing happened. He promised the Mordialloc police station — again nothing happened.

Mr Leigh — You won't give it to us!

Mr HAERMEYER — The honourable member for Mordialloc is getting very excited. For seven years the honourable member for Mordialloc and his party were in government — seven long years! Seven years in which they could have built a police station in Mordialloc, and they did nothing!

The honourable member for Mordialloc is running around saying because the Mordialloc police station does not appear in this year's budget papers the Labor government has no commitment to building it.

Mr Mulder interjected.

Mr HAERMEYER — Absolutely, and very grateful you are, aren't you? The honourable member for Polwarth obviously takes a lot more interest in the police stations in his electorate than the honourable member for Mordialloc does in his. He is a good member compared to the honourable member for Mordialloc. He got five police stations!

The ACTING SPEAKER (Mr Loney) — Order! The minister will refrain from travelling the state's police stations otherwise we will be here all night!

Mr HAERMEYER — The honourable member for Mordialloc says that because Mordialloc police station is not mentioned in this year's budget the Labor government is not committed to building it. The reality is that the Mordialloc police station was provided for in the current year's budget, which is the 1999–2000 budget. That was a budget brought down by the previous government. I have to ask the question: was that merely a phantom budget and was it a fake promise? I am baffled. The Labor government is looking to finalise a site on the basis that the money was made available by the previous government, so I hope the money is actually available. I will check just to make sure that the money is there.

If the money is not available, the Labor government will give the commitment that during its first term, it will build in Mordialloc the police station the honourable member for Mordialloc never realised was needed, that he has only just discovered and that the previous government did not build in seven years!

The honourable member for Mordialloc seems to have some difficulty with budget documents because funding for the station was promised in his own government's budget. I do not know whether he needs it written in crayon or whether he is just an idiot looking for a village!

This government will build a police station in Mordialloc no matter how much he drags his knuckles along the ground here — thank heavens the carpet in this place has been replaced!

Mr BRUMBY (Minister for State and Regional Development) — The honourable member for Wimmera raised a matter with me regarding a proposal from the Wimmera Development Association for a leadership program called the Wimmera Business and Community Leadership program and seeking funding of $167 500.

I have attended the Wimmera region on a number of occasions; I recently spoke at a very large and well attended gathering sponsored by the Wimmera 20–20 agribusiness forum at which a number of awards were presented to young business leaders. A great deal of positive work is occurring in that region in creating leadership programs and sponsoring of young business achievers.

Pursuant to the government's Reviving Rural and Regional Victoria action plan, the Bracks government is committed to encouraging and strengthening leadership skills and capacities in rural communities. Leadership training for rural and regional Victoria was a prominent feature of my address to Melbourne University's Centre for Public Policy on 17 April. I stressed that the development and enhancement of leadership skills and capacities was important to the social, economic and the commercial development of our rural communities.

A number of regionally based programs are already operating across country Victoria in Gippsland, Goulburn, Murray, Loddon and Alpine valleys, and other programs are being developed for Barwon,

Western in Ballarat and South–Western in Warrnambool.

The honourable member for Wimmera raised the matter on behalf of the Wimmera Development Association. I understand the association has been discussing its proposal directly with the rural communities office.

In fostering leadership skills and capacities and developing a rural community leadership program, the government is keen to address what it sees to be a number of essential issues. These include, firstly, the need to focus on encouraging interest and developing leadership skills and capacities in our smaller and medium-sized communities in particular and, secondly, placing emphasis on meeting vital practical skills and needs.

The other issues are, thirdly, ensuring a project-based approach to funding rather than an individual allocation; and fourthly, ensuring there are straightforward, effective and practical administrative arrangements in place.

I envisage that funds for the rural community leadership program will be available to 47 councils throughout regional and rural Victoria. Funds will be available to councils and other bodies such as chambers of commerce, service clubs and regional development organisations to implement initiatives, promote leadership and enhance skills and capacities in country towns and rural communities.

In the budget delivered by the Premier on Tuesday the government has committed $1.75 million over each of the next three years towards funding for leadership programs and other local economic initiatives. I made a key announcement jointly with the Minister for Agriculture, the Honourable Keith Hamilton, that funds will be allocated from the program and his department. The program has the highest priority for the Victorian Farmers Federation: a rural leadership program focused on capacity building in small and medium-size communities.

There will be 10 pilot projects across the state over the next three years. It is a significant commitment to capacity building. Trial projects are currently operating in Victoria, and the government believes they can build jobs, confidence and investment in rural Victoria.

I will look closely at the application from the Wimmera Development Association through its executive officer, Philip Sabien. It is a good proposal but is substantial and has to be matched with the available funds over the next three years. An announcement will be made within the next three weeks.

Ms PIKE (Minister for Housing) — The honourable member for Prahran asked about the second stage of a project to build units for older people in Glen Iris.

I am pleased the matter of the community housing joint ventures has been raised. The government is committed to providing a wide range of affordable housing for low-income earners within the community. Yesterday the Treasurer announced in the budget an additional $94.5 million — the first new money above the commonwealth–state housing agreement and a significant injection of resources into just this kind of project where people get together with government to provide the opportunity for low-income earners, whether they are young or old, to have access to affordable housing.

The particular project referred to by the honourable member for Prahran is with the Malvern Elderly Citizens Welfare Association. The first stage of the venture, 20 units for elderly people in Elm Road, Glen Iris, has been built and people are living in the units. It is a good project and the government is now moving on to the second stage. MECWA has successfully tendered for the second stage. The Office of Housing is now evaluating the project and there is some debate about whether accommodation should be for singles or doubles.

Given that it is a large project valued at $2 million further discussion is necessary on the final details of the nature of the accommodation. I understand from the Office of Housing that the region is setting a meeting to resolve the matter and when the plans are approved the project should proceed. Shortly we will see the second stage of the project being built and soon another 20 or so older people in the area will be successfully accommodated in a community housing project.

The SPEAKER — Order! The house stands adjourned.

House adjourned 10.57 p.m.

Thursday, 4 May 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.35 a.m. and read the prayer.

PETITION

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

Sunshine Hospital

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

Due to the long waiting periods, some as long as 4–5 hours, at the Sunshine and Western General hospitals, patients are paying exorbitant fees for car parking. Pensioners especially are burdened, as they may have to visit frequently for treatment.

Your petitioners therefore pray that the government look at ways of reducing the cost of car parking at the Sunshine Hospital.

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

By Mr LANGUILLER (Sunshine) (105 signatures)

Laid on table.

PAPER

Laid on table by Clerk:

Report of the Central Wellington Health Service for the year 1998–99.

HOUSE COMMITTEE

Membership

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That Mr Leigh be discharged from attendance on the House Committee and that Mr Rowe be appointed in his stead.

Motion agreed to.

MEMBERS STATEMENTS

Alpine cattle grazing

Mr RYAN (Leader of the National Party) — I rise today on behalf of the members of the Mountain Cattlemen's Association of Victoria, those great people who for many years have had a close association with the alpine country.

In January 1998, the tragic fires in the Caledonian area burnt out some 24 000 hectares of the Alpine National Park. As a result of that event mountain cattlemen were unable to graze their cattle in the alpine areas for the subsequent season. In the following year an attempt was made by mountain cattlemen to be able to take their stock back up into the national park, but they were unable to do so because the department would not grant them permission. Subsequently the matter was referred to an independent panel. The panel reported to the Minister for Environment and Conservation, who accepted the recommendation that mountain cattlemen should not be able to graze their cattle during the course of last season.

My concern is that for the coming season mountain cattlemen need to be able to get their stock back up into the high country. From November until April next year the opportunity exists for them to do so provided they are given permission by the department. I call on the government to support the department and allow these people to do what they have done for more than 100 years: that is, graze their stock in the high country. It costs them severely if they are unable to do so because they then have to agist the cattle in other places — a huge expenditure for them. In those circumstances mountain cattlemen are not only robbed of the benefit of being able to graze their stock in the high country but also lose the benefit — —

The SPEAKER — Order! The honourable members time has expired.

David Chittenden

Mr HARDMAN (Seymour) — On the evening of last Friday, 28 April, I had the pleasure of presenting the Queen's Scout badge to David Chittenden of the Seymour Venturers unit. To achieve the Queen's Scout award potential recipients have to complete a rigorous set of requirements and be assessed by not only by their own leaders but also by district leaders, so David was under great scrutiny. An individual who chooses the Queen's Scout award as a goal for achievement must have great commitment in the first place, and I am sure whatever is learnt along the way provides a sound base for the rest of that person's life.

Any person aspiring to win the award must complete all requirements, which is a great exercise in character building.

David obviously has great character, determination and self-discipline, characteristics to be admired in a young person experiencing the rigours of teenage and adolescent years. The Queen's Scout award is

recognised by the general community. A recipient must show qualities of discipline, determination and commitment. Most worthwhile things in life take much effort. I congratulate David, along with his parents, Neil and Lesley, and his leader, Julie Parsons, who all supported and encouraged him along the way.

Sandringham Primary School

Mr THOMPSON (Sandringham) — I acknowledge the outstanding leadership and vision over the past eight years of the principal, Helen Worladge, and deputy principal, Laureen Walton, of Sandringham Primary School. During that time the school has become a leader in educational innovation and development, including expansive programs for staff development.

Importantly, infrastructure improvement has occurred to the school site. Unusually for a middle-Melbourne school, several years ago it expanded its building envelope with the acquisition of adjoining property. A community playground was organised through the initiative of Bridie Murphy where the entire school community developed this outstanding facility. More recently, the school has been involved in teacher exchange programs and other staff development initiatives.

Over the past few years under the leadership of former school council president, Philip Burn, and the current school council president, Jon Duggan, who is also an architect, much work has been done in the development of a school master plan and upgrade, funding for which has recently been announced and which formed part of the forward estimates of former education department program funding. The grant will enable a smaller school site to develop facilities more consistent with its longer term enrolment numbers. The school has a student population base of some 600 students — —

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

Budget: Ballarat

Ms OVERINGTON (Ballarat West) — I have pleasure in speaking about the Bracks government's first budget benefits for the Ballarat West electorate and the Ballarat community. Initiatives announced in the budget strengthen education, health and employment programs in Ballarat and deliver a major boost to much-needed capital works.

Projects to be funded in my electorate include $6 million to complete the final stage of Ballarat Base Hospital, $400 000 for Gillies Street roadworks, $200 000 for an upgrade of the Eastern Oval playing surface that was promised for seven long years, and $231 000 for an upgrade of Redan Primary School.

Other specific measures announced for the Ballarat region include a commitment to the Ballarat–Melbourne fast rail link, with $80 million committed over three years for regional fast rail links, and the establishment of a 24-hour MICA unit in Ballarat, something the community has been requesting again for seven long years. Other benefits will flow to Ballarat from statewide initiatives in key areas of health, community services, education, employment and infrastructure.

Rosebud foreshore

Mr DIXON (Dromana) — The Rosebud foreshore reserve landscape management plan has now been released for public comment. Funding for the project came from a $2 million grant announced some 12 months ago by the former Premier. At the change of government $1 million was released and some capital works have commenced. The management plan formed part of the $1 million grant. I believe the rain will now send the last of the campers home and the remainder of the capital works will shortly commence.

The local community and I call on the Minister for Environment and Conservation to release the second part of the grant promised by the former government to bring the landscape plan to fruition and complete the capital works over the coming financial year.

I compliment Parks Victoria on its management of the foreshore over the past 12 months. Almost no complaints were received during a busy camping season and the communication between Parks Victoria, campers and day visitors was exemplary. The consultative manner by which the landscape plan was developed was excellent.

Drugs: supervised injecting facilities

Mr HOLDING (Springvale) — I recommend a report into safe injecting rooms released by the Youth Substance Abuse Service and Turning Point Alcohol and Drug Centre to honourable members. In producing the report the attitudes of some 215 Melbourne street-based heroin users were surveyed.

I direct two of the findings to the attention of honourable members. The first deals with the location of safe injecting rooms. It was found that the majority, or 82 per cent, of participants had injected in public — that is, public toilet, car, stairwell, lane or park at least once during the past four weeks.

When asked their most frequent location for injecting it was revealed that 56 per cent reported that they mostly injected in public places including public toilets, 17.3 per cent; laneways, 12.9 per cent; cars, 8.6 per cent; parks, 7.7 per cent; the street, 5.3 per cent; disused buildings, 2.9 per cent; and stairwells, 1.4 per cent. The report indicates that the establishment of supervised injecting facilities will go some way to reducing the public nuisance street-based heroin injecting is causing in the suburbs, including my electorate of Springvale.

The second aspect deals with the close supervision of injecting. The report concludes that the majority of participants — 82 per cent — reported that close staff supervision of injecting would not deter them from using a supervised injecting facility.

Rural Victoria: sewerage

Mr MAUGHAN (Rodney) — I draw the attention of honourable members to my concerns that the Minister for Environment and Conservation has failed to announce a decision on how she will implement the government's very clear election commitment to abolish the up-front capital contribution for small town sewerage schemes. Schemes that were under way before the change of government, including Warren Street and Wharparilla Drive in Echuca, are in limbo with residents not knowing whether or not they must pay their $1950 capital contribution. Other schemes such as Gunbower and Leitchville that were approved but not started are stalled until the minister announces where the $1950 is coming from.

If the government is genuinely concerned about the environment and in particular the health of the River Murray, as I believe all honourable members are, it is important that small town sewerage schemes proceed as rapidly as possible to prevent nutrients and waste water finding their way into the river and streams. As a matter of priority I urge the minister to announce how she will fund the up-front fees to enable the schemes, particularly in Gunbower and Leitchville, to proceed as rapidly as possible.

Hartwell Primary School

Mr STENSHOLT (Burwood) — I pay tribute to the primary schools in my electorate, particularly Hartwell Primary School, which is well led by its longstanding principal, Mr David Ross.

I had the privilege some weeks ago of addressing the weekly assembly that was extraordinarily well organised and run by the children themselves. Classes take turns to make presentations and all the children actively participate. I was pleased yesterday to host the year 6 children and their teachers, Tricia Hammond and David Dare, at Parliament House and thank the attendants and parliamentary services for their help.

In the past week or so the building of a new multipurpose performing arts centre has commenced. The school will raise some $600 000 to go with the $213 000 provided by the government, an outstanding achievement for an excellent school.

Gippsland: tourism

Mrs FYFFE (Evelyn) — In company with the shadow minister for tourism I recently visited the Gippsland and Latrobe Valley areas of Victoria. I take the opportunity of thanking the many people who made our visit so worthwhile. I particularly thank Gabrielle Gelly of the Lakes and Wilderness Tourism Board, Jennifer North, Wally Smyth of Forestech, John Glynn and Kevin Howlett, Tim Wills and Allan Gurr of the Shire of Wellington, Graham and Astrid Little of Wa De Lock cellars, members of the Dargo and Briagolong community, Jeremy Hales of the Maffra Resource and Telecentre, Bev and Bob Simpson of Wallaby Rise — a lunch that I can fully recommend — Cr Hole of the Shire of Wellington, and Bob Jamieson, the mayor, Tony Hanning, the chief executive officer, Penny Holloway, and other councillors of the Shire of La Trobe, Powerworks, members of the Walhalla Goldfields Railway and citizens of Walhalla, representatives of the Yarragon Traders Association and Gary Gaffney and Kerilyn Wyatt of the Shire of Baw Baw.

The committee also met with representatives and residents of Lakes Entrance, Bairnsdale, Paynesville, Stratford, Maffra, Briagolong, Glenmaggie, Heyfield, Traralgon, Morwell, Walhalla, Yarragon and Warragul. The trip provided committee members with a wonderful insight into the needs of tourism operators in Gippsland and the Latrobe Valley and gave me another opportunity to see the many beautiful and significant attractions that the area has to offer.

The visit provided the committee with a starting point for the future of Gippsland tourism, and I thank all the people we met for their interest, warm welcome, enthusiasm and dedication. I look forward to working with them in the future.

La Trobe University

Ms ALLAN (Bendigo East) — I raise with the house the importance of the Bendigo campus of La Trobe University to the economy of central Victoria,

to Bendigo students and their families, and to the people of central and northern Victoria. I have a strong attachment to the university, having attended there myself. I also retain my connections as a member of the alumni and as the local member of Parliament.

I was alarmed at reports as detailed by the honourable member for Bendigo West in the *Bendigo Advertiser* of 22 April that the university hierarchy in Melbourne was planning to vertically integrate Bendigo with the Bundoora campus and strip away the independent functions and administration at the Bendigo campus. Staff numbers would be cut as a result of such a vertical integration. I condemn the federal government for its narrow, short-sighted cuts to higher education, which as a direct result are putting extreme pressure on regional university campuses such as Bendigo.

I acknowledge the comments by the university's vice-chancellor in the *Bendigo Advertiser* of 27 April that there were no plans to downgrade the Bendigo campus. I urge La Trobe University to stand by that statement now and in the longer term. If anything, the Bendigo campus should be supported, upgraded and strengthened in the interests of students of country Victoria and the economy of central Victoria.

I caution La Trobe University that there would be a considerable community backlash should it decide to cut staff numbers, courses or administration at the Bendigo campus. The City of Greater Bendigo has written to me to raise its concerns about a rumoured downgrading of the university — —

The SPEAKER — Order! The honourable member's time has expired and the time set down for members statements has also expired.

ELECTRONIC TRANSACTIONS (VICTORIA) BILL

Second reading

Debate resumed from 3 May; motion of Mr BRUMBY (Minister for State and Regional Development).

Mr BRUMBY (Minister for State and Regional Development) — I will bring the debate on the Electronic Transactions (Victoria) Bill to a close by thanking all honourable members who contributed to it. I managed to be in the house to hear some, but not all, of the contributions. The parliamentary secretary, the honourable member for Mitcham, was in the house for the second-reading debate and has kept careful note of comments made. I thank honourable members for contributing to the debate on an important piece of legislation that is part of the continuing legislative change to facilitate the growth of e-commerce, information technology (IT) and electronic transactions in Victoria and throughout Australia.

Some of the latest estimates of growth in the industry suggest that in the next decade approximately 2.7 percentage points will be added to the gross domestic product (GDP) just because of the growth of e-commerce. E-commerce will drive the way business is conducted. It will drive down costs and open up new markets. I am fond of saying that in five years time we will be talking not about e-commerce or e-business but about good business practice.

The rate of change has been extraordinary; the parliamentary secretary mentioned some of the statistics on growth. It depends a little on what figures we accept, but the growth in e-commerce and electronic transactions has been truly exponential. World GDP in IT industries generally, including the contribution from e-commerce, has grown from about 3 per cent a decade ago to more than 13 per cent today. E-commerce alone can power GDP changes of 2.7 per cent over the next decade. All businesses will be involved in the e-commerce business.

In that new economy environment a modern legislative and legal framework that facilitates the growth of the industry must be in place, which is what this bill is all about. It is consistent with national and international standards for enabling legislation in the area. It implements the principle of media neutrality by providing a general rule about the validity of electronic transactions and enabling a range of requirements under Victorian law for paper documents to be satisfied by electronic means.

In many respects this is a uniform bill: it closely follows the wording of the commonwealth bill in line with the development of the national scheme. It is important that the bill have that uniformity because e-commerce — and IT generally — is a borderless industry. A mishmash of different regulatory arrangements from state to state would do no more than impinge on and restrict the growth of the industry. It is important to have a high degree of uniformity. If the opportunities exist, one state can highlight particular strengths within its own borders, but a degree of uniformity in an increasingly borderless world and borderless industry is necessary so industry growth is not restricted.

Consistent legal expression across jurisdictions will increase business and community confidence in conducting electronic commerce. Broad consultation

that was conducted by Multimedia Victoria has shown support for the form of the bill and confirmed that it is unlikely that any undesirable or unforeseen consequences will flow from the legislation.

The issue of default rules was raised during the second-reading debate. The rules put in place by the legislation take what I would describe as a commonsense approach, and it is up to the fact finders to determine where and when communications were sent or received.

As I said in my second-reading speech, only two exemptions apply to the general rule prescribed in the bill. The first is in the area of personal service requirements. A person will not be able to satisfy a legal requirement to give information if the law requires the information to be given by hand. Secondly, in the area of wills and codicils, an electronic will is not to have the same legal validity as a paper will.

No other major issues were raised. The bill is entirely consistent with uniform states and territories legislation as endorsed by the Standing Committee of Attorneys-General on 24 March this year — or at least the differences are minor.

The broad legislative area was also discussed at the meeting last year in Alice Springs of IT ministers across Australia. It was chaired by the federal communications minister, Senator Richard Alston. Those ministers are looking forward to the introduction and passage of bills such as this one because it takes an additional step along the path to a media-neutral world — a world in which decisions, facts and transactions will have the same legal effect whether communicated electronically or on paper.

Other IT legislation is on the way that will give people confidence in the infrastructure of the industry. Confidence is important, because without it people will feel restricted or inhibited about using the technologies and will not use them. We must, for example, consider how to handle state laws relating to national privacy legislation. We need a set of rules, a jurisdiction and a set of understandings that will generate confidence in institutional structures. Then, when people send material electronically — signing up for a contract, for example — they can have confidence in the system and in its security. That is important.

Honourable members' contributions to the debate have, in general, been very positive. There were some criticisms of the government by the shadow minister, the honourable member for Doncaster, but I will not take up valuable time responding to them except to say that the bill is one of a number of initiatives that have been foreshadowed or introduced by the government that will put Victoria into the leading position in the IT and ICT areas.

A check list of the initiatives taken by the government in its seven months of office starts with my ministerial statement 'Connecting Victoria'. That statement was the first in seven years in this house on IT policy, and it is significant that the government chose this chamber as the venue for setting out its policy framework for the growth of the industry. It was the first statement, although we have seen others since.

Another initiative is the Victorian E-Commerce Early Movers scheme, which delivers $1.3 million to local government. It is a fabulous project and generates a better than 95 per cent positive response.

Mr Perton interjected.

Mr BRUMBY — The honourable member foolishly offers an inane interjection. I have a file of letters from members of Parliament on his side who have written to me about the value of the VEEMS program and indicating their support for initiatives lodged by their local councils. There is widespread support across the community in business, business groups, local government and the opposition for that exciting initiative.

And why is it exciting? Because whether it is for people in Burwood East working from home or for farmers in the Wimmera linking into international markets it provides assistance with setting up of systems. It is a winner. The Go for IT program is the first traineeship program of its kind anywhere in Australia. It has 125 places and enjoys, once again, the ringing endorsement of the industry, as shown publicly and in letters to me. People acknowledge the leadership role taken by the government in that area.

The government has established the ICT Skills Taskforce. That task force, jointly chaired by Minister Kosky and me, will have no lifelong series of meetings where nothing is achieved — it will have only four meetings. We have to get on top of the problem of skills, and there are no easy answers. We want concrete recommendations from the task force and we will get them.

Multi-Service Express, which I launched in Seymour three weeks ago, carries on from some good work the former government did in the online government services area. Under the Bracks government we now have 92 services online. Even better, people can now

get onto the Web, key in www.vic.gov.au and hit a single button for Multi-Service Express.

Mr Perton interjected.

Mr BRUMBY — You could never do that using the former government's service because the government could never get its departments to agree. It had 70 services on www.vic.gov.au but the user had to know what to look for, how to spell it and where it could be found. Now there is a single button for 92 services and that is a first — not only for Australia but around the world. And who achieved that? The Bracks government.

The government has provided a wide range of new investments in the area. In seven months of office the government has approved $150 million in new investments and created 1000 new jobs. Investment in regional Victoria has included assistance to AAPT, Adacel in Wodonga — a very exciting project, and one which would not have occurred without the very strong support of the Victorian government — eSign, Primus, the mobile phone networks, and a whole range of other investments in the ICT area, all boosting jobs and opportunities.

In his budget statement earlier this week the Premier and Treasurer announced an additional $9 million in investments for Internet access facilities across the state, and I have some exciting announcements to make about that. At the moment we are auditing existing facilities and assessing future needs so that Victorians will have guaranteed Internet access whether they live in the city or in the country.

The government has also announced a fund of $800 000 for an electronic export assistance centre — yet another initiative that has not been attempted in Victoria before. We will set up a web site so that from anywhere in the state a person wishing to export products — —

Mr Perton interjected.

Mr BRUMBY — The honourable member asks what we will do with the money. We will set up the web site and the software so that people and businesses can use the facility no matter where they are in the state. Everything you need to know, every form you need, every transaction and every detail will be there. That is the sort of simple, practical and cost-effective assistance being provided by the Bracks government.

The government will expand Skillsnet to produce Skillsnet II. That service will provide an additional 40 000 places over the next three years.

Mr Perton interjected.

Mr BRUMBY — The former government provided 30 000, the Bracks government will provide 40 000. That means that more people without technological skills can gain them in the future.

The government is continuing with the Chipskills program to assist the microchip industry and will allocate $5 million to it over the next three years. Technology commercialisation programs will be funded to the amount of $20 million to assist innovation in broad areas that span biotechnology and elements of the IT industry.

Another budget initiative announced on Tuesday is the establishment of four one-stop shops in regional Victoria for electronic service delivery — —

Mr Perton — Four?

Mr BRUMBY — Yes, four centres in seven months of the Bracks government, as opposed to zero in seven years under the former government.

In all those areas Victoria is setting the pace. We are out in front, and the government is removing the impediments to those industries.

I commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

NATIONAL TAXATION REFORM (FURTHER CONSEQUENTIAL PROVISIONS) BILL

Second reading

Debate resumed from 3 May; motion of Mr BRUMBY (Minister for Finance).

Mr LENDERS (Dandenong North) — As I said in my contribution to the debate last night, the National Taxation Reform (Further Consequential Provisions) Bill is one of a series of bills that deal with fixing the mess of the goods and services tax (GST).

I have spoken about that mess before, and many other government members feel passionately about the issue. The members of the federal government and the opposition believe the GST is a fait accompli that we

should all appreciate. Although the government acknowledges the GST will come into effect on 1 July, it also takes seriously its responsibility as a state jurisdiction of fixing the mess for the benefit of all Victorians.

As I have said before, we should not let the issue rest by simply saying, 'The GST involves a macro-economic matter and because the debate is over we should leave it at that', because from 1 July onward, particularly during the first three months until small and micro businesses lodge their first pay-as-you-go returns, the implementation of the GST will cause enormous grief. It will cause as much grief for the small and micro businesses in my electorate of Dandenong North as it will for those businesses in other parts of Victoria and Australia. Leaving aside the arguments about the GST being socially regressive, as a Parliament we should also be concerned about and pay careful attention to the other effects of its implementation.

The bill is the second piece of remedial legislation introduced into Parliament. The first bill also introduced a series of measures relating to the GST. I repeat the expression I have used in several debates in the past: the GST is to small business as the boll weevil was to the cotton industry during the last century. Members of the National Party should understand that point, given that their constituents constantly feel betrayed by them. Their constituents in Benalla will be particularly aware that the GST hurts small and micro businesses in a big way.

Last night the Deputy Leader of the Opposition said that the Liberal–National partnership would support the bill — or rather, that it would not oppose the bill, which presumably means that the bill will be passed. I will refer to a few of her comments before I deal with the clauses. The government welcomes and appreciates the support of the Liberal–National partnership for the bill and the courteous remarks the Deputy Leader of the Opposition made about the briefing given by the Minister for Finance and the Department of Treasury and Finance.

I understand where the honourable member was coming from when she made some of her remarks last night. She is in opposition, and oppositions often try to take cheap pot shots at governments about revenue and other matters. However, as a person who seeks to be Treasurer of Victoria I think she should also pay some heed to protecting the revenue stream of Victoria. It is easy to be a populist opposition and to have a go at the government about revenue legislation. But as someone from a party that purports to be fiscally prudent and wishes to hold the Labor Party to account, she should also be conscience of the revenue base when making such populist statements.

The Deputy Leader of the Opposition raised a concern about the government's considered decision to impose a 5 per cent charge on Transport Accident Commission premiums as a consequence of the GST. The Minister for Finance has raised that issue in the house before, and the shadow Treasurer has expressed grave concerns about it. Every member on this side of the house supports lower taxation, which is why the government provided for business tax cuts in the budget tabled by the Treasurer this week. The imposition of tax premiums is not part of a conspiracy on the part of the Victorian Labor government; the South Australian and Australian Capital Territory Liberal governments have also imposed a 5 per cent GST component on their TAC equivalents.

The imposition of those tax premiums is something that this fiscally prudent government, which is a friend of small business, has had to do as a last resort to deal with the federal government's anti-small business, iniquitous GST. I am sure the Deputy Leader of the Opposition is aware of that, but populist gestures come about as a result of people adjusting to their roles in opposition.

The other point I wish to make about the contribution to the debate of the Deputy Leader of the Opposition is that the government is focused on issues affecting Victoria in particular. I understand she has a keen interest in the affairs of New South Wales given that she was on the staff of Peter Collins, a former New South Wales Treasurer and Minister for Health. The shadow Treasurer has a keen understanding of the New South Wales political system, and has followed with some interest the work of the New South Wales Labor government.

She refers constantly to the various things being done by Michael Egan, the New South Wales Treasurer. Although the government is also interested in what happens in New South Wales — many good things have come from that Labor government — given that it is the custodian of the state of Victoria it is more concerned with addressing matters that are important to this state. The government is more interested in what is happening in this low-taxing Bracks state — which, given this week's budget, will have lower state taxes than New South Wales — than it is in matters affecting New South Wales.

I suggest the Deputy Leader of the Opposition should focus more on the important matters concerning Victoria than on interstate matters. Victoria is where the main action is for this government. The government is

concerned with protecting the state revenue base and having a good, sound budget that is fiscally conservative and socially progressive.

The purpose of the bill is to keep Victoria within that fiscally responsible, socially progressive context rather than addressing the mess the federal Liberal Party has left in a cavalier way. The bill deals with remedial issues to address the glitches that may arise as a result of the introduction of the GST. I will leave the issues concerning the social aspects of the GST and whether it is a prudent form of taxation aside, because they have been debated at the federal level. Instead I will consider the matters that need to be addressed as a result of the introduction of the GST.

A financially prudent government wants people to plan for their retirement, but the elderly are a vulnerable group. One clause deals with the imposition of the GST on prepaid funerals. Many people are prudent enough to plan and prepay for their funerals, because they do not want their relatives arranging for a funeral at a time of grief. It is sad and unfortunate that the Victorian government has to deal with the consequences of imposing the GST on prepaid funerals.

The provisions dealing with that matter are simple. Those good citizens who have prepaid for their funerals to remove anxiety from their families at a time of grief would be unimpressed that one more level of grief and anxiety will be placed on their families as a result of imposing the GST on prepaid funerals. It is a minor clause of the bill, but it deals with the possible consequences that are typical of the imposition of the GST. The consequential amendments that affect the more senior, frail and vulnerable members of the community are similar to the provisions dealing with the GST across-the-board, particularly those that affect small and micro business.

The other issue I draw particular attention to is the effect the bill will have on gaming. The previous GST amendment bill contained provisions dealing with issues concerning Tabcorp and Tattersalls. This bill contains a number of clauses dealing with the casino. All the clauses are revenue neutral, and there is nothing controversial about them. They contain complex formulas, but they do not change the tax mix or the final bottom line on tax revenue from gaming.

The Minister for Gaming has already announced the effects of the bill, so I will not deal with those issues further. However, as a local member I become anxious when I see legislation that changes the formulas applying to the percentage of gaming revenue that goes to the punters. I can visualise the Tattersalls outlet in Menzies Avenue in my electorate of Dandenong North. Menzies Avenue has a great shopping centre. It has an unfortunate name, but other than that it has a fantastic small strip shopping centre that is typical of my electorate. Ironically, it has the strongest voting electoral booth in my electorate! The shopping centre includes a shop where people can buy their Tattslotto tickets.

I am amazed to read some of the complex clauses in the bill dealing with how, for example, the GST revenue is recouped using the one-eleventh formula. I am concerned to see clauses which say that the percentage of state revenue will drop from 36 per cent to 32.36 per cent. Other matters addressed are issues surrounding gambling neutrality; how accreditation of representatives from Tattersalls will be affected; and whether accredited representatives are independent agents or linked to Tattersalls.

All the consequential amendments arise from something as simple as ensuring that a person who pays $2.05 or $2.10 to buy a Tatts ticket will not be disadvantaged by the GST, and how the state government, the agent and Tattersalls will not be disadvantaged by the GST. One starts to wonder about the great panacea of the so-called simple tax system!

I am concerned about what will happen to my constituents in Dandenong North when they buy a Tattslotto ticket once the GST has been introduced. I am concerned that they are not disadvantaged, that the odds will not be affected so that when they buy a Tattslotto ticket they think their chances of winning are reduced because of the Prime Minister's tax. The bill will ensure that the punter who buys a Tattslotto ticket is not disadvantaged.

The obvious question is: why is the Victorian government introducing bill after bill to deal with something as simple as a punter not being disadvantaged when buying a Tattslotto ticket in the main street of my electorate? The answer is also obvious: we are dealing with the mess that has been created in this state and this country by John Howard's grand tax adventure. It has provided a grand growth industry for taxation consultants, but its complexity is creating more paperwork for ordinary people. It is providing wonderful work for accountants and for small business and microbusiness people who enjoy coming home at 8 o'clock at night and doing two hours of extra paperwork for John Howard, but it is not much fun for anybody else! I suggest that very few people in my electorate get any great joy from it.

Mr Mulder interjected.

Mr LENDERS — I understand that the honourable member for Wimmera welcomes the GST. I am sure he will take great joy in explaining to people running small businesses and microbusinesses in his electorate why it is beneficial.

Without being churlish, any tax system has its advantages and disadvantages — there is nothing joyous about a tax. But the bill is before us today because the tax system that is being imposed by the federal Liberal–National Party government is a complex tax system with many exceptions and loopholes that have been negotiated through the federal Parliament to meet the Prime Minister's political needs. The Prime Minister had to negotiate with the various interest groups in the Liberal Party as well as with the Australian Democrats and the Queensland National Party. The Queensland branch was probably the only branch of the National Party with any spine on this issue.

Certain items are exempt, such as private school fees, private health insurance and some forms of food — which the Democrats persuaded the Prime Minister to exempt. The tax must be applied to books. A distinction must be made between cooked and uncooked chicken and cut and uncut chicken! Australia will have the most complex tax system the country has seen. I imagine that the Income Tax Assessment Act is now a lot thicker and heavier than it was!

Victoria is required to fix the mess created by the federal Liberal government with the joyous applause of the previous Victorian government. That is why the bill has been introduced. The same conclusion is reached no matter whether a clause deals with a punter buying a Tattslotto ticket, a retiree who has organised a prepaid funeral or people involved in any other aspect of the bill.

I will not go to the amendments to the Racing Act provided for in the bill. A number of my colleagues have a keen interest in that act and will spend time addressing that important and complex issue which requires a lot of attention.

Existing Victorian legislation must be amended because of the GST. The statutory fees and charges provided for in clauses 18, 19 and 20 reflect legislative requirements to make amendments to the Legal Practice Act.

It is pertinent to go back to basics of legislation. Interpretation of the important role of government defines the difference between people on either side of the chamber. While the parties have common attitudes to many issues, with grey areas between, the definition of the role of government is ultimately the one that divides them. The Labor Party holds that government should play a leading role in society because if it does not do so many important social issues in the state are not addressed.

The Labor Party maintains that government needs to make laws to ensure that we live in a good and just society and that there are enough police on the streets, a decent health service and a decent education system — with safety nets in place. If they are not in place we cannot live in a good society and ultimately the rights of the individual are impaired.

The opposition has a different view. Being charitable, it believes that the market will generally sort things out and consequently the role of the state and the safety net is reduced. They are the ideological differences between the parties.

The National Party has of late become more cavalier and supportive of the free-market approach. It was known as the 'agrarian socialists party'. For much of Victoria's history it was in effective coalition with the Labor Party and as recently as 1970 directed preferences to Labor Party candidates in elections. That was primarily because the National Party considered the role of government particularly in rural communities to be to provide support and infrastructure in the community.

In 1970 the National Party — then the Country Party — had 12 of the 73 seats in the Legislative Assembly. It was then far more representative of rural and regional Victoria than it is now.

Mr Steggall interjected.

Mr LENDERS — The honourable member for Swan Hill should know that after his near-death encounter with Carl Ditterich, who challenged him at the last election! People ought be aware of the National Party abandonment of country and regional Victoria in its fetish to achieve free market economics and downsizing of government.

The fact that there are 6 National Party members in today's enlarged Parliament compared with 12 members in the smaller 1970 Parliament has a lot to do with the very reasons why Carl Ditterich almost won the seat of Swan Hill, which also provide an explanation for Warrnambool, Polwarth, Benambra and a number of other electorates being represented by Liberal members.

Debate on a bill that removes some of the complexities of the GST provides a timely opportunity to reflect on

why the community has abandoned both the National and Liberal parties.

Mr WELLS (Wantirna) — It gives me great pleasure to join the debate on the National Taxation Reform (Further Consequential Provisions) Bill. It is almost a tradition now that in debate I follow the honourable member for Dandenong North.

The bill is the second of two measures necessary to effect the national taxation reforms and meet Victoria's obligations under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations signed in June 1999. It has been introduced to deal with the implications of the goods and services tax on Victoria.

The goods and services tax will become effective on 1 July 2000 and all GST revenue will flow to states and territories. Wholesale sales tax will be abolished on 1 July and the financial assistance grants and revenues from the federal government to the states will end. The deal made with the states guarantees that no state will be financially worse off. In addition, Victoria must find embedded tax savings of $100 million that will flow back to the commonwealth government. The Labor government is stating that, as a consequence, many taxes and charges may increase by the full 10 per cent.

The minister's second-reading speech reflects the government's carping and whining about the legislation. It states:

> While the Bracks government does not support the GST, it is obliged to honour the previous government's commitments under the Intergovernmental Agreement on the Reform of Commonwealth–State Relations.

The comments by the government are hypocritical. I would like to know what pressure the Premier is putting on Kim Beazley about his roll-back position to be taken to the next Federal election. It is one thing to say in the second-reading speech that the GST is not supported by the state Labor government — but what pressure is being applied by the Premier to Kim Beazley?

Kim Beazley has said he is going to roll back the GST, but he is all at sea in the detail of what he will do. If the state Labor government is so keen to get rid of it, the Premier should tell the federal Leader of the Opposition that he needs to abolish it. I suspect the government is being hypocritical with its rhetoric. I refer to a number of newspaper articles on Kim Beazley and the GST. It is important to put this on the record so the issue will be taken up by the Treasurer or the Minister for Finance in closing the debate and the house can be informed on what pressure will be put on the federal Labor leader to pull back the GST.

An article in the *Age* of 25 September 1998 headed 'Howard challenges Beazley to pledge to repeal a GST' states:

> The credibility of Labor's opposition to the GST was called into question by the Prime Minister, Mr John Howard, yesterday after the ALP refused to commit to the GST's repeal in the future.

Mr Beazley's position is outlined, but the future leader of the federal Labor government Mr Crean, in an interview on the same day:

> … repeatedly refused to commit a future Labor government to the repeal of a GST if it was introduced by the Howard government.

The *Sydney Morning Herald* of 1 October 1998 reports the federal Labor leader Mr Beazley as saying, 'You'll never get rid of a GST'. The article continues:

> It would be impossible for any future government to repeal a GST, or even amend it to exclude food, once it was introduced, the Leader of the Opposition, Mr Beazley, said yesterday.
>
> In an address to the National Press Club in Canberra, Mr Beazley hammered home the message that the way the Howard tax package was structured, with revenue and power over the GST to be ceded to the states, made it impossible for a federal government to repeal or amend it.

Last year just when it was thought Mr Beazley was getting some conviction in regard to his view on the GST, an article by Michelle Grattan headed 'Beazley "on road" to GST roll-back' said:

> The opposition leader, Mr Beazley, conceded yesterday that in promising to 'roll back' the GST the Labor Party was travelling an uncharted road, with a still unknown destination.

There is the leadership and vision — a comfort to the people of Victoria and Australia on the direction of the federal Labor government! It continues:

> Mr Beazley proposes to make the roll-back a central plank of Labor's election strategy for 2001.

So one minute it is an uncharted road and an unknown destination, then it is going to be an essential plank of the election strategy for 2001. Mr Beazley goes on to say:

> We're committed to rolling it back; you'll have to give us time as to what this means.

The article continues:

> Mr Beazley said there would be a 'dollar sign' attached to a GST roll-back so 'you would want your other policies in

> place before you committed to the dimension of the first phase'.

This is a wonderful opportunity for the Premier on behalf of Victorians to suggest to Mr Beazley a way to get rid of the GST. It would be consistent with the second-reading speech, and the comments of the honourable member for Dandenong North and other Labor backbenchers that the GST is bad, that Victoria will be worse off and that it should be abolished. Government members should put up their hands and have the courage to tell Kim Beazley that he should get rid of it. I suspect that will not happen.

Mr Dixon — No vision here either.

Mr WELLS — There is certainly no vision here so long as the revenue is available for the next one or two years.

Shane Stone, the former Chief Minister of the Northern Territory, spoke at a Liberal function about other Labor states. When he went to sign off on the commonwealth–state agreement he was pushed out of the way by Premier Beattie from Queensland and Premier Carr from New South Wales who could not get there fast enough to sign on the dotted line. Poor old Shane had to wait for the Labor premiers to get in there and sign up.

The second-reading speech states:

> It is reiterated there will be no windfall gain to the government arising from the fact that stamp duties will apply to GST-inclusive prices from 1 July 2000 as a result of the abolition of the wholesale tax.

The comment is in contradiction to that of the New South Wales Labor Treasurer who suspects the GST will be a windfall gain for the state and is prepared to review it.

The opposition asks the government to be prepared to review that part of the legislation where a stamp duty component is applied on top of the GST component. At this stage it is presumptuous to say there will be no windfall gain.

The GST is a broad-based growth tax. As the population increases and the economy grows the burden of tax is spread across the population. To rely on the current tax systems is unrealistic. In the mid-1980s Paul Keating, the then Treasurer, suggested a GST for Australia.

At that time the then Leader of the Opposition, the current Prime Minister, the Honourable John Howard, said to then Labor Treasurer, the Honourable Paul Keating, that if the Labor government introduced a goods and services tax the Liberal Party would support it. Of course, Treasurer Keating decided that instead of introducing a GST he would increase the wholesale sales tax on a range of selected items. For example, Quik, a powdered additive that children put into milk, is sold in two forms — chocolate Quik and pink Quik. Chocolate Quik does not attract wholesale sales tax but pink Quik is considered confectionery and 22 per cent wholesale sales tax is applied to it.

The honourable member for Dandenong North said the GST is confusing. I wonder how he would explain to people visiting Australia from overseas the application of the wholesale sales tax on some items but not on others. It is inconsistent and unfair — it is a sleaze tax. The government of the day can increase the rates of wholesale sales tax without telling the community, whereas the GST is up front. Although some items are exempt from GST most are not, and there are no other taxes linked to it.

The government has said the GST will mean Victoria will be worse off financially. I make two points about that claim. Firstly, the former Treasurer, the Honourable Alan Stockdale, ensured Victoria had a budget surplus of $1.7 billion, so I am not sure how the government will be worse off in a global sense. Secondly, the transitional arrangements in the National Taxation Reform (Consequential Provisions) Act guarantee that states will be no worse off. Under the heading 'Guarantee in legislation', paragraph C1 of appendix C states:

> Commonwealth legislation will provide a State or Territory with an entitlement to an additional amount of funding from the Commonwealth to offset any shortfall between its entitlement to GST revenue grants and the total amount of funding which would ensure that the budgetary position of a State or Territory is not worse off during the transition period.
>
> (i) In 2000–01, transitional assistance will be provided to the State or Territory as a grant or an interest free loan to be repaid to the Commonwealth in full in 2001–02.
>
> (ii) In subsequent transitional years, transitional assistance will be provided to a State or Territory as a grant.

It is nonsense for the Premier to bleat that the introduction of the GST will not ensure the financial position of the state's revenues when the legislation guarantees an entitlement to offset any shortfall. Perhaps the government has not even read its own legislation.

Part 1 of the National Taxation Reform (Further Consequential Provisions) Bill contains the introductory provisions relating to its purpose and commencement. Part 2 relates to negotiations and

contains specific provisions. Clause 3 amends the Accident Compensation Act by replacing the term 'premium' with the term 'penalty' to ensure that a penalty does not attract the GST.

Mr Steggall — It is like a legal fiddle.

Mr WELLS — It is similar. It would be unfair if the GST were to apply to a penalty. Clause 4 amends the Funerals (Pre-paid Money) Act to ensure that the GST portion of money paid for prepaid funerals is not subject to the investment requirements of the act and can be remitted to the taxation office by funeral directors.

Part 4 of the bill relates to casino operators. Clause 6 provides for the insertion of a definition of the sixth deed of variation in section 4 of the Casino (Management Agreement) Act. It will be inserted as schedule 7 of the act and is necessary to adjust the formula for the application of the GST to casino revenue.

I was unsure how a bad debt would occur at the casino. Evidently commission-based players must bet a minimum amount of money, and in some of the secluded rooms that cater for high rollers bets are taken on the basis of a nod of the head. Sometimes a person may commit to a bet by giving a nod but may not have the required money in his or her account. The amendment ensures that a bad debt will not attract the GST and can be written off. It is tightly regulated. One would suspect a person who refused to pay for a lost bet would not be allowed to gamble at the casino again.

I am disappointed that the Labor government believes cemetery fees can be increased by 10 per cent. Clause 18 provides for cemetery fees to be increased by a figure up to the amount of the GST. The assumption is that no savings will occur because of the abolition of the wholesale sales tax and that fees will be increased by the full 10 per cent. Treasury officials said that market forces will ensure that does not occur. I am not sure whether that will be so and it may be that trustees of cemeteries will increase their fees by the full 10 per cent.

The GST will be of enormous benefit to Victoria and the national reform legislation guarantees that its revenue will not suffer. The removal of the requirement to pay provisional tax will be a boon for small businesses, and I hope the honourable member for Dandenong North will advise his constituents of that fact. However, small businesses will need to keep proper accounting records, especially for taxation purposes.

Mr STENSHOLT (Burwood) — I support the National Taxation Reform (Further Consequential Provisions) Bill, which is the second bill to deal with the impact of the goods and services tax (GST). It provides the legislative changes necessary to implement Victoria's obligations under the inter-governmental agreement on the reform of commonwealth–state financial arrangements, and in doing so it deals with the indirect impact of the GST on goods or services in respect of which a legislative adjustment is required. The GST, which is to be imposed by the federal government on 1 July, is already affecting consumers through increases in insurance premiums, subscriptions to newspapers and journals, and membership fees of organisations.

The government does not support the GST and has campaigned actively against it. When I was working in support of the local Labor candidate during the last federal election campaign I spoke with all small businesses in the area and asked them what impact the GST would have on them. The government continues to point out the anomalies and problems associated with the GST.

During the debate on the previous national taxation reform bill there was extensive discussion on the anomalies. I remember referring to the teddy bear federal Treasurer who had trouble with baby clothing that had teddy bears on it. Debate also took place about hot and cold chickens. Already large volumes of books have been published explaining what is not covered by the GST. It is most likely that the Australian Tax Office is behind in issuing guidelines, advice and determinations on the implications of the GST. Small business is plagued by problems with the introduction of a tax that is clearly on the nose throughout my constituency in Burwood.

Honourable members have heard about people who are cash poor and asset rich. It is common knowledge in the Burwood electorate that pensioners on limited means will find the GST difficult because their main source of wealth is the family home, in which they may have lived for more than 50 or 60 years. Their rates and insurance premiums have already increased because of the GST, so their living costs will increase. Unemployed people and people living on low wages in public housing will also find the GST difficult because it will lead to increases in the costs of a whole range of goods and services, including school uniforms. They will be affected by imposts associated with the tax.

Approximately 30 per cent of my constituents are small business people or professionals and they have expressed concern about the GST. Those with whom I

have spoken over the past few months have said they are against the tax. Universally they have said they are anxious and that the period leading up to the introduction of the GST is a stressful time. Even members of the Liberal Party and so-called Liberal supporters in my electorate are openly critical of the GST and its implications for business.

The traders association magazine distributed at my local shopping centre recently carried an article criticising the impact of the GST and said it will cause the Howard government to lose the next election. That echoes the current thinking of those in the small business sector in my electorate. They are not silly and know when they are in trouble. Many traders and suppliers who have been in business and are 50 years or more are looking to retire early because of the changes and associated problems they anticipate with the GST.

Plumbers, electricians, shop owners and others believe the change will be so traumatic and dramatic that now is the time for them to get out. Unfortunately, 10 years from now they will regret that decision and will end up joining the ranks of those who are cash poor and asset rich — I hope they will still be asset rich — rather than enjoying a further 5 or 10 years of productive work and contribution to the community. Those who soldier on will have to bear the burden.

My local chemist said that although the introduction of the GST will cost him $20 000 for an electronic accounting system he will receive a measly $200 from the federal government. Although there is no GST on many pharmaceuticals the system is designed in such a way that he will be required to record GST for all items and subsequently remove it from items to which it does not apply. It will be an accounting nightmare.

The government is a reluctant party to the GST. However, the honourable member for Wantirna does not share that reluctance and thinks it is Christmas in the middle of the year for small business. He spoke about the transitional assistance and said that the Victorian government has nothing to worry about. The government does worry about it. The GST was to be a panacea — it was supposed to deliver manna from heaven for state governments. When will that occur? Will it be 2001 or 2002 or maybe 2003? No, the benefit of the GST and a positive cash flow to Victoria will probably come in 2007. It will not be the great panacea it has been suggested it will be.

The honourable member for Wantirna agreed that the GST will create problems. Already there are implications for the health budget of several hundred million dollars — a not insignificant sum in the total context of the state government's expenditure program. The honourable member for Wantirna also spoke about leadership, but failed to mention the record of John Howard.

The honourable member did mention him at one stage, but the Prime Minister is the man who said he would not introduce it — that there would be no GST. It was one of those read-my-lips statements.

Mr Wells interjected.

Mr STENSHOLT — We are not sure whether it was a core or non-core one. The honourable member for Wantirna talked about backbone, yet the nation's leader has introduced the GST, without any core promises, when he said he would not do so.

I have said that the government is reluctant to support the GST. However, it recognises that the intergovernmental agreement was entered into by the previous government. I wonder whether, when the GST agreement was being signed, Jeff Kennett shouldered everybody aside to make sure he signed first. We will have to ask Shane Stone, now the president of the Liberal Party, exactly what happened: I am sure he would have lined up behind and not in front of Jeff Kennett.

The bill seeks to deal with the impact of the GST in line with the intergovernmental agreement. The first GST legislation we heard about in this house several weeks ago concerned a range of matters, including the statutory fees, cessation of the financial institutions duty and reduction of taxes on Tattersalls and Tabcorp to offset the impact of the GST. It is a tricky area, as the honourable member for Wantirna has already mentioned. It is a difficult area to negotiate, which is why the consequential provisions have not been easy to introduce, calculate and negotiate. The bill deals with a further set of consequences and obligations including, for example, dealing with the impact of the GST on the casino.

It is interesting to note that part 4 of the bill, which deals with gambling legislation, contains an extensive section about the casino. It is unusual that a provision to vary the casino management agreement need be included in legislation. That is dealt with in clause 7, which provides for the ratification of the sixth deed of variation to the management agreement; and clause 9 inserts that deed as schedule 7 of the Casino (Management Agreement) Act.

It is necessary to include in the legislation the whole of the sixth deed of variation, including the signatures of the people who have signed it and even those who have

witnessed it, as well as the annexure to schedule 6. It will allow for state tax credits, a special arrangement given the peculiar contract that was entered into to set up the casino in Victoria. The annexure to the deed of variation sets out how the credit is to be calculated. It is quite a comprehensive and difficult calculation that must be carried out.

Interestingly enough, the legislation must include provisions to enable the casino to write off players' bad debts so that GST is not paid on the bad debts of ordinary players, as well as the special high rollers — that is, the commission-based players.

Other aspects of the bill include a reduction in the tax rate for interactive gaming; amendment to the accident compensation arrangements to ensure how the GST will be handled in certain circumstances; arrangements regarding prepaid funerals; amendments to set out the way Tatts lottery tickets and Soccer Pools are taxed; amendments to deal with increases in the Transport Accident Commission (TAC) premium for 2000–01; an increase in ceilings for some legal fees; an increase in cemetery fees and changes to trustee companies' commissions and fees; and the introduction of a levy after abolishing the stamp duty paid on bookmakers' turnover.

The measures ensure neutrality, that there are no taxes on taxes, and that appropriate adjustments are made in line with the federal–state agreement. Some of the provisions need further comment.

The honourable member for Dandenong North has already mentioned prepaid funerals. It is good to see the adjustments made in that regard. Some of the many elderly citizens who live in my electorate worry about their funerals. Many of their friends and family members have died and they wish to ensure their own passing is done with appropriate, quiet dignity. Many of them like to plan for it; they like certainty in their lives, which is why many have taken out prepaid funerals.

The GST is another example of adding unnecessary stress to the lives of elderly people. They have already had the stress in the past few years of the federal government's reduction in care and benefits, and the previous Victorian government was not too crash hot in that area, either. They have also seen the nursing home chaos over the past few years, and think that perhaps not even providing for their funerals is safe. Fortunately, the bill will fix up the uncertainty and provide reassurance for the elderly citizens in my electorate and throughout Victoria.

Honourable members may know of my interest in soccer as well as many other sports. Interest in soccer is thriving in Victoria among men and women, boys and girls. Certainly people at my local soccer club have been wondering what will happen with Soccer Pools. The changes in the bill will protect the level of prizes paid to punters. That is a good result for the Victorian soccer punters.

Another issue concerns the TAC premiums. It is a service; it is like insurance, so the GST will apply to TAC premiums. That will affect the majority of my constituents. The TAC will be required to pay to the Australian Taxation Office a 10 per cent levy on its premiums. The TAC must ensure it conforms to or does not contravene the Australian Competition and Consumer Commission's price exploitation guidelines for the new tax system and the GST.

I thank the actuaries who worked on this legislation, and I am thankful for the excellent and absolutely stunning briefing provided by the department. I note the shadow Treasurer has made a similar comment. I very much appreciate that assistance. The briefing included good information on the TAC; those present were informed that the government will ensure that the increase, although it will not mean a windfall profit to the TAC, will be 5 per cent. My recollection is that that means an average premium will increase from about $238 to $250.

The final aspect is the abolition of stamp duty on bookmakers' turnover. A levy of no more than 1 per cent of bookmakers' betting turnover will be introduced. That will then be turned into providing assistance to the bookmaking industry, as well as providing assistance to country and metropolitan racing.

I commend the new minister on that initiative, which represents the winds of change blowing out the cobwebs in the industry. I also commend his work in the area. The bill is another fine example of good governance by the government, and it will ensure we have good government in Victoria.

Mr STEGGALL (Swan Hill) — In joining the debate on the National Taxation Reform (Further Consequential Provisions) Bill I support the comments made by the Deputy Leader of the Opposition and the honourable member for Wantirna.

The bill is a further step in the progress of the commonwealth–state financial agreements and part of the discussion on the goods and services tax (GST) that has been going on in Australia for many years. It

amends the Accident Compensation Act, the Funerals (Pre-paid Money) Act, the Racing Act and various gambling acts. The opposition partnership does not oppose the legislation.

It is interesting to note that although in Victoria the Labor Party is opposed to a GST — not surprising given its history of having fought against it at an election and lost — the tax is now supported in states where the governments have been of a Labor persuasion for some time, particularly New South Wales and Queensland. I used to get a bit worried about why the Victorian ALP was in fervent disagreement with the GST. However, when I look at the forward estimates of the budget that has just been delivered I see why — the government needs a scapegoat to blame for the difficult times it will face if current trends continue.

It is also interesting that Labor believes the GST will not deliver benefits to the state. I can draw only one conclusion from the continual denigration of the tax by the finance minister and Treasurer — that the Labor Party is a strong and strident supporter of a wholesale sales tax. Would that be a fair, reasonable and just assumption?

Mr Smith — A deathly silence.

Mr STEGGALL — The government is silent. It would be interesting to see the result of society's subjecting the wholesale sales tax to the same scrutiny to which it is subjecting the GST. Given the confusion that exists in discussions about the GST and the fear of it that has been created it would be a fascinating exercise to examine in detail a society that made a study of and introduced such a tax.

The Labor government in Victoria is still operating in opposition mode. I sincerely wish it would start approaching government in a serious and proper manner, which it is quite capable of doing. I am fascinated that the government approaches many areas it tackles with an opposition mentality. It is doing itself no good at all by doing so.

Mr Lenders interjected.

Mr STEGGALL — I will come to that when we get to the budget debate, which will be interesting. An in-depth examination of the budget reveals it is a classic example of the approach Labor is taking to government. The government is rapidly following the trend of Labor governments in the 1980s. I was in Parliament for most of the 1980s. I watched a government destroy a state and the confidence of its people. I say to the government, 'Please be careful where you are going'.

The government now has the power, position and responsibility to govern this great state in a way that will not damage it. Its stand on the GST is not helpful to Victoria because the tax will be introduced. Although the introduction of the tax is inevitable the government of one of the major states is still opposing it and — I address this comment to the finance minister — doing just about everything it can to extract as many dollars out of the changes as is possible. The government is not implementing the GST in a reasonable and friendly manner. It is doing it because it has to, and in doing so is attempting to get as much money out of it as it can and to put as much blame as possible on the federal government, while at the same time raising its revenue base wherever possible. I am sorry that the government has decided to take that approach. However, I understand that it is doing so because it is governing with the mentality of an opposition.

The GST is an open and transparent tax. For the first time the state will have a growth tax.

Mr Lenders interjected.

Mr STEGGALL — I will come to that in a moment. Over the past 20 years of the relationship on financial matters between the commonwealth and the states, the states have been looking for a way of imposing some type of growth tax to enable them to plan better. In recent years that relationship has been better than it was in the 1970s and 1980s. It is true that the wholesale sales tax is confusing and is in many ways a secret tax. Despite all the downsides the government keeps talking about, a benefit of the GST will be that everyone will be able to see it — they will know it is being applied — as is the case in other countries where value-added taxes or goods and services taxes exist. Under a system of wholesale sales tax people have no idea where the taxation burden rests.

Country Victorians have examined with great interest where the GST will be applied. Given the wholesale sales tax burden on country areas it is easy to see why people living in Melbourne would argue against a GST — because for the first time country people might get a better taxation break than they get under the wholesale sales tax system. The GST offers advantages for country Victoria in the development of export growth. The food and fibre industries in my electorate — they are the big economic drivers in many country areas — will be able to compete overseas without the wholesale sales tax and excise systems imposing a burden on the cost of the products they export.

Whether we like it or not Australia is in a global society. Every day of the year producers in my electorate have to compete in the marketplace with Chile, South Africa, South America, the United States and Europe. The current tax burden in Australia makes it more difficult for producers to handle that competition — and they have complained for many years about those things. While the GST mark 2 is not as friendly as the first GST concept of Dr Hewson, it has real benefits for country Victorians. As a member of a minority party in Parliament I am one of those who understands well that the people opposite do not care about what life is like in country areas — the productive base of our state.

The competition that Victorian businesses now face throughout the world in their day-to-day operations is a vital component in the factors that will determine where the state will end up. The quality of life and the standards of living in country Victoria received a hell of a boost during the past seven years under the former government. Country Victoria is experiencing growth in investment and development like never before, yet the government denies it. The government recently won an election by propagating unsustainable myths. I hope the opposition will eventually win the argument. However, it is difficult for country Victorians to get their message through.

The state has 3.5 million people and all the journalists and media it needs, but the government has no interest in what happens in regional areas. When ministers travel to rural Victoria to consider arguments in favour of developments in the country, they look at what is happening in Bendigo, Ballarat and Geelong. It makes life difficult for rural members to persuade their communities that they have to compete with other nations on a daily basis because the state has so many export-driven industries.

Only about 20 per cent of farmers in this country of 19 million people are needed to produce products to supply the domestic market. Australia is an export-producing nation. Every day about one in four jobs in country Victoria depends on the export markets of its food products. So any change to a taxation regime which is unhelpful to the development and growth of rural areas is welcomed.

I wish the Labor Party would start realising that it is in government and no longer in opposition. I know it was a hell of a shock to it when it won the election — it was a shock to a lot of us — but it should start governing the state instead of trying to wobble through with a majority from the Independents.

The honourable member for Dandenong North made some interesting comments, and I enjoyed his contribution. I am delighted that an honourable member for Dandenong North has had something to say; in my 20 years in this place the electorate has fallen a bit short in that area. The honourable member referred to the confusion surrounding the goods and services tax. I refer him to the position of the Labor opposition in Canberra. A 10 per cent GST is pretty easy to understand — until exemptions are made. When the Democrats of this world — those mighty political manipulators who will take the country nowhere — came up with the concept of exempting food from the GST and really threw confusion into it — because that is where the confusion lies — who were the little bunnies who stood up alongside them and said, 'Yes, we will drive the confusion'? It was the good old Australian Labor Party.

By its actions the Labor Party has helped make the GST issue difficult and confusing in the food and retail sectors. But it did that of its own accord. It did not ask for help, nor did it want any. Therefore, I suggest that the honourable member for Dandenong North, who talked about confusion over the GST in the retail and production sectors, should think about the fact that had it not been for the Labor Party in Canberra, the confusion would not be there. But of course members opposite are such good travellers when it comes to — —

Ms Delahunty interjected.

Mr STEGGALL — Do you mind? When it comes to the confusion you are going to have, you've done it. After opposing it with its great carry on, the federal opposition will not repeal the bill. It will enjoy the advantages and clarity the GST will bring.

The Victorian Labor government does not take the same position as its New South Wales and Queensland counterparts on the GST. I say to members opposite in all honesty that it would be a great help if they would take the approach of trying to assist with the introduction of the tax instead of terrorising people with their ridiculous statements and posturing on the issue.

I asked myself why the government is so vehemently opposed to the GST. Why is it looking to milk every cent out of the confusion that exists rather than using it to drive the state with its budget? The budget indicates that 800 extra police will be recruited — which might or might not be true — 350 extra teachers will be employed, 200 extra conductors and railway staff will be employed and 360 new hospital beds will be provided. Some big expenditure recurrent items will be

provided for in the budget, and I do not argue the rightness or wrongness of that. I am just stating the facts, which are that the government is creating a hefty burden on its recurrent expenditure.

When I consider the way the government's forward estimates are going I can see that, even taking into account its embedding of the $1 billion surplus it inherited from the coalition government into its budgets over the next four years, the government needs to find extra funds — and it will use the GST argument as strongly as it can to achieve those funds. However, it will have to fight for any embedded taxes, because the federal government will test it out to ensure that its approach to the introduction of the GST in Victoria is fair and reasonable.

To cover the extra recurrent expenditure in the budget the government must find new revenue in the future. The first opportunity it will have will be to load up any GST taxing mechanisms that it can — and it will. Consequently, the government will have difficulties with its commitment to tax cuts next year for the business community. It is interesting that the cuts were not in this year's budget; but it committed to them being in next year's budget — which may or may not happen.

The GST issue is an interesting one all around politically, for businesses and for society. Having been involved in government for seven years I know that governments are faced with many difficult decisions, and this government will get its share — the difficult decisions that it knows are right but which are not necessarily popular. If Labor is good enough to take such decisions it will lead the state reasonably well. To date it has not shown any sign of being capable of, nor wanting, to take difficult decisions for the advantage of Victorians. I hope Parliament will continue to use its scrutiny to ensure that the government tackles the issues that should be tackled.

If Victoria has a weak government its society will quickly fall. Country areas are dependent on how well Victoria can compete on the international market against subsidised markets and international producers. So when making decisions in the future the government might consider that not all people live in Melbourne and not all people have a guaranteed salary at the end of a week's work. Therefore, the government must ensure that in its thoughts and directions it includes the people of country Victoria, because they are very much part of and vital to the development and improvement of the state.

Mrs MADDIGAN (Essendon) — I find it extraordinary that the Liberal opposition will support so wholeheartedly a tax system that makes special provision for beer but refuses to make special provision for books or female hygiene products. I find it extraordinary that the Liberal opposition will support a tax system that says if you are a butcher the goods and services tax (GST) does not apply to chops and sausages but does apply to corned beef and satay sticks. It is extraordinary that the Liberal opposition tells me the GST is a wonderful system when if my mother lives in a retirement village her meals are GST free, but if I want to have lunch with her a calculation has to be made to add GST to the cost of my lunch.

The Liberal opposition tells us the system is simple and will be of great benefit to us all. I wonder if its members ever speak to their constituents, because I have people coming through my door every day saying, 'We do not understand the system. We need help because it is so complicated'. The system may be simple, but if one asks the Australian Taxation Office for advice on a minor detail of the GST and its application the response is, 'We do not know; it has not been decided yet' or, 'We have had no advice on that system yet'.

The honourable member for Wantirna made a number of factual mistakes, one about the size of the budget surplus. I can only assume he did not go to the budget briefing this morning. The honourable member said the bill is one of two to make adjustments to the GST when in fact it is one of three. The First Home Owner Grant Bill passed the Legislative Council in April as part of that process. Had the honourable member attended this morning's meeting he would have discovered that part of the increased expenditure in the budget is allocated to the First Home Owner Grant Bill.

He also said no state will be made worse off by the GST. That is true for the state government, but not for members of the community. Bills will have to be passed in the autumn sessional period to protect legislation and ensure Victorians will not be worse off. Nevertheless many people will be hard done by the GST. Firstly, the input credit system will severely strain people's cash flows. The complexities are demonstrated by the number of acts affected under the second consequential provisions bill, just to account for the many changes necessitated by the GST.

The honourable member for Swan Hill may not be aware of it, but books have always been exempt from sales tax. That will no longer apply under the GST, which is in fact a tax on knowledge.

The honourable member for Burwood spoke about many of the areas covered by the further consequential provisions bill, but I should like to refer in particular to racing because it plays an important role in my electorate. Apart from the fact that the headquarters of the Harness Racing Board are in my electorate, the Moonee Valley Racing Club has the best course in Australia. Many of my constituents are either bookmakers or employed in the racing industry, either at Moonee Valley or elsewhere, in associated activities.

An opposition member interjected.

Mrs MADDIGAN — If the honourable member for Malvern has a problem with the Moonee Valley Racing Club, I would be more than happy to take him to the club so that the members can explain to him why its track is the best racing track in the state, if not in Australia.

As a result of changes to the Racing Act the turnover tax applying to bookmakers was removed last year. However, that is not as important to bookmakers as it was previously, because their turnovers have decreased substantially in the past few years. Honourable members will recall concerns expressed about the various economic measures that have affected the viability of bookmakers. Because a racing club without bookmakers is like bread without butter, I look forward to seeing provisions — in fact some are contained in the state budget — that will support the racing industry and the bookmakers in particular.

The bill provides some extras. So that bookmakers may continue to generate financial returns to the racing industry the bill gives the industry the power to charge a turnover levy of 1 per cent. Enforcement powers are also provided. As an additional measure to improve the viability of the bookmaking profession the racing industry will be authorised to operate bookmaking development funds sourced from a portion of collected levies. The funds will be utilised for initiatives to advance or assist the profession. Many bookmakers who live in my electorate are pleased with both those measures and the budget initiatives.

I notice the Minister for Racing, a strong supporter of the great Moonee Valley Racing Club, is in the house at the moment.

Honourable members interjecting.

The SPEAKER — Order! The Leader of the Opposition and the Minister for Racing shall desist.

Mrs MADDIGAN — The bill covers many issues, but I do not think it covers the timing of the Warrnambool Cup!

Dr Napthine — It should!

Mrs MADDIGAN — The responsibility for the collection of the levy and the administration of development funds will rest with the three controlling bodies of the racing industry — the Victoria Racing Club, the Harness Racing Board, which is situated in Moonee Ponds, and the Greyhound Racing Control Board. The levy collection methods will also form the record basis for the collection of the goods and services tax on bookmakers' gross profit margins. I hope this amendment to the Racing Act will prove to be a further stimulus to bookmakers in my electorate.

Many small business people have expressed to me their concerns about the GST. Puckle Street, Moonee Ponds, a major retail sector, is part of my electorate, as are other retail sectors situated in Essendon, Strathmore and Ascot Vale. People are worried about the extra administrative tasks imposed by the GST, and small business operators, particularly those in retail establishments, must be wondering when it will end. The many changes they have had to deal with during the past few years have caused incredible stress to small family businesses in particular, which now have to deal not only with 24-hour trading from large corporations but a confusing array of extra taxes, especially in the food area.

The extra administrative work associated with the payment of GST and the collection of input credits means that small business people have to work almost 24 hours a day to keep up with it. They are faced with the choice of either doing it themselves or paying large amounts to accountants and tax advisers to do it for them. As the honourable member for Burwood said, they almost feel insulted by the measly $200 payment allowed by the federal government, which is supposed to cover all the costs they face. When people talk to me about initial costs of $2000 or $3000 just to upgrade their computer systems and software to cope with the GST, I realise that a $200 grant from the federal government is not much consolation to them.

As a librarian — it probably comes as a surprise to honourable members here to know I was a librarian — I find it interesting that Australia is the third-largest publisher of books in the world. At the time of the debate between the Australian Democrats and the federal Liberal government the Australian Publishers Association brought forward figures to show that, despite federal government protestations, the GST

would significantly increase the cost of publishing books in Australia, which would obviously affect employment levels. The APA was also concerned about the likelihood of increased competition from Internet purchasing, a subject to which I will return.

The GST is definitely a tax on knowledge. Even though local government will be exempt from GST, the availability of books in libraries will be limited because their book purchases will attract the full 10 per cent. The money is refunded three or six months later when it is put in accounts for input credits to be refunded. However, the librarians have already spent as much money as they can. Less stock is available because they cannot buy as many books as they could have the previous year with the same amount of money. Therefore there is a cost in making new books available to the community.

Libraries in local government areas face the added cost of having to pay for administrative arrangements. Members of this house are wrong when they claim that the state will be no worse off and that local government will not be penalised by the goods and services tax because they are not taking those factors into account. It is unfortunate that members are misrepresenting this situation.

I have spoken to the people who run my local library. They are concerned about the money that will be taken from their book budget and from some of their usual facilities to pay the extra administrative costs and to make up the leeway. That is just one example of the effect of the GST on a range of local government services and it will be experienced particularly when local government is purchasing goods from private providers. Local government has still not costed those activities but it will, and most local governments expect a substantial financial burden to be placed on them because of this tax.

I highlight the effect of the GST on the second-hand book trade, which is important to Victoria and employs many people. The president of the Australian and New Zealand Association of Antiquarian Booksellers, which has its headquarters located in Melbourne, has made many representations to the federal government seeking protection, unfortunately without success. The GST on second-hand books is a tax on knowledge which homes in on the most disadvantaged people in the community. Many people rely on purchasing second-hand books to gain knowledge because books are no longer cheap.

I will not list all the problems the increase of 10 per cent will create for the purchase of books generally because they have already been canvassed. However, the antiquarian booksellers association has given me some information which I am happy to make available to members. On the method of acquiring stock the association states:

> Second-hand booksellers buy, usually, from the public. Sometimes books are bought one by one, but often boxes at a time, and sometimes by 'house lots' involving hundreds or thousands of books. At the point of acquisition, it is unusual for formal documentation to be provided …

It is not the same process as applies when buying new books by which one receives an invoice. I am sure members have been to school fetes and bought boxes of books and the reference is to a similar method of purchase. The letter from the association also states:

> … while the bookseller has a notion of how the offer price was reached, it is an inexact science.

That is, each book is not priced individually. The letter continues:

> To document and record the individual price for each item in stock would be impossible.

Some second-hand booksellers have very large stocks, and the letter refers to one bookseller in Victoria having well over 200 000 books. The association points out that:

> This is necessary to provide the service customers need. It is also part of the booksellers' role of preserving the printed word for future generations.

Booksellers hold large stocks with one or two copies of each item. A bookseller does not conduct business as does a person who runs a small shop and has multiples of, say, 10 items in stock.

The association's letter continues:

> Because of the way books are acquired and the need to hold books of little real financial value for long periods of time before they are sold, the margins paid differ wildly. A book which one doubts will ever sell would be allowed at almost nothing in buying a library, whereas an item that has an almost certain immediate sale may be bought at 90 per cent of its sale price, especially it is an expensive book.

That happens fairly effectively. From the analysis done by the second-hand booksellers it seems that the imposition of a GST on second-hand books will result in impossibly onerous compliance costs. It will not be possible to pay someone to keep exact records on stock from now on, let alone to make inroads into storerooms of existing stock. Some antiquarian booksellers in the city have books they bought 10 years ago for $2 each but might sell for $20 000. When the GST is introduced those sellers will have to pay the GST on the $20 000.

Mr Lenders — Not Jeff Kennett's book!

Mrs MADDIGAN — Certainly not Jeff Kennett's book — I do not think its price will ever reach $20 000! It might be $1 in remainder bins.

Even if the bookseller could identify the input credit, the change in the value of books over time makes it a nonsense to suggest that he will get his money back on the input credits.

Internet bookselling is another threat to the employment of people in the publishing and book trades in Victoria. Yesterday much was said about bookselling. It will be strongly affected by the GST, as the letter from the antiquarian booksellers association states:

> Over the last three years, the Internet has become a major selling mechanism for many booksellers. Excellent overseas sales can bring in valuable foreign currency, but at the same time local booksellers' livelihoods are being threatened by sites such as Amazon.com and Bibliofind, offering many millions of books. A huge disadvantage would result from Australian customers finding that it is that cheaper to import the same title from England or America (both of whom do not tax books and who are our greatest competitors) owing to the presence of a GST.

The federal government's imposition of a GST on books sold here will mean that I will be able to buy a book through Amazon.com and have it delivered to Australia for less than I would pay if I went to a shop down the road and bought a similar book. For example, as our publishers sell overseas books under worldwide publishing arrangements, I will be able to import from America to Australia exactly the same book at a cheaper cost than buying it down the road because America does not apply a GST. That will have an alarming effect on the book trade, as has been identified for some time.

Mr Smith — Thanks for the tip.

Mrs MADDIGAN — If the member for Glen Waverley wants to follow a line that will threaten the jobs of Victorians, let him but I will not follow him.

Canada and New Zealand are also relevant because they apply a GST to books. The reported results of their experience is that once a 10 per cent tax was placed on books, sales fell by about the same percentage — that is, it is a fluid relationship. If that phenomenon were reproduced in Australia, it would be an absolute disaster for the Australian second-hand book trade. A 10 per cent tax would be equal to the expected take-home income of many proprietors. If the expected decline in sales happened at the same time, then the whole income of the proprietor would be gone. That emphasises the concerns about the effect the GST will have on employment in that area.

There is a considerable environmental value in recycling reading matter and a huge social value in preserving the literature of our society for the real use of the community. Fewer than 10 per cent of books are in print at any time and second-hand booksellers preserve many of the rest. The current state of publishing makes it very hard to get books that have not been published recently and the second-hand and antiquarian booksellers provide that service. On the whole, second-hand books are much cheaper than new books. They provide an invaluable source of affordable education for students and for the general intellectual nourishment of a whole community of self-educators.

That is just one example of the impact of the GST that the Liberal and National Party opposition greet with such enthusiasm. I am pleased to support the provisions of the National Taxation Reform (Further Consequential Provisions) Bill because it will protect the people of Victoria from being charged twice for some of the changes to federal legislation. Members who suggest that the GST will improve the lot of Victorians show a misunderstanding of the application of the tax to particular examples. They also show a lack of understanding of the problems that constituents in their electorates are experiencing.

It is amazing to hear members say that small retailers, small business people and large employers have not been in their offices talking about the many costs they are facing and problems they are having in implementing a system that the opposition describes as very simple — it is so simple that even the Australian Taxation Office cannot understand it!

Mr SMITH (Glen Waverley) — I start my contribution by taking up a few points made by the honourable member for Essendon. It seems the Australian Labor Party is still opposed to the goods and services tax, even after a federal election has made it clear that the people have endorsed a GST, whichever way members opposite want to say that. Interestingly enough, Paul Keating called for the introduction of a GST many years ago, and Kim Beazley has no intention of repealing that tax. Those are significant factors in a discussion of the GST.

As usual the Labor Party is scaremongering, with talk of doom and gloom for the economy. Labor members do not understand the full ramifications of the GST. They still have the Y2K bug mentality. That was reinforced by the honourable member for Essendon, who had a cheap shot at the honourable member for

Eltham. He is a businessman and has said he has already managed to scrape up $80 000 of the $100 000 required to buy the book on the Kennett years. I would not put myself in the same boat as the honourable member, because he is a businessman who has learnt how to make money. Labor members do not have the mentality of business people. If the honourable member for Eltham puts his mind to it, he will not fail to make the project a success.

I also take up another point of the honourable member for Essendon. She said that the honourable member for Wantirna had said the bill before the house is a simple bill. If the honourable member for Essendon had been listening carefully, she would know the honourable member for Wantirna was responding to the honourable member for Dandenong North, who said the GST was very confusing. The honourable member for Wantirna said it was simpler than the current wholesale sales tax. It is far simpler in its application.

Mr Maxfield interjected.

Mr SMITH — Again it has been proven that empty vessels make the most noise.

The GST is a simpler system. No-one is saying it is not complicated, but it has to be simpler than the wholesale sales tax. Normally people do not know what wholesale sales tax they are paying on items. That tax can be up to 35 per cent. At least the GST will be simpler. That is all the honourable member for Wantirna was saying. The honourable member for Essendon said that the honourable member said the bill was simple, but he was merely responding in light of another comment made. That point has now been clarified.

Many local members have had responses from constituents to the bill before the house. I am fortunate enough to have as a constituent Mr Tony Burrage of Penington Street, Glen Waverley, who contacted my office on 15 February. He was complaining at that stage that he thought a tax on a tax was being introduced — that is the point of the bill. That is by the fact that a person paying $100 on an insurance premium, $17 on a fire service levy and $3 on a commission — a total of $120 — would pay a $12 GST, now totalling $132.

My constituent says that the stamp duty at 10 per cent adds another $13.20, so the total cost of that insurance premium of $100 comes to $145.20. No-one is arguing with that. That is the general understanding in the community of what a tax on a tax means.

When my electorate office contacted the office of the Assistant Treasurer on 15 February it was told that that was the case in all the states but that New South Wales and Western Australia were supposedly looking at not applying stamp duty to the GST. As I develop my argument it will become clear what I am getting at.

I asked my constituent to put his concerns in writing, and he sent my office a letter on 29 February. The crux of the letter states:

> However, surely stamp duty should be maintained at 10 per cent of the base cost as before, and not 10 per cent of the inflated base cost + GST, as is now being applied.
>
> It would appear that the principle here is being abused and that the state government is not maintaining its original position but is profiting from the introduction of the GST.

I wrote to the Minister for Finance, who has carriage of the bill, and received a reasonable response. All members of the house should realise this. The letter from the minister states:

> Historically stamp duty has been levied on the value of transactions inclusive of any wholesale sales tax and other taxes embedded in the price of transactions. Because the rates of wholesale sales tax and other embedded taxes vary, the introduction of the GST and the concurrent abolition of those taxes will result in some values on which stamp duty is levied rising and others falling.

The minister said the following by way of example:

> If the government were to levy stamp duty on the value of transactions excluding GST, in most cases the value on which stamp duty was levied would fall and there would be an overall net loss to state revenue. Under the intergovernmental agreement signed by the previous Victorian government in July 1999 there would be no compensation provided to Victoria by the commonwealth for such lost revenue.

The minister continues:

> For this reason, the government is generally not able to eliminate stamp duty from tax bases on which GST will also apply and recently introduced legislation …

That is, the legislation before the house. He continues:

> I point out that the same approach is being taken by New South Wales and is expected to be adopted by other states.

Further the minister says the following — for the benefit of government members, this is the crux of the opposition's attack:

> The Bracks government has been careful to ensure that it does not receive a windfall gain as a result of state taxes applying to GST-inclusive values. It is acknowledged that revenue from some stamp duties will decrease (e.g. motor vehicle insurance) while for others will increase (e.g. house contents insurance) —

that is the point of Mr Burrage's letter —

> as a result of price changes brought about by the commonwealth tax package.

The next part of the letter is very important. The minister states:

> However, the overall impact of the state government's response will be revenue neutral.

That is where the opposition is at loggerheads with the government — over what is happening in New South Wales. It is an amazing claim. Honourable members need only contrast that statement with claims made by New South Wales Treasurer Michael Egan, who acknowledges the possibilities of windfall gains. The opposition wants the minister to review the situation in Victoria. When in government we were told by the bureaucrats that it would be possible to review the situation to see what possible situation could arise.

The opposition's point is that the government is not being diligent enough in examining how the problem can be overcome. Opposition members ask the minister to clarify the underlying structure in the Victorian budget that allows the minister the latitude of saying there will be no windfall gains, in contrast to what Michael Egan said as Treasurer of New South Wales. The Treasurer of New South Wales is of the same political persuasion and has acknowledged there may be windfall gains. That is the crux of the New South Wales argument.

Mr Nardella — In New South Wales.

Mr SMITH — Will you listen? The opposition is asking — —

Mr Nardella interjected.

Mr SMITH — That is very good. We are at least on the same wavelength at last.

The opposition wants the government to conduct a review. Although the minister did not say so in his second-reading speech, at the end of his letter to me he states:

> The state government is very concerned about the impact of the GST in many respects and will be monitoring the impact of the federal government's taxation changes.

In other words, he has told me in a letter that he is prepared to look at it. We ask him to go one step further and implement a review. The New South Wales Treasurer, Michael Egan, says there is a possibility. If the Minister for Finance is prepared to vigorously examine this, as we were told by the bureaucrats when we were in government, it is possible a formula could be discovered. That is the key to it.

People cannot understand that for time immemorial there has been a tax on a tax. Because of the windfall nature of the goods and services tax, why does the minister not pursue it that extra bit harder? I thought the response in his letter to me was good. In fact, on my walk the other morning I passed Mr Burrage's house and I asked him what he thought. He said it was fair but 'couldn't he go the extra step?'. I replied that in my contribution to the debate I would put it to the minister that he should go the extra step. I know the minister is listening and no doubt he will take this up in his summing up of the bill.

The budget reveals that revenue from stamp duty on property sales will be increased by 14 per cent. Stamp duty on insurance, which is the point of Mr Burrage's letter, will be increased by 17 per cent. The government has clearly already budgeted for increased stamp duty. With the extra component of stamp duty, a tax being levied on tax — which is not what the commonwealth said would occur but which will — there is a real chance we will get this windfall gain.

In conclusion, New South Wales advises there may well be a windfall gain from stamp duty applying on top of the GST after its introduction on 1 July. Minister Brumby says there will be no windfall gain, but the last sentence in his letter to me reads:

> … will be monitoring the impact of the federal government's taxation changes.

Let the bureaucrats investigate the matter, as they told us when we were in government. The partnership is calling for a review and demands a review of this area.

There are other parts the opposition believes should be looked at. One is whether the government is sufficiently diligent in examining the goods and services tax in terms of embedded tax savings, about which we have heard a lot of drivel from the government. Every economist says that $100 million of embedded tax savings is achievable. The GST is a growth tax, the revenue from which will flow back to the states. The government has not been rigorous enough in its pursuit of whether this windfall gain will be made. I call on the minister in the most unequivocal terms to ensure that he pursues this and that people know that at least he has tried, as Michael Egan has indicated he will do in New South Wales.

Mr LANGUILLER (Sunshine) — I am happy to join this important debate. I represent the electorate of Sunshine, as my parliamentary colleagues know. The people of Sunshine have a number of concerns, as do others around Australia. I am concerned because there are many unanswered questions and we are only weeks away from the implementation of the goods and services tax (GST).

The bill seeks to implement the state's obligations under the Intergovernmental Agreement on the Reform of Commonwealth–State Relations which was signed by the commonwealth and all states and territories in mid-1999. The National Taxation Reform (Consequential Provisions) Bill also deals with some indirect impacts of the GST which the Victorian government believes must be addressed with legislative changes.

The GST is a new tax to be introduced by the Howard government. The Australian Labor Party objected to it and rejected it. However, it is a tax we have to live with and the Bracks government is doing everything it can to minimise the damage and to alleviate the potential negative impact it will have on Victorians. On that basis the government will introduce a number of legislative changes. The legislative measures are outlined in the explanatory memorandum of the bill and include:

> … adjustments to gaming legislation relating to the casino and interactive gaming which reflect the state's obligation to take account of the GST in state taxation arrangements affecting gambling operators.

That is the sector we seek to protect. It also states:

> … increases in certain statutory fees and charges which are necessary as a result of the GST; certain amendments to the accident compensation penalty arrangements, prepaid funeral investment arrangements and lottery agents' commissions that are necessitated by the GST; adjustments to racing legislation following the abolition of stamp duty on bookmakers' statements; and provisions for the adjustment of the TAC's transport accident charges in 2000–01 and 2001–02.

The GST is not a new tax. It is an old tax that has existed in a number of countries around the world for a number of years and has been used for more than 20 years in Spain, France, Italy and throughout Latin America. In visits I made to those countries I perceived that their governments want to do away with such taxes. Governments wish they could walk away from GST — in other words, from value-added taxes on goods and services. Unfortunately, they are unable to remove it because it is too late. They want to get rid of the GST because of its complexity.

They now argue, as we should be arguing and continue to argue, that the question for the Labor Party at the time of the federal debate was not that Australia was not worried and did not have to undertake tax reform, but what sort of tax reform should be undertaken? The Australian Labor Party argued it did not need to embark on that debate. However, this tax reform should not be introduced in Australia because it is not the most efficient way of running the economy. It will not be the most efficient way of delivering better services to Australians and to ensure a better and greater redistribution of wealth by governments, which is a fundamental responsibility that we should all undertake.

The bill aims to correct problems — 'correct' is a word I have picked up from experts in the field; economists say that markets correct themselves. The Bracks government must correct many of the problems that Victorians are about to inherit because of the introduction of the goods and services tax.

The GST is a ridiculous tax, as illustrated by examples from Latin America and Mediterranean Europe. A waiter in Latin America or Mediterranean Europe must now pay tax on tips earned. If you earn your living by cleaning windscreens in the street because you are unemployed and trying to generate some income for yourself and your family rather than depending on the state and you want to contribute to society, you now have to pay tax on money earned. One can picture a situation 20 years down the track where the young men and women one sees cleaning windscreens — and I support them because they are earning a living and trying to make a contribution — will have to pay tax on their tips. It is already happening in many countries, and unfortunately that is the direction in which we could find ourselves heading under a conservative government such as the Howard government unless we intervene and ensure that the Australian community makes it plain that that is not on.

I understand that permission must be sought from state governments before the federal government can change or increase the tax. However, what will prevent the federal government from legislating to remove that arrangement and give itself full authority to make changes that could be detrimental at least to ordinary Australians such as those I represent in Sunshine and many of my colleagues represent in other working-class areas?

The GST will especially affect small businesses. I have undertaken hours of consultation and discussion with the Sunshine Traders Association, the Glengala Road Village Trading Association, the Deer Park Association and numerous individuals in the electorate. There are more questions about the GST than answers to them. Already traders are saying that much of their time is being taken up in administering their businesses and therefore not in generating income. Those small businesses aim to make a contribution to society. They have bought themselves a job and they fear that they will have to spend more time in administering their businesses.

Small businesses, such as the butcher shop, the drycleaner, and the kebab shop in Glengala Road, recognise that they will have to purchase software to administer the complex tax. Those businesses were recently damaged by the closure of the local Commonwealth Bank branch, which was the only bank in Glengala Road. People must now travel for some 10 to 15 minutes to undertake their business transactions.

Small business operators are unable to afford the software required to manage such a complex tax, which is anti-small business. The Howard government prides itself on being pro-business yet it is introducing a tax that will severely damage the small business community because of the technology required to administer the business and complexity of the tax. The questions raised by the community are no joke. The majority of questions have not been answered clearly enough by the taxation department or the federal government.

By way of example, parliamentary colleagues will recall that on 4 April I raised a concern about homeless people and private and public residential properties in Sunshine. At the request of a rooming-house proprietor in Sunshine on 10 April I wrote to the Treasurer Mr Peter Costello, requesting clarification on the GST. The question I asked was quite simple: how will the GST affect rooming houses? I also asked what I should say to the many homeless people in the western suburbs, in particular in Sunshine, about how the GST will affect them. I asked the Treasurer to explain the tax. I have not received a response and neither has the rooming-house proprietor, so the community has not received a response. I wonder whether Mr Peter Costello can and will explain whether the tax will affect private or state-run rooming houses. It is a straightforward question.

I am sure that at some stage Mr Costello will explain the tax or, if not, that rooming-house proprietors will find out. The explanation will be by way of imposing a tax, and people will find out when they receive a note from the taxation department. If Mr Costello cannot explain, I am sure my parliamentary colleagues opposite will raise the matter in the chamber and explain the tax so that I can provide an answer to the rooming-house proprietors in Sunshine. They need to know whether they will be affected by the GST.

I place on the record another principal concern, which I am sure many of my parliamentary colleagues and friends also have because I associate primarily with people who purchase second-hand cars. I do not know many people who can afford to buy brand new cars. Many if not the majority of people who live in my area buy second-hand cars.

An honourable member interjected.

Mr LANGUILLER — No, I do not — my brother buys second-hand cars. This is the first time I have driven a brand new car — because it has been provided to me by Parliamentary Services.

Previously second-hand cars have not attracted a wholesale sales tax. A tax will now have to be paid on second-hand cars.

Books will also attract the GST. My son and most of his friends purchase books from the Academic and General Book Exchange in Swanston Street. I know the person who runs the business and I have been to the store many times with my children and their friends. They will now have to pay tax on the books they purchase. Most of the stock in bookshops such as the Academic and General Book Exchange, which provide an extraordinary service to schools in the area and throughout Melbourne, is primarily second-hand books. The tax will have a major impact on society because it is a tax on knowledge and education. It is a tax on people in the community who are most disadvantaged and can least afford to pay it.

Questions about the services that will be affected also go on, as the honourable member for Dandenong North quite correctly pointed out to me. For example, there are questions about church services. Religious services are exempt from the GST, but other church services are not exempt.

If a church provides a service of a purely religious nature that service will not attract the tax. My understanding of the new tax system is that if I attend a church of any persuasion and it produces a book that aims to assist people to find employment that book will attract the tax. If that is not correct perhaps Peter Costello, the federal Treasurer, will provide the answer. I am sure answers can be found and theological arguments mounted about whether a church that is helping a person to find a job is engaging in a religious activity. There must be debate about that, as I am sure there will be, among people who represent church communities.

I now refer to the issue of transparency. My colleague the honourable member for Narracan made a good point when he correctly pointed out that despite the argument put forward by opposition members relating to wholesale and other taxes people in the community cannot identify what percentage of the cost of an article is tax. The question that ought to be put to the federal

government — indeed, the challenge to not only the federal government but to members of the opposition — is whether they are prepared to demand of Mr Howard and Mr Costello that it be mandatory that the amount of tax on commodities and services should be exhibited so that members of the community can clearly identify what tax they are paying on the items they purchase.

The matters I have referred to are some of the challenges involved in the GST and government members look forward to receiving answers to many of the questions from the state opposition, given that it has put on the record its clear and unequivocal support for the GST. I repeat that the Australian Labor Party wants to work, and will continue to work, constructively with the business community and the community at large. It supported the debate on tax reform and would welcome tax reform that was implemented in a different way. This is not the tax reform we had to have. The Labor Party would have put other measures in place. I am sure that when Kim Beazley becomes Prime Minister following the next election he will continue to argue that Australia can and will do better.

The Bracks government through its ministers is working in partnership with business and the community at large to make sure that every possible legislative change is made to ensure there is economic growth in the state, while at the same time ensuring the people of Victoria share in that economic growth. The bill goes some way in that direction. I commend the bill to the house.

Dr NAPTHINE (Leader of the Opposition) — I rise to join the debate on the National Taxation Reform (Further Consequential Provisions) Bill. I again state that the opposition does not oppose the bill.

An honourable member interjected.

Dr NAPTHINE — Enormous support. The bill is consequential on the tax reforms being undertaken right across Australia. Let me say clearly and unequivocally that the Liberal Party in Victoria, including the parliamentary party, fully supports and endorses the national tax reform process. Tax reform is long overdue in this country. It will have enormous benefits for Australia, for Victoria — —

Mr Nardella — Madam Acting Speaker, I direct your attention to the state of the house.

Quorum formed.

Dr NAPTHINE — As I was saying, the tax reform package is about making the taxation system in Australia more relevant to the challenges facing Australia and Victoria in the 21st century. The debate is not just about the introduction of a goods and service tax (GST), it is about a comprehensive reform of the Australian taxation system.

Honourable members interjecting.

The ACTING SPEAKER (Ms Barker) — Order! I ask honourable members to keep the level of their conversations down or leave the chamber.

Dr NAPTHINE — Wholesale sales tax, and many other state taxes, are being abolished under this reform. All revenue from the GST is being passed to the states. It is a magnificent reform of the way taxes are raised and distributed as we head into the 21st century. For the first time since the Second World War the states will have access to a growth tax. The states have been calling for such a tax for 50 years. Premiers of various political persuasions have been calling for it since the Second World War, when taxation was handed over to the federal government. The remittance of all GST revenue by the states will for the first time — —

The ACTING SPEAKER (Ms Barker) — Order! I am sorry to interrupt the Leader of the Opposition. I asked honourable members to keep down the level of their conversations. Will members please leave the chamber if they wish to carry on conversations.

Dr NAPTHINE — For the first time in 50 years the states will have access to a growth tax. They will not have to face the indignity of every year going to the begging table at the Premiers Conference and being involved in the farce of an argument between the Prime Minister, the Treasurer and the Premiers about the level of funding to be provided to the states. The states will have direct access to the growth tax and will therefore be in a better position to fund schools, hospitals, transport systems and other essential services, such as police and community safety issues.

This fundamental reform is why Premiers Beattie and Carr — the Labor premiers of Queensland and New South Wales — could not sign fast enough — they could not get to the table fast enough to sign the agreement with the federal government because they know the reform will be good both for the states they represent and for Australia. It will certainly be good for Victoria. Premier Bracks also knows it is good for Victoria. Although government members mouth platitudes about being opposed to the GST they know that this arrangement is the most courageous and far-sighted tax reform ever introduced in this country. It was put to the people at the last federal election and the

federal government was given an overwhelming mandate for it. Australians know it is good for the country — and it is good for Victoria.

The immediate benefits of this package will be the provision of increased incentives for individuals to save and work through $10 billion in income tax cuts. Under the package 80 per cent of Australian taxpayers will be on a 30 per cent or lower marginal tax rate.

The tax system will be more efficient and will remove tax penalties applying to exports, making Australian exporters more competitive on world markets. That in turn will help grow the economy, grow jobs and grow opportunities. Rather than fiddling with the tax system, as was done by former governments over the past 50 years, the tax package is comprehensive. The system is fairer and provides a boost for real jobs in all states.

For years Australian exporters have had lead in their saddlebags. The burden of paying embedded taxes has added to their production and export costs as they compete on a global market for sale of their goods. Exporters are significantly disadvantaged and have been fighting with their hands tied behind their backs because of a tax system they were forced to endure. The removal of wholesale sales tax — the secret hidden tax that over time has increased to an extraordinary level — will be revolutionary for business. Computers, machinery and general items used in the conduct of business will not be subject to tax.

I refer now to some specific benefits of the tax reform package to people in my electorate of Portland. The new and existing rebates on diesel fuel and the goods and services tax rebate will dramatically reduce production and transport costs to the farming industry. A reduction of up to 24 cents a litre on diesel fuel used in road transport will apply, as will a 44 cents a litre reduction in diesel fuel used for rail transport.

A GST rebate of 7 cents a litre on all fuel used for business, together with the off-road diesel rebate and the removal of embedded taxes from the manufacture of all products purchased in the use of their business, will mean that farmers can produce their goods at a more competitive rate. The reductions will allow farmers to sell their export products, including grain and livestock, on world markets at a more competitive rate. Many dollars will be returned to the pockets of farmers in south-west Victoria.

An analysis undertaken by the Centre for Agricultural and Regional Economics on the effects of the revised tax package on different types of farms concludes that of the five farming systems reviewed small grazing, medium grazing, cropping partnership, cropping company and horticulture would all see a significant increase in their net disposable income ranging from 12.9 per cent to 57.6 per cent. Clearly, farmers across Victoria will benefit significantly from the new tax package.

I turn now to manufacturers, in particular those who add value to farming produce. As an example, the Kraft company adds value to Victorian dairy products. The removal of embedded taxes from the manufacture of products used in business will mean that costs will fall even when products are not directly subject to a wholesale sales tax. An overall reduction in the cost of inputs into the businesses will occur. In addition, because of the diesel fuel rebates, manufacturing industry, particularly in regional and rural areas, will receive enormous benefits from reductions in the cost of road and rail transport.

Many industries in regional and rural areas are typical small businesses that provide the economic lifeblood of the community. Small businesses will benefit from the proposed revolutionary tax changes. A new single, comprehensive pay-as-you-go system will replace five existing payment systems, including the up-front payment of provisional tax that is such an impediment to the investment in small business. The prescribed payments and reportable payments systems, pay-as-you-earn, the company tax payment and reporting system will all be removed. For many businesses, 4 payments a year will replace 32 separate payments.

Distortionary taxes such as wholesale sales tax, stamp duty on marketable securities, financial institutions duty and debits tax will be progressively abolished from 1 July. In addition, small businesses may expect substantial benefits from the implementation of the recommendations of the Ralph review of business taxation. Those recommendations include the changed treatment of capital gains tax (CGT).

Some 75 per cent of any capital gain on an active asset for small businesses will be exempt from CGT and the remainder will be subject to simplified and expanded rollover and retirement provisions. In addition, a total exemption from CGT will apply to active assets held for 15 years or more where the taxpayer is 55 years of age or older and intends to retire or is incapacitated. Changes resulting from this revolutionary tax system will significantly benefit small business.

Australian exports will become more competitive, creating more jobs in Victoria, which is largely an export-generating community. I should have thought

that a government that cared about Victoria would welcome changes that help exporters and that the Minister for Manufacturing Industry would welcome a tax reform system that helped Victorian manufacturing industries to grow and develop. Instead, it mouths platitudes about caring for and supporting business but does not match its rhetoric with action.

When the Premier was Leader of the Opposition he indicated he wanted to reduce business taxes. However, he now brings his budget with its Clayton's business tax cuts to the Parliament. There are no business tax cuts in the upcoming budget for the financial year 2000–01. Business asked for one specific measure in the budget — a reduction in payroll tax. It wanted the Bracks government to continue the good work of the former coalition government that reduced payroll tax each year for the past three years of its time in power. Payroll tax is an iniquitous tax on employment and business wanted a reduction as a symbol that the Bracks government cared about Victorian business. What did it get? A sham, a zero reduction, a Clayton's message about tax cuts. The government has conned the business community.

The federal tax reform process will provide enormous benefits for Australia and Victoria.

Honourable members interjecting.

The ACTING SPEAKER (Ms Barker) — Order! I am having a great deal of difficulty hearing the Leader of the Opposition. Would honourable members behind him and on the other side of the house please lower their conversation levels?

Dr NAPTHINE — It would be interesting to hear government members say where they stand on the tax reform package. The government has said it is opposed to the GST, but is it urging the federal leader of the Labor Party, Mr Beazley, to abolish the GST if he is elected to government? Is Mr Beazley saying that he will abolish the GST? No, he is not. He is talking about a roll-back.

Australians know that when Mr Beazley is talking about rolling back the GST he is saying that the commonwealth government will need to deliver services. He is talking about rolling back the GST and massively increasing income taxes for Victorians and Australians.

Where do Victorian Labor Party members stand on Mr Beazley's proposal to increase income taxes if his party is elected to government? They are adopting a straddling-the-fence approach on this issue. They say they do not want tax reform and do not like the GST, but they are happy to accept the benefits of the GST.

It is about time the Victorian government and the federal Labor Party said where they stand on national tax reform and on wholesale sales taxes. Do they support the reintroduction of wholesale sales taxes or financial institutions duties? Do they support the imposition of unfair taxes on exporters of Australian and Victorian goods?

One can get a clue about where the Victorian Labor Party stands because through the bill the Labor Party aims to put taxes on taxes. It wants to use this opportunity to get a windfall gain for its coffers — to put a stamp duty on GST-inclusive prices. No wonder it proposes to significantly increase income from stamp duties in the 2000–01 budget — because it is seeking to obtain a windfall gain from national tax reform.

The government has an obligation to Victorians to implement the national tax reform system fairly and equitably, to make sure that the cost increases that apply in Victoria are minimised through the good tax system that will be introduced throughout Australia by the federal government. The government has an obligation to make sure fees and charges are not increased beyond what they should be — —

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

Mr NARDELLA (Melton) — What an absolutely pathetic contribution from the Leader of the Opposition! I was responsible for making opposition members come into the house to listen to him.

Honourable members interjecting.

Mr NARDELLA — None of them wanted to listen to his contribution on the goods and services tax (GST) debate! Even now, opposition members are leaving the chamber. I noticed that not one National Party member came into the chamber to hear the contribution of the Leader of the Opposition. They understand that the Leader of the Opposition has no support for his position — —

Mr Leigh — On a point of order, Madam Acting Speaker, it is the custom in this chamber for honourable members to address the Chair. I understand the honourable member for Melton is somewhat excited and needs a tablet, but can I suggest you ask him to follow protocol and address the Chair?

The ACTING SPEAKER (Ms Barker) — Order! There is no point of order. There was some noise as

honourable members left the chamber. The honourable member for Melton can resume his contribution in the normal manner.

Mr NARDELLA — I had to act as deputy whip to get the Leader of the Opposition's own party members into the chamber to listen to his pathetic contribution to debate on the bill and his support for the GST.

The Leader of the Opposition not only supports the GST but he has publicly supported the imposition by the Prime Minister and the federal Treasurer of a tax they describe as new and simple! It is so simple that the originating commonwealth legislation consists of more than 1000 pages, with amendment after amendment being applied to it. The bill now being debated is the third aspect to be introduced in this sessional period.

The Victorian government is forced to implement the tax because the previous government signed off on it. Labor Party members do not support the tax. Unfortunately, the opposition has a fixation upon our colleagues in New South Wales, perhaps because the shadow Treasurer came from New South Wales and did a stint there — a bit like doing a tour of duty in Vietnam. One would come to that conclusion if one had done a tour of duty in New South Wales when the Liberal Party was in office in that state. Instead of concentrating on what is happening in Victoria, the opposition wants only to criticise what the New South Wales Treasurer, Michael Egan, and the Labor government are doing.

Neither our colleagues in New South Wales nor the Labor government in Queensland supports the GST. However, there is one truism: it is a tax system that has to be introduced — in Victoria, because it was signed off by the previous government; in New South Wales and Queensland, because of the inducements and the way the reform package was put together. There are no escape clauses because the states are not permitted to put themselves outside the federation of the commonwealth of Australia.

I turn to a number of comments made by opposition members. The honourable member for Swan Hill, who is a member of the National Party, was supported by a couple of other members from his party who were in the house during his contribution — unlike what happened to the Leader of the Opposition! The honourable member for Swan Hill made a couple of interesting comments and said the GST would be transparent. The GST will be so transparent that labels on products will not be allowed to display the GST applicable to the products! A couple of weeks ago Coles was audacious and displayed both pre-GST and post-GST prices on its products. Coles was forced to get rid of the labels and the idea was scrapped.

The originating legislation contains clauses that allow the applicable GST component to be displayed on the label. That is the extent of the GST transparency to be allowed by the Prime Minister, the federal Treasurer, the Australian Democrats and the Victorian opposition! Yet the honourable member for Swan Hill says that this is a transparent bill. What type of transparency does he want? His argument is that a wholesale sales tax should be transparent.

When a person bought an item that had a wholesale sales tax component in the price there was transparency: the rate of taxation appeared on the invoice and the person knew how much wholesale sales tax he or she was paying. Is the honourable member for Swan Hill saying that a payroll tax component should also be included? That is a hidden tax. Honourable members would know how much companies were paying in payroll tax. Should payroll tax be included as well? What about council and water rates? To allow for transparency in transactions perhaps those taxes should also be included.

It is facetious to say wholesale sales tax was a hidden tax given that companies are charged a range of hidden taxes. For example, financial institutions duty, bank accounts debits tax, council rates, payroll tax and a whole raft of other taxes are hidden. The honourable member for Swan Hill says that the GST is transparent and that the wholesale sales tax was not transparent. His argument falls on that basis. He also said that the government was treating the debate as if it were still in opposition.

I wish the opposition realised that it is in opposition! I wish opposition members realised their roles have changed, although I know they may become shell shocked at the realisation. Labor was shell shocked to find itself in government — I concur with honourable members on the other side on that issue — so the shock would be worse for opposition members.

They should have had an inkling they were on the nose following the Frankston East supplementary election. If they did not understand that after Frankston East they should have known after the Burwood by-election. By that stage they were not only on the nose, they smelt even worse, because they lost it as well.

As the Benalla by-election draws near the opposition accuses the government of opposing the goods and services tax (GST) legislation. The government vehemently opposes the GST, as does the federal Labor

leader, Kim Beazley. However, the reality is that the GST will be in place on 1 July. The government must deal with that reality and put a human face on it. I remember being in opposition in the other place when the honourable member for Bennetswood was in the box used by ministerial advisers.

When the Labor Party was in opposition the then Treasurer said, 'Oh well, it will be a long time before you are in government. You will never get on the benches on this side of the house'. When they were in government opposition members thought they were in for a reign of 1000 years. They thought the gold Victoria badge brigade was there forever. But the pendulum swings, and the pendulum will also swing for Kim Beazley and the Labor opposition in Canberra.

The GST, the Howard government and Treasurer Costello are hated, not only by the people in Labor Party seats and the people of the northern and western suburbs, but also by the people in the country. The honourable member for Swan Hill should remember that in the lower house the Labor Party has more country members of Parliament than the National and Liberal parties put together. That is the reality, yet the Labor Party has to deal with a tax that is absolutely despised by Labor Party voters, country people and business people.

An education forum on the GST was held in Melton after the Melton Shire Council asked the taxation department to give advice to small business operators in my community. By the end of that session the small business people were about to kill not only the taxation office representatives but also the other people conducting the seminar. The taxation office people could not answer any of their questions; they were hopeless when trying to provide a briefing on the GST. Most of the questions were prefaced with the words, 'I hate the GST'. People asked questions such as, 'Why do we have to have this new tax?', 'Why do I have to spend another hour when doing the books at night calculating the GST?', 'Why do I have to put in a business activity report every three months?', 'Why do I have to become a tax collector for the federal government?'.

Instead of 200 000 people acting as tax collectors under the wholesale sales tax regime now more than 2 million business operators will suddenly become tax agents for the commonwealth government. Most small business operators run to the wire and work 80, 90 or 100 hours a week, yet they are now facing this impost introduced by the Howard government and supported by the pathetic Victorian Liberal opposition. The Liberal opposition has gone into partnership with the National Party — they cannot get married, form a coalition or live together.

Mr Stensholt — They are not even lovers.

Mr NARDELLA — They are not even lovers. That would be an awful thought! It seems they have said, 'Let's be friends, but we won't kiss'. Yet they support the GST. They reckon it is the best thing since sliced bread. That is what the little ripper, former federal opposition leader John Hewson, thought in 1993. John Hewson was the great Messiah. He saw the light and got the GST through his party room in 1993. In 1992–93 the economic rationalists ruled. It was the epoch of those dinosaurs and they were at the peak of their influence in the federal Liberal Party.

The economic rationalists proposed the GST, but what happened? Paul Keating won the election that could not be won, the election the Liberals could not lose. That is how much the Australian community supports the GST. In 1996 John Howard went to the people of Australia and said, 'No GST', but later changed his mind. The federal Liberal Party, which had a massive majority, was returned to office at the last election with a majority of only eight seats.

The honourable member for Swan Hill supposedly represents country people and supposedly has the welfare of country people at heart, but he does not understand what is going on in his electorate. He said that the GST will boost investment for country Victorians and that there was a growth in investment under the Kennett government. Investment in rural Victoria grew by only 2 per cent in the seven years of the Kennett government's time in power. There was only a 2 per cent growth in investment for the 35 per cent of Victorians who live in rural areas.

The honourable member for Swan Hill blamed the media — Prime TV and WIN TV — because it did not support the GST. He nearly lost his seat, and if it were not for Labor preferences the honourable member for Shepparton would have lost his seat, yet they claim to represent rural Victoria. They have no right to represent Victoria and will be soundly defeated at the next election.

By contrast, the honourable member for Ripon, who is a small business operator, understands what is happening to small business in his electorate. Government members understand because they are listening. The Liberal Party — the National Party is even worse — does not listen to its constituents, particularly the small business people in the rural and country provincial areas of Victoria.

The ACTING SPEAKER (Ms Davies) — Order! I am reluctant to interrupt the honourable member for Melton, but the time has arrived for the lunch break. The honourable member for Melton will have the call when government business is again before the house.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.00 p.m. until 2.03 p.m.

QUESTIONS WITHOUT NOTICE

Schools: asbestos

Mr HONEYWOOD (Warrandyte) — My question is to the Minister for Health, who seems to be absent from question time today.

Honourable members interjecting.

Mr HONEYWOOD — Where is he?

Honourable members interjecting.

Mr Batchelor — I raise a point of order, Mr Speaker: members of the opposition well know that the Minister for Health has been delayed. They just advised me of what they were doing as a courtesy to allow me to explain why he was running late. Why, then, would they come here and express mock indignation?

Mr McArthur — On the point of order, Mr Speaker, it has been a tradition that ministers, particularly Deputy Premiers, attend the house and face up to the questions in question time. This is question time, Mr Speaker.

It has been the tradition of this place that whenever a minister is absent from question time the Premier of the day gets up and announces this or advises the Chair. The Chair then advises the house of the absence of the minister and to which minister the relevant questions should be referred.

This is a clear and serious breach of the practices of the house. The minister is scurrying for cover. The hospitals are infected, people are at risk, and he refuses to come into this house.

The SPEAKER — Order! A point of order has been raised about asking a question of a minister who is not present in the chamber. The practice of the house has been that a question cannot be asked of a minister who is not present in the chamber. However, the practice has also been that another minister will answer for the absent minister. I ask the honourable member for Warrandyte to redirect his question in this instance to the Premier who will be answering for the Minister for Health.

Mr HONEYWOOD — The health situation is in crisis — —

Mr McArthur interjected.

The SPEAKER — Order! I ask the honourable member for Monbulk to cease interjecting.

Dr Napthine — On a point of order, Mr Speaker, in the circumstances, perhaps it would assist the house if a new call were made and the opposition could appropriately rearrange its question order.

Honourable members interjecting.

The SPEAKER — Order! The Leader of the Opposition is entitled to be heard on his point of order.

Dr Napthine — In order to assist the house, Mr Speaker, the opposition seriously wants to direct a question from the honourable member for Warrandyte to the Minister for Health and it would seek to do that when the Minister for Health arrives. I ask that you give the call to another member from this side of the house so that the honourable member for Warrandyte can appropriately address his question to the Minister for Health when he arrives, given that he has been delayed.

Honourable members interjecting.

Mr Batchelor — Mr Speaker — —

Honourable members interjecting.

The SPEAKER — Order! The Leader of the House, on the point of order.

Honourable members interjecting.

The SPEAKER — Order! Will the house come to order. I will hear no further arguments on the point of order as the matter appears to have been resolved with the appearance of the Minister for Health. I call on the honourable member for Warrandyte to ask his question.

Honourable members interjecting.

Mr HONEYWOOD — My question is to Johnny-come-lately — —

Honourable members interjecting.

The SPEAKER — Order! The Chair is conscious that it is Thursday and that the house sat until 4.15 a.m. on Wednesday. However, I will not permit that type of behaviour and I will not permit the honourable member for Warrandyte to ridicule the house in that manner. The honourable member for Warrandyte should now ask his question.

Mrs Peulich — He was only ridiculing the minister.

Mr HONEYWOOD — In view of the obvious breakdown of asbestos checking procedures in the education department and the lack of understanding of the Minister for Education about this crucial issue, can the Minister for Health assure the house that all the other 194 relocatable classrooms are safe and pose no health risk to children or teachers, and will guidelines now be issued in the absence of any information provided to schools?

The SPEAKER — Order! The Chair is having some difficulty in admitting the question to the Minister for Health. I should ask him if he has some responsibility in this area?

Honourable members interjecting.

The SPEAKER — Order! It appears to the Chair that the manner in which the question was asked refers to matters under the jurisdiction of the Minister for Education. I ask the honourable member for Warrandyte to make clear in his question the way in which it relates to matters that are under the jurisdiction of the Minister for Health.

Dr Napthine interjected.

The SPEAKER — Order! The Leader of the Opposition!

Mr HONEYWOOD — On a point of order, Mr Speaker, the question has been drafted for the Minister for Health because, on my understanding, he is responsible for health and safety — —

Honourable members interjecting.

The SPEAKER — Order! Will the house come to order, particularly the honourable member for Carrum. The Chair will not hesitate to use sessional order 10 to bring the house back to order.

Mr HONEYWOOD — On a point of order, Mr Speaker, the Minister for Health is responsible for public health. Recently legislation was passed by Parliament specifically concerning asbestosis, and the Minister for Health had the carriage of that legislation. If the Minister for Education is not willing to issue guidelines on the matter the opposition must go to the Minister for Health. If the minister responsible for public health is not willing to answer the question, I will redirect it to the Minister for Education — but I would like to know who is in charge of public health.

Mr Bracks — On the point of order, Mr Speaker, the matter raised by the shadow minister is covered under the Occupational Health and Safety Act, which is administered by the Minister for Workcover. The matter — —

Honourable members interjecting.

The SPEAKER — Order! The honourable members for Mordialloc and Doncaster should cease interjecting.

Honourable members interjecting.

Questions interrupted.

SUSPENSION OF MEMBER

The SPEAKER — Order! I have repeatedly called the house to order and called for members to show respect to the Chair while standing. The honourable member for Bentleigh has been an offender on two consecutive days. Under sessional order no. 10 I now ask her to vacate the chamber for half an hour.

Honourable member for Bentleigh withdrew from chamber.

QUESTIONS WITHOUT NOTICE

Schools: asbestos

Questions resumed.

Mr Bracks — Further on the point of order, the Occupational Health and Safety Act and the Workers Compensation Act are the relevant acts and they are the responsibility of the Minister for Workcover. On the matter of the provision of facilities in schools, the Minister for Education is the appropriate minister. It has been a principle that questions be directed to the appropriate minister according to the appropriate assignment of acts. When it comes to the provision of health services — a different matter — it is the health minister — —

Mr Cooper interjected.

The SPEAKER — Order! I ask the honourable member for Mornington to cease interjecting. I will not warn him again.

Honourable members interjecting.

Mr Bracks — It is not so much that. The health minister is keen to answer this, but the principle is important to the proper, long-term conduct of the Parliament.

Dr Napthine — On the point of order, Mr Speaker, as the Premier said, the principle of responsibility for answering the question is important. The Minister for Health is responsible in the state for matters of public health. Similarly, the minister has responsibility for the government's role in dealing with the legionnaire's disease issue at the aquarium because it is a public health matter.

Honourable members interjecting.

Dr Napthine — The legionnaire's disease outbreak is a matter of serious public health. Similarly, the serious public health matter of the vaccination of children is the responsibility of the Minister for Health.

Similarly the safety of children in the classroom and in the community with respect to mesothelioma, asbestosis or other dust diseases contaminating the environment is a public health issue. The health of children in a classroom, of the staff who work in such facilities and of members of the community who access those facilities — whether they are the mothers or fathers who hear the children read, or the carpenters or builders who undertake alterations in the classroom — is a matter of public health.

Cancerous diseases such as mesothelioma and asbestosis have a long incubation period and have a serious effect on people. The health of children is clearly a matter of public health. It is important that the Minister for Health assure children and the community in general about the health of the children and the safety of the facilities in which they operate. It is appropriate that the question be directed to the Minister for Health and it is his responsibility to answer it.

Mr Batchelor — On the point of order, Mr Speaker, I emphasise the point made by the Premier, that when questions without notice are asked in the house they should always be directed to the responsible minister in a way that is clear, unambiguous and intelligible so that the person who is to answer the question and the public at large understand the issues involved.

The Leader of the Opposition referred to asbestosis and dust diseases. Recently amendments were made to the Administration and Probate (Dust Diseases) Act, which is under the jurisdiction of the Attorney-General. The opposition is clearly making mischief. It does not care what goes on apart from its making legislative mischief. The point of order is a stunt. The question ought to be directed to the responsible minister. Otherwise you, Mr Speaker, you should call the next question.

Mr Richardson — On the point of order, Mr Speaker, I put it to you that the issue before the Chair is whether little children breathing in particles of asbestosis is a matter of public health. The question before you is whether teachers breathing in asbestosis is a matter of public health. They are matters of public health and it is appropriate for the question to be directed to the Minister for Health. It does not matter much to whom the question is directed, so long as someone answers the question.

The SPEAKER — Order! the Chair has heard argument about to whom the question should be directed. The Premier has advised the Chair that the piece of legislation referred to by honourable members in raising their points of order is with the Minister for Workcover.

Dr Napthine interjected.

The SPEAKER — Order! The Chair has been advised that the Occupational Health and Safety Act is under the jurisdiction of the Minister for Workcover.

I ask the honourable member for Warrandyte to redirect his question.

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order and ask the honourable member for Warrandyte to redirect his question or to rephrase his question in a way that will make it clear to the house that the responsibility lies with the minister of whom he is asking the question.

Mr HONEYWOOD — In the light of your ruling about the particular legislation, Mr Speaker, notwithstanding that no children are covered by Workcover, I direct my question to the minister to whom you wish me to direct it, the Minister for Workcover.

In view of the obvious breakdown of procedures for checking for asbestos in the Department of Education, Employment and Training, will the Minister for Workcover assure the house that all of the

194 relocatable classrooms are safe, pose no health risk to children or workers, and importantly, will guidelines be issued by some minister so that school communities know the danger of asbestosis?

The SPEAKER — Order! In calling the Minister for Workcover, I ask him to confine his answer to those matters that are covered in the legislation that is under his jurisdiction.

Dr Napthine — On a point of order, Mr Speaker, with due respect, this is an outrage. The Minister for Workcover is not responsible for the public health of the 4000 children in Victoria who are utilising the 194 relocatable classrooms. The opposition is seeking, as it put earlier to the Minister for Health, who is responsible for safety and public health issues, an assurance that those children are safe in terms of its being a public health matter of vital importance. If you have now ruled that the Minister for Workcover cannot address the issue of the public health of those children, I suggest that the Minister for Health should be directed to answer the question because it was directed to him in the first place.

Mr Bracks — On the point of order, Mr Speaker, the matter raised by the Leader of the Opposition referred to the appropriate minister. As I submitted to you earlier, Sir, several courses of action are available to the shadow minister. The Occupational Health and Safety Act comes within the responsibility of the Minister for Workcover and facility management is the responsibility of the Minister for Education. If the shadow minister wishes, he is welcome also to ask the Premier. He has three opportunities to ask about this matter.

Mr McArthur — On the point of order, Mr Speaker, if you cast your mind back to the question posed by the honourable member for Warrandyte, which you instructed him to ask of the Minister for Workcover, you will remember that the critical point was whether the government, through whichever minister is responsible, would provide an assurance to the house and to the people of Victoria that those 194 classrooms pose no public health risk to the 4000 Victorian children who will be occupying those classrooms daily.

It would be a grave miscarriage of justice for Victorians if you, Mr Speaker, were to direct that the minister must restrict his response specifically and concisely to the powers and responsibilities under the Occupational Health and Safety Act.

Someone in this government must provide a guarantee or assurance that there is no public health risk to the 4000 children. The issue should be taken seriously by all honourable members. I am sure the parents of the 4000 children expect this matter to be regarded as extraordinarily serious. To restrict the ambit of the minister's response is a grave injustice to those children and their parents.

I ask you, Sir, to allow the minister to provide a full response that will allow the parents of the children to gain some comfort from the knowledge that someone is in control of the risks in this matter associated with public health.

Mr Cooper — Mr Speaker — —

The SPEAKER — Order! I have heard sufficient on the point of order. In calling a minister to answer a question the Chair has the expectation that the minister will answer for the jurisdiction within his portfolio or administration. In listening to the numerous points of order, it has become clear to the Chair that this question cuts across a number of different portfolios. I suggest a solution to the house: I ask the honourable member for Warrandyte to redirect his question to the Premier, who will answer for the government.

Mr HONEYWOOD — As directed by you, Mr Speaker, I now direct my question to the Premier. In view of the obvious breakdown of asbestos stock-checking procedures in the education department, can the Premier assure the house that all of the 194 relocatable classrooms are in fact safe and pose no health risk at all to children, and that guidelines and information will now be provided to schools, which to date have not received any information from any minister in this government?

Mr BRACKS (Premier) — It is a serious matter, which I shall answer in some detail. The education department's records show that absolutely no decommissioned classrooms have been brought back into service. I shall repeat that: no decommissioned classrooms have been brought back into service. I have been informed by the department that 195 portable classrooms were moved over the school holiday period. All were surplus to the requirements of other schools due to enrolment fluctuations or major school upgrades. All were audited in accordance with health and safety requirements. Eighteen of those classrooms were stored temporarily while awaiting a new location. Those 18 classrooms were used as teaching spaces under the previous government.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order.

Mr BRACKS — All of those classrooms — not 194, as the shadow minister mentioned, but 195 — were used under the previous government. I repeat: none has been decommissioned.

Mr Leigh interjected.

The SPEAKER — Order! The honourable member for Mordialloc will cease interjecting. I will not warn him again.

Business: government policy

Mr MILDENHALL (Footscray) — I refer the Premier to the government's election promise to manage Victoria's finances in a responsible manner and ask him to inform the house of the reaction of the business and finance community to the government's commitment to build a competitive environment for Victorian business.

Mr BRACKS (Premier) — The government is committed to building a business environment that is competitive not only with other states but internationally, and with the Asia–Pacific region in particular, and in which Victorian businesses can operate and new business can occur.

Under the government the budget will remain substantially in surplus, with a $592 million surplus in 2000–01 and an average surplus of $450 million in the forecast period. However, the good news for business is not confined to the substantial surplus, which Standard and Poor's described as one that will assist in retaining the AAA rating. The government's commitment to infrastructure projects, including the Growing Victoria reserve, will create substantial opportunities for the private sector to partner the government in delivering new projects across the state. Those opportunities will occur right across Victoria. New rail, road and other major infrastructure projects will enable business to join with the government in linking, skilling and connecting Victoria in the future. New trainee and apprenticeship places will also be established as part of the government's programs.

But there is more good news. As well as the package of investment, a major surplus and new apprenticeships there will also be a total of $400 million in tax cuts over the next four-year period. As most honourable members would realise from reading the newspapers, the budget has been roundly endorsed by the business and finance communities. I will refer to a sample only of those responses. Terry McCrann, a respected economic commentator in Victoria and nationally, wrote in the *Herald Sun*:

> A sensible balance between the tax burden, modest and focused new spending, and overall fiscal responsibility.

Rick Sheppard from Standard and Poor's, one of the two credit rating agencies, said:

> Our focus is on financial integrity, and our reading of the budget is that it's consistent with a AAA rating.

Allan Mitchell from the *Australian Financial Review* said:

> Business will be relieved that yesterday's budget was a relatively moderate document with a reasonable bottom line.

Two key business organisation leaders commented on the budget. Nicole Feely from the Victorian Employers Chamber of Commerce and Industry, described it as:

> A sound document. The pledge to a $592 million budget operating surplus will go a long way towards retaining the state's AAA rating.

Finally, Paul Fennelley of the Australian Industry Group said:

> The initiatives to encourage investment, innovation, training and regional development will help consolidate Victoria's position as a centre for manufacturing excellence. We welcome the commitment to reduce taxes.

The budget is on the right track. It is a pro-business budget that has been endorsed roundly by the business community not only in Melbourne but right across country and regional Victoria.

Minister for Police and Emergency Services: conduct

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the doctrine of the separation of powers and to media reports of attempts by the Minister for Police and Emergency Services to interfere in the appointment of a new Deputy Commissioner of Police. I ask the Premier to instruct his minister not to interfere in the appointment process for the new Deputy Commissioner of Police in Victoria.

Mr Nardella — On a point of order, Mr Speaker, at 2.15 p.m. the honourable member for Bentleigh was asked to leave the chamber. The honourable member for Bentleigh has come back into the chamber before the time set by the Speaker has expired. I ask you to uphold your ruling.

The SPEAKER — Order! On the point of order, the honourable member for Bentleigh — —

Mrs Peulich — On the point of order, Mr Speaker — —

The SPEAKER — Order! Before taking a comment from the honourable member for Bentleigh, I indicate that I am advised by the Clerk that the time recorded for the return of the honourable member for Bentleigh is 2.42 p.m. I ask her to stay out of the chamber until that time.

Honourable members interjecting.

Mrs Peulich — Mr Speaker — —

The SPEAKER — Order! The Chair has asked the honourable member for Bentleigh to vacate the chamber until 2.42 p.m.

Honourable member for Bentleigh withdrew from chamber.

Mr BRACKS (Premier) — In answer to the question from the Leader of the Opposition I can indicate that the Chief Commissioner of Police, Mr Comrie, and the Minister for Police and Emergency Services are in accord on how to proceed on the appointment of a deputy police commissioner. That was indicated by the chief commissioner in the press today, and I reiterate it now. I understand that the chief commissioner and/or the minister will announce the appointment of the acting deputy commissioner at some stage today. The question of — —

An honourable member interjected.

Mr BRACKS — I am answering the question about that. On the question of the long-term appointment of the deputy commissioner, as I indicated — the Leader of the Opposition may not have heard — the appointment of the acting deputy commissioner will be announced today. It is a decision on which the police commissioner and the police minister are in accord.

The long-term issue of the appointment of assistant and deputy commissioners is part of the Johnson review. The minister and the police commissioner are working on the Johnson review, and the final filling of the positions will depend on the outcome of that review.

On the supplementary question asked by the Leader of the Opposition — I should not answer supplementary questions, but I will answer it — an unrelated matter has come to my mind. I think the chief commissioner is doing a fantastic job. He has my utmost and unquestioned support. I think the police minister is also doing a fantastic job. Together they make a great team.

East Timor: government assistance

Mr LIM (Clayton) — I refer the Premier to the Victorian government's commitment to play its part in the rebuilding of East Timor and I ask: will the Premier inform the house of the government's latest action to assist that nation?

Mr BRACKS (Premier) — I thank the honourable member for Clayton for his question. This morning I met with Mr Xanana Gusmao, the President of the National Council of Timorese Resistance. As all members would appreciate he is a great leader of a great people, and is warmly welcome on his visit to Melbourne and Victoria.

Mr Gusmao informed me that the task of rebuilding his nation is an enormous one and that a concerted effort from the international community, including the community in Victoria, will be required to achieve the task.

We discussed in detail the particular problems for the youth of East Timor, including the problem of young East Timorese finishing their schooling but not being able to find employment, and the dislocation that is occurring, particularly in the country and regional areas of East Timor, which is a very small country.

The Victorian community, like the Australian community, has reacted magnificently to the plight of the people of East Timor. Governments at all levels are working towards the task of rebuilding the nation and making sure it is ready to take its place in the international community.

Today I informed Mr Gusmao that the Victorian government would offer six placements in the Victorian public service for East Timorese people to assist them with the establishment of a new public service in their own country. Participants in the placements will be trained in government administration and the technical aspects of the government departments where they are placed.

After having discussions with the head of my department I indicate that we are looking at the placements occurring in the Department of Natural Resources and Environment, the Department of State and Regional Development, the Department of Education, Employment and Training, and the Department of Treasury and Finance. The coordination for that will be assisted by my parliamentary secretary, the honourable member for Footscray. Mr Gusmao was delighted with the commitment.

I also inform the house that the Minister for Local Government will meet Mr Gusmao and sign a statement of principles between representatives of East Timor and Victorian local government as a recognition of the importance of having strong and robust democratic institutions in our two countries. The document pledges ongoing support from Victorian local government — support that has already seen many councils provide direct assistance to the effort to rebuild this ravaged nation.

Victoria will play its part in helping East Timor create a great and democratic nation and to rebuild from the devastation that has occurred during the past couple of years.

Rural Victoria: local government

Mr SAVAGE (Mildura) — I refer the Minister for Local Government to recent council elections in those shires or cities that do not have wards or ridings and to the outcomes in some elections which appear to favour disproportionately either candidates living in a particular part of the electorate or candidates who exchanged preferences, thereby constituting de facto tickets.

I ask the minister what action he will take to consider a change in the voting system in those shires from the clearly inappropriate exhaustive preferential system to a proportional system.

Mr CAMERON (Minister for Local Government) — Honourable members will be aware that when there is an unsubdivided municipality or where a number of councillors represent one ward the voting system is exhaustive preferential. That means that if a few more than half the people voted and they all followed a ticket they would get all the council spots. To take the Shire of Mildura as an example, prior to the elections some councillors lived in the dryland areas of the shire. After the elections all the councillors were based in Mildura or Sunraysia, so there was no representation from the more distant parts of the municipality.

I can understand why the honourable member for Mildura raised the matter. Honourable members will appreciate that it is particularly important in country Victoria, where a number of centres make up a municipality. The government will continue over time to review the Local Government Act to ensure that it works better. I can assure the honourable member that proportional representation will form part of that review because it is often raised with me as I go about the state.

The SPEAKER — Order! Before calling the next question, I wish to inform the house, in relation to an incident earlier today when the honourable member for Bentleigh re-entered the chamber, that it should in no way be seen as a reflection on the Chair or the forms of the house that she re-entered the chamber.

An error was made in the transmission of the message from within the chamber to outside the chamber. The time for her return was 2.42 p.m. and not 2.32 p.m., as was conveyed to her.

Nursing homes: funding

Mr HARDMAN (Seymour) — Will the Minister for Aged Care inform the house what steps the government is taking to improve public sector nursing homes, particularly in regional Victoria?

Ms PIKE (Minister for Aged Care) — The government is helping public nursing homes and hostels to work towards better standards. It will provide additional funding of $882 000 to 197 homes across the state to assist them in the commonwealth accreditation process.

As honourable members will know, the commonwealth has set time frames for meeting new building standards, and the critical date is 1 January 2001. If homes do not meet that deadline the commonwealth may force them to close.

The neglect by members opposite of services to the elderly means this government has been left with the massive task of rebuilding a number of public sector nursing homes which may have been forced to close without that rebuilding. The government has committed $47.5 million to that task.

I am pleased to announce to the house some specific funding initiatives to assist the communities of Dimboola, Yea and Heywood. The matter of the Dimboola District Hospital should be of great interest to the house. The Dimboola District Hospital will receive $3.3 million to rebuild the hospital and nursing home. That facility is a clear example of how the previous government treated people in country Victoria.

In September 1997 the Dimboola nursing home was rated as the second worst in the state. What will be distressing to the community of Dimboola and what the member for Wimmera will have to explain to people in his community is what I am revealing to the house today — that is, the previous Minister for Health had the funds to fix that nursing home and was advised by the department to do so as soon as possible.

However, because Dimboola was in a safe National Party seat, because those opposite took the town for granted and because of election timing, the funds earmarked for the Dimboola nursing home, the second-worst nursing home facility in the state, were given to a facility in the then Minister for Health's own marginal electorate, a facility which on no objective view needed those resources as urgently as did Dimboola.

The previous Minister for Health's action went against all accepted departmental procedures and planning processes and it left the Dimboola nursing home at risk of closure. Members opposite who were in the Department of Human Services at the time would have known that. I have here for presentation to the house the recommendations of the Department of Human Services at the time and the amendment in the then health minister's own handwriting noting the amended priorities as he moved Dimboola down the list and placed that nursing home at risk of closure.

I am pleased to announce to the house today that that important local health facility is now no longer at risk of closure and that the people of Dimboola will be receiving $3.3 million to rebuild their nursing home and hospital.

I am also pleased to announce that the Yea and District Memorial Hospital — yes, more good news for people in Seymour — will receive $1.5 million towards the cost of the redevelopment of an aged and acute care facility. That funding will enable the completion of an important project which was begun by the previous government but could not completed by it for obvious reasons.

Dr Napthine interjected.

Ms PIKE — However, this government is completing that project. I note that the Leader of the Opposition asked about a facility in his area.

The SPEAKER — Order! The honourable minister should ignore interjections and I remind her of the obligation to be succinct.

Ms PIKE — The people of Heywood might be asking why the member for Portland takes them for granted and why the previous government left the Heywood and District Memorial Hospital — —

Dr Napthine — On a point of order, Mr Speaker, the people of Heywood understand that $3.3 million was allocated in last year's budget for their upgrade. I am interested in whether the people of Casterton, who have been promised a $3 million upgrade, have been given their money in this year's budget.

The SPEAKER — Order! There is no point of order. The minister, concluding her answer.

Ms PIKE — The redevelopment of the Heywood and District Memorial Hospital was in jeopardy because the previous government undersold that development by $1.3 million. I am pleased to announce today that the government will ensure the redevelopment goes ahead by funding it appropriately and adequately, providing additional funds.

The government is also working with communities and has allocated resources to Casterton, Nyah, Sale, Natimuk, Myrtleford, Yea, Heywood and many other communities across Victoria to upgrade their aged and health care facilities.

The government will provide the resources where the need is greatest. It will not be shifting priorities for grubby political ends. Resources will be provided where the need is greatest, so elderly people wherever they live, be it in metropolitan, rural or regional Victoria, can be assured of receiving the care they deserve.

Hospitals: infection protocols

Mr DOYLE (Malvern) — My question is to the Minister for Health. In view of incidents at the Frankston, Rosebud, St Vincent's, Box Hill, Kilmore and Royal Melbourne hospitals and a further incident reported in the media today of a breach of infection protocols at a specialist metropolitan hospital, why does Labor's budget reduce the number of public health professionals working in that area of public health concern?

Mr THWAITES (Minister for Health) — I commence by apologising to the house for being late. I was representing the government and, I think, all members of the Parliament at the opening of the Office of the Provisional Government of East Timor with Jose Xanana Gusmao. Unfortunately Mr Gusmao, the leader, was late, and I thought it would have been rude to leave. The honourable member for Malvern was there, but unfortunately the honourable member for Malvern — —

The SPEAKER — Order! The Minister for Health should answer the question posed by the honourable member for Malvern. He has apologised to the house sufficiently.

Mr THWAITES — I am happy to do that. Regarding the issues the honourable member raised, last night I met with the network chiefs of the hospitals. They indicated to me the range of measures they have undertaken to improve infection control in the past three or four months. They include increasing levels of awareness among staff, which means increasing the rate of reporting of incidents. The reporting of incidents will be a more regular occurrence, reporting being something the previous government has no reason to be proud of.

In addition the network chiefs indicated they would increase surprise audits to improve the level of auditing of infection control. Better tracking of equipment was indicated, which is important. Improved training was also referred to, as was increased monitoring and accountability in infection control.

I am pleased to advise that the network chiefs have agreed to share the information they have about their improved measures, which is something that was not done nearly enough in the past. During my discussions with them last night, they indicated that they face a number of infection control problems.

The network chiefs also indicated that those problems are not recent but have been there for many years. It is ludicrous to pretend that the previous government has anything to be proud of. It is interesting to refer to the press and read the stories revealed this year. There were three — —

Mr Doyle — On a point of order, Mr Speaker, obviously the Minister for Health was expecting a somewhat different question. Although I may be delighted to ask that question at a different time, I direct you to the fact that my question is concerned with why Labor's budget reduces the number of professionals working in this public health area. It is not to do with the record of the previous government or anything the minister has been talking about so far. Mr Speaker, I ask you to ask the minister, now that he is prepared to answer a question, to at least answer the question he was asked and not one he was hoping for.

Mr Bracks — On the point of order, Mr Speaker, the honourable member for Malvern failed to mention in his point of order that in the introduction to his question he mentioned a number of incidents. So he was canvassing widely the number of incidents of infection as part of his question. Clearly, the minister was answering the referral mentioned in the introduction to the question.

The SPEAKER — Order! I do not uphold the point of order. However, I ask the minister to confine his answer to matters contained in the question.

Mr THWAITES — The point I was making was that under the previous government there were serious problems of infection control which we have inherited and with which we are dealing. I was referring to the fact that in the first nine months of last year three patients died of sternum infections at one hospital. Also 22 babies contracted infection in the neonatal intensive care unit (NICU) in one hospital. It is interesting that this only became public in February. Opposition members, who had no interest in revealing the issues at the time, now come here — —

Mr Doyle — On a point of order, Mr Speaker, this is a serious issue and I find this shroud waving offensive. I ask you to direct the minister to answer the question that he was asked.

The SPEAKER — Order! I do not uphold the point of order. However, I ask the minister to cease debating the question and come back to answering it.

Mr THWAITES — The opposition is talking about how much commitment the government has to resourcing the issue. That is what it was about. We have absolute commitment, and I will come to that in a minute. The reason we need commitment is that we have inherited from the former government a hospital system that was left to run down. Not only was it run down, but it did little to improve the problems in infection control that were caused.

It is also interesting to note that there was a report into infection control under the previous government. I quote from that report — —

Mr Doyle — On a point of order, Mr Speaker, I am sorry to raise this for the third time, but the minister is debating the question still, despite your direction to him, as evidenced when he said he will get to that in a minute. He then continued down the path he has gone down for the entirety of the question. He is debating the question and I ask you to direct him to answer it.

The SPEAKER — Order! I do not uphold the point of order. The minister was providing information to the house on a report that was commissioned in this area. That is the factual provision of information to the house. Therefore, there is no point of order.

Mr THWAITES — The reason we have to act and boost funding is because of the lack of action by the previous government. I will quote from the report. On infection control policies it states:

> Adherence by staff to policies and procedures was frequently not monitored —

nobody knew what was happening —

> and many organisations lacked formal staff training programs to ensure adequate staff orientation to infection control procedures and policies …
>
> There were also instances where manufacturers' guidelines regarding the operation and maintenance of sterilisation equipment were not followed.

The former government had before it a report that indicated that infection control was not being properly monitored and that there was a failure to maintain the guidelines on the equipment, yet it did next to nothing.

One can compare that response to the response of the Bracks government. Our government, contrary to the implications raised by opposition members, has just committed $30 million in recurrent expenditure. The opposition's election platform released by the Treasurer committed just $3 million. In addition to the recurrent funding of $30 million that the Bracks government is putting into cleaning and infection control, it is putting in $3 million this year and next year for more infection control equipment.

We are a government that puts resources where they are needed. We are a government which has had to improve a system that was run down and destroyed by not just the previous government but by the parliamentary secretary who was responsible for this area.

Drugs: Direct Line

Ms LINDELL (Carrum) — Will the Minister for Health inform the house of what the government is doing to meet the needs of drug users and their families and friends regarding information services on drug treatment?

Mr McArthur interjected.

Mr THWAITES (Minister for Health) — That is an interesting comment. I presume that the honourable member for Monbulk believes that the government should not be spending any more money on drugs. That is what the honourable member seems to be indicating.

Mr Honeywood — On a point of order, Mr Speaker, I sit next to the honourable member for Monbulk and I clearly heard what he said. The honourable member said that the Minister for Health is looking after the drug users but that he is not responsible for schoolchildren.

The SPEAKER — Order! There is no point of order raised by the honourable member for Warrandyte.

Dr Napthine — On a point of order, Mr Speaker. While you were on your feet the Premier referred to the honourable member on this side of the house and said, 'You're a liar'. I ask the Premier to withdraw that unparliamentary expression.

The SPEAKER — Order! The Chair is in a difficult position because it did not hear the comment.

Mr Bracks — I can help you, Mr Speaker, by withdrawing the comment. Further — —

The SPEAKER — Order! A point of order was raised by the Leader of the Opposition, at which point I was about to ask the Premier to indicate to the house whether he was prepared to withdraw the comment. The Premier has withdrawn the comment so the matter is resolved. I will not allow the Premier to speak to the point of order.

Mr Bracks — On a separate point of order, Mr Speaker, I refer to debate in the house two days ago and a matter raised by the shadow minister for tertiary education and training at the conclusion of the debate which provoked my outburst. I apologise for saying someone is a liar. I refer to an incident involving the honourable member for Monbulk in which the vote was taken — —

Honourable members interjecting.

The SPEAKER — Order! The Premier is entitled to be heard on the point of order, as is any other member of the house. At this stage the Premier has not provided enough information to the Chair for it to make a ruling.

Mr Bracks — When that vote occurred there was a crossing of the floor. The government went to the opposition benches and the opposition went to the government benches. While that was occurring the honourable member for Monbulk invaded the personal space of the tertiary education minister and would not be removed.

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order. I have now heard sufficient on the point of order to find that there is no point of order in the proceedings involving the house currently. I ask the Premier to see me in chambers if he wants to raise a matter of that nature.

Mr Bracks — Mr Speaker, in response —

The SPEAKER — Order! Is this on a further point of order?

Mr Bracks — On another matter, Mr Speaker, I —

The SPEAKER — Order! The honourable the Premier is raising a further point of order. The house will remain — —

Mr Perton interjected.

The SPEAKER — Order! The honourable member for Doncaster shall cease interjecting.

Mr Bracks — Mr Speaker, I want to indicate to you as Speaker that I will see you about this important matter in chambers.

The SPEAKER — Order! There is no point of order. I call on the Minister for Health to answer the question posed by the honourable member for Carrum.

Mr THWAITES (Minister for Health) — Unlike the honourable member for Monbulk the Bracks government is committed to a comprehensive drugs strategy. Information on services available for drug users and their families is a powerful tool in preventing drug abuse. The Direct Line information service being run through Turning Point Alcohol and Drug Centre is funded by the Department of Human Services. The service provides a vital service to guide drug users and their friends in relation to treatment and rehabilitation. In 1998–99 the direct line responded to over 46 000 calls from clients. However, the demand for the service is increasing, with the lost call rate increasing from 25 per cent in 1997–98 to about 40 per cent — that is, 30 000 calls — last year.

I am pleased to announce today that the Bracks government will provide additional funding of over $1 million from 1 July this year to ensure that at least 90 per cent of callers receive a response on their first attempt to call. The additional funding includes $151 000 for one-off capital equipment purchases and $433 254 per annum over the next two years for additional counselling staff. The total funding for Direct Line will be nearly $1.04 million per annum, which will enable the service to assist about 70 000 calls per year.

Information services for drug users and their families and friends is seen as a powerful tool to prevent drug abuse. It is part of the Bracks government's comprehensive strategy to reduce the terrible harm that drugs are causing in society today.

Benalla: Labor candidate

Mr RYAN (Leader of the National Party) — My question is to the Premier. In keeping with the integrity of the electoral process and the his policy of open, honest and accountable government, and to enable the electors of Benalla to be fully informed as to the history of respective candidates, will the Premier now make available the complete and accurate curriculum vitae of the Labor candidate, as the National Party has done with its candidate, Bill Sykes?

Honourable members interjecting.

The SPEAKER — Order! The Chair is having some difficulty with the question asked by the Leader of the National Party on the aspect of its referring to government administration. I ask him to make clear to the Chair how the question refers to government administration.

Mr RYAN — The relationship is clear, Mr Speaker. Victorian legislation governs the electoral process. The government of the day has the responsibility for its overall governance. Therefore, it has responsibility to ensure compliance with the regulations.

The SPEAKER — Order! In calling the Premier I ask that he confine his answer to matters relating to government administration.

Mr BRACKS (Premier) — I will do my very best, Mr Speaker. The curriculum vitae of Denise Allen, the Labor Party candidate in the Benalla by-election, is available and open for anyone to see. The Leader of the National Party is using the same tactics as those used by the Liberal Party in the Burwood by-election. History will show that when political leaders get into the gutter and personalise they will pay the penalty. The Leader of the National Party will pay the penalty in two weeks!

City Link: contract

Mr SEITZ (Keilor) — Will the Minister for Transport inform the house of any advice he has received about the government's liability for compensation claims from Transurban as a result of City Link contracts signed by the former Kennett government during its time in power?

Mr BATCHELOR (Minister for Transport) — The City Link contract was negotiated by the former Kennett government in 1995. It was signed and is valid for 34 years. Under the contract the former government agreed that Transurban could claim compensation from the Victorian government if new roads were built that offered motorists alternative routes to the City Link

project, thus adversely affecting tollway revenues. Clearly, the clauses are anti-competitive and not in the best interests of motorists. In effect, taxpayers can be compelled to underwrite and protect Transurban's profits. The circumstances are amazing.

Mr Leigh — On a point of order, Mr Speaker, the contract states that both tolling tunnels must be open, yet only one is open. The Minister for Transport has changed the contract and is allowing City Link to make millions of dollars. I do not understand what he is saying because he has changed the contract.

The SPEAKER — Order! The Chair is growing impatient with honourable members taking points of order that clearly are not points of order. The honourable member for Mordialloc is guilty of that offence. There is no point of order.

Mr BATCHELOR — Thank you, Mr Speaker. The opposition's selection of the honourable member for Mordialloc as the shadow minister for transport clearly is a tragedy. It has committed a huge bungle that will bring it undone.

I have received advice from my department that Victoria is at risk of a material adverse-effect claim because of the construction of the north-south road and the stadium access road at Docklands.

I have also been advised that on 1 March 1999, prior to the construction of the roads, the Kennett government ministers were briefed on the potential for such a claim being made against the state of Victoria.

On that day members of the City Link and Docklands subcommittee of the Kennett cabinet met and decided on a novel solution to the problem they had created — that is, they would require that barriers be placed on old Footscray Road and the stadium access road to stop cars using those roads to access the new north-south road. The barriers would be in place except when sporting and entertainment events were being held at Colonial Stadium. In other words, the Kennett government ministers decided that those roads would be closed for much of the time — not for much of the time of their term of government, but much of the time for the next 34 years! That was a truly unique approach to policy making. The ministers decided to build roads so they could close them, and to close the roads even before they were built.

I have been advised that if the new government fails to restrict access in that way, it risks Victoria being exposed to a Transurban compensation claim for many millions of dollars. I have further been advised that the measures taken may reduce the exposure of that risk, but, amazingly, they do not eliminate it.

Despite all that, the Bracks government will do everything it can to protect the position of taxpayers and motorists now and during its term in office, unlike the Kennett government, which sold out the interests of motorists, the state and future generations when it signed up to the City Link contract.

The SPEAKER — Order! The time set down for questions without notice has expired and a minimum number of questions has been asked and answers provided.

NATIONAL TAXATION REFORM (FURTHER CONSEQUENTIAL PROVISIONS) BILL

Second reading

Debate resumed.

Mr NARDELLA (Melton) — Before the suspension of the sitting I was referring to the contribution to the debate by the honourable member for Swan Hill. The issue of bankruptcies that the goods and services tax (GST) will foist on country and rural businesses is extremely serious.

The other day I read an article in one of the newspapers about a family-run general store that had been in operation for nearly 100 years. Family members provided a service to the store's customers; they wrote out invoices by hand and allowed their customers to run a slate. However, they are now out of business. They are part of a small rural community, but they cannot afford to maintain the general store and have decided to close up shop. Within the first couple of months of the introduction of the GST about 20 000 businesses, many in country and rural areas, will similarly close.

A partnership exists between the Liberal and National parties. The electorate of Benalla is the love child over which the parties are having a custody battle. Yet both opposition parties come into the house and support the GST. It is all about possession for the two partners; it has nothing to do with what is best for the child. The Liberal and National parties are wrong about their support of the GST, which will affect their constituencies, especially in country and rural areas.

Taxation reform will be expensive for the community. Budget estimates indicate that next year the GST will increase the rate of inflation from the current 2.5 per cent to more than 5.5 per cent. In addition to the federal

Treasurer Costello interest rate rises that we have to have, inflation boosted by the GST will devastate many more Victorian businesses.

The final matter on which I comment concerns prepaid funerals. Unfortunately, the GST will impose a burden on older people who are planning prepaid funerals. They have been concerned about how the GST will affect their plans, hence the legislation has been introduced.

My father, who was born in 1908, still remembers the shelling of the First World War. I went through with him the process of arranging his prepaid funeral. We looked at the range of coffins, checked out the site and made all the arrangements, including payment for the priest, and so on. It cost $7300. The GST will add another $730 to the cost. That is an example of how the GST will impose extra stress, particularly on older people and their families. The truism is that in life there will be death and taxes; but under the Liberals and the Nationals there will also be the GST!

Mr CLARK (Box Hill) — I am pleased to contribute to the debate on the National Taxation Reform (Further Consequential Provisions) Bill and to follow the honourable member for Melton in the debate. The honourable member for Melton has confirmed that the hallmark of the government is the humbug with which it has approached a wide range of issues since coming to office.

In the concluding stages of his contribution he railed against the alleged inequities of the goods and services tax (GST). But what concrete action has the government taken to bring about the removal of the tax? On the one hand, government members cry foul, claim the tax is terrible, and say they just have to cop it because they have no choice. On the other hand, they will rake in all the benefits, put the revenue in the kitty, go through the motions of opposing the tax, open it with welcome arms and do absolutely nothing to persuade their federal colleagues to get rid of it. That sort of inconsistency — to say one thing but do another — is the hallmark of this government.

I cite a recent case. In the closing stages of question time the Minister for Transport said he would have loved to have kept certain roads in the Docklands area open, but the wicked Kennett government forced him to close them. He claimed that if he did not close them litigation would be taken against him. He is taking the position — 'Sorry, don't blame me, I have no choice'. The Minister for Major Projects — —

Ms Delahunty interjected.

The ACTING SPEAKER (Mr Kilgour) — Order! The Minister for Education should understand that the Chair will not allow disorderly interjections across the table.

Mr CLARK — The Minister for Major Projects let the cat out of the bag. Simultaneously with the Minister for Transport's claims, he issued a news release that welcomed the opening of the new stadium circuit around the Docklands, made it perfectly clear that the reason for the circuit was to re-route traffic around the Docklands and pointed out that it was a good thing for the precinct. That is one example of the government's inconsistency. We are now seeing media reports about private prisons. A large number of people are crying foul and alleging inconsistency on the part of the government on that issue.

We have also seen inconsistency in planning. When in opposition the Labor Party said if it were in government it would take all sorts of swift actions to deal with residential planning issues, yet the Minister for Planning has failed to introduce any across-the-board interim planning controls to address the issue of setbacks, overshadowing and visual bulk, despite both sides of politics recognising that changes are needed in that area. The Minister for Planning has also ignored the wishes of Bayside council on heritage controls despite his promise to give more local input on planning to local municipalities.

We have also seen inconsistency in the government's approach to open and accountable government. The claim about providing open and accountable government is in contrast to the sessional orders the government put forward. We are seeing inconsistency yet again with this bill. In the second-reading speech the minister states:

> While the Bracks government does not support the GST, it is obliged to honour the previous government's commitments under the Intergovernmental Agreement on the Reform of Commonwealth–State Relations.

That is another attempt to say do not blame the government because there is nothing it can do. However, federal counterparts of the government are lurching all over the place, so one would think there was an opportunity for government members to play some decisive role if they wanted to, but they are failing to do so.

The federal Leader of the Opposition is talking about a GST roll-back. In a press article dated 1 December 1999 he indicated that the opposition would not decide when or how far the tax would be rolled back until mid-2001 and that there would be a dollar sign attached

to the roll-back — so one would not want one's other policies to be in place before one committed to the dimension of the first phase.

Clearly, the federal Leader of the Opposition does not know exactly what he wants to do about the goods and services tax. At one stage federal Labor indicated that it might repeal the GST in future, but then it backed away from the idea. That uncertainty about what the federal Labor Party is doing should make it strikingly obvious to honourable members opposite that they have a real opportunity to influence the course of federal Labor Party policy.

I cannot recall hearing the honourable member for Melton call on his federal counterparts to stiffen their resolve and declare that if elected to government they will repeal the goods and services tax. Maybe he said it before the luncheon break; we certainly did not hear it in his concluding remarks. To do so would have been a logical follow-on to the rhetoric delivered to the house by the honourable member.

Mr Nardella interjected.

Mr CLARK — The honourable member says he did refer to it. If he did so he must have put it very subtly.

It will be interesting to hear what speakers following me will have to say on the matter. If they are sincere their no. 1 priority will be to call on their federal counterparts to make a public and unequivocal commitment before the next federal election to completely repeal the GST. That would be the logical and consistent thing to do.

Mr Nardella interjected.

Mr CLARK — The honourable member for Melton interjects and says it is too late. That reinforces the fact that many crocodile tears are flowing in this chamber today. There is no demonstration of sincerity on the part of members of the government.

Mr Nardella — I was sincere.

Mr CLARK — They can complain as much as they like; the bottom line is that they want the revenue and will simply go through the motions of complaining about a tax they are actually quite happy to have — as they should be.

The honourable member for Melton is welcome to correct me, but I do not recall hearing in his remarks any reference to the significant reductions in personal and other income taxes that will take place as a result of the new tax package. It is all very well for critics to focus on one component of the package, but when they do they completely overlook the major benefits that will flow from the abolition of wholesale sales tax (WST). Victoria has traditionally been the manufacturing state of Australia. More than any other state its fate is linked to the prosperity of manufacturing.

The previous government as a whole, and in particular the Honourable Mark Birrell as the responsible minister, placed emphasis on finding new opportunities for the manufacturing industry in Victoria. It found them in elaborately transformed manufactures of various descriptions. It found them in the motor trade, various fields of electronics, and in aviation where Victoria is responsible for the manufacture of significant parts of the Boeing aircraft. The previous government focused on giving a new lease of life to the Victorian manufacturing industry and positioning it for the future.

One of the best things that could happen to manufacturing in Victoria is the abolition of the wholesale sales tax that has a narrow base concentrated predominantly on manufactured products. It is a highly distortionary tax and hits manufacturing industry in Victoria.

The Leader of the Opposition made the same point this morning, and although it was presumably coincidence, at that very stage the Minister for Manufacturing Industry saw fit to stand up and leave the chamber. Coincidence or not that is a graphic visual demonstration of the lack of regard for the true interests of manufacturing industry being shown by the minister and by this government. Through the sort of criticism it has been making during the course of this debate it seeks to undermine the new tax package. If it had the interests of manufacturing industry in Victoria at heart it would be welcoming the package instead of shedding crocodile tears about it.

Turning to the detail of the legislation, other aspects of the humbug of the government can be seen. While its federal counterparts have been vigorous in raising issues about the accountability of businesses for price increases as a result of the GST, when looking at some of the provisions in the bill it can be seen that as far as the Labor Party as a whole is concerned, it is one standard for itself and a different standard for everybody else. Some of the provisions for the passing on of charges show little evidence of the scope for accountability and justification of the increases that will take place.

I refer in particular to some of the increases highlighted in part 7 of the bill, which relates to cemetery fees, fees under the Legal Practice Act and trustee companies commissions and fees.

The explanatory memorandum states that clause 18:

> … allows the trustees of a cemetery trust to increase a fee named in published fees by an amount not exceeding the amount of the GST, without the requirement to submit the increase to the Governor in Council.

The memorandum further explains that a notice will be published in the *Government Gazette* and a local newspaper and that there can only be one fee increase which has to be made and published with Governor in Council approval prior to 1 July 2000.

That mechanism is put in place by the legislation. But what is the review mechanism? How will the government ensure that due process is followed by the trustees of a cemetery trust and that the fee increase is justified?

If the trustees assert that the relevant fee increase is 10 per cent being 'the amount of GST payable on the supply to which the fee relates', which is the expression proposed to be inserted in section 17(3) of the Cemeteries Act, what is the monitoring mechanism to prevent the trustees from asserting that when they are not justified in doing so? Nothing in the bill or the second-reading speech achieves that. There is only to be a statement that the changes are being made.

The explanatory memorandum states that clause 19:

> … amends the Legal Practice Act 1996 to increase by 10 per cent the maximum levy payable by legal practitioners in relation to the Fidelity Fund and the maximum fee which can be prescribed under section 445(2)(a) for lodging a dispute with the registrar of the Legal Profession Tribunal.

The latitude to vary it is built in, but clause 19 refers to 10 per cent across-the-board increases. It may be said that they are maximums and that there is no obligation to impose them. However, arguments are being put in the public arena to monitor organisations over price increases. Where is the accountability of the government? How can it reassure the house and the public that scrutiny and protection is in place to ensure there will not be a blanket increase to the maximum, or other increases in fees over and above what is justified with regard to the full GST impact?

The explanatory memorandum states that clause 20:

> provides for an increase of 10 per cent in the ceilings which apply to certain fees and commissions in the Trustee Companies Act 1984.

The changes seem to apply 10 per cent across-the-board increases. Proposed new paragraph (a) to be inserted in section 21(4) of the Trustee Companies Act states:

> (a) in relation to estates committed to the trustee company —
>
> (i) before 1 July 2000 — the amount of the published scale of charges of the company current at the time when the estate was committed to it plus 10%;
>
> (ii) on or after 1 July 2000 — the amount of the published scale of charges of the company current at the time when the estate was committed to it;

It provides for a 10 per cent increase. In section 22 of the Trustee Companies Act, the new subsection (3) to be inserted provides that:

> If, before 1 July 2000, the Supreme Court fixed an additional commission under sub-section (1) for a trustee company, the trustee company on and after that day is entitled to receive an additional amount of 10% of the amount of that commission.

I will be interested to hear subsequent speakers on the latter provisions of the bill. On my reading, those proposed sections are providing not simply for a maximum increase of 10 per cent but for a full increase of 10 per cent. Is there a justification for an automatic increase of 10 per cent in those areas?

For all those reasons, although the bulk of the provisions in the bill are mechanical in that they are implementing the state's end of the move to the new tax reform system that will deliver significant benefits to Australians and Victorians, the bill again demonstrates the humbug that passes for good government in Victoria these days in respect of the position that government members have taken on the goods and services tax (GST) and the rigour they have applied to themselves and the organs of government for which they are responsible compared to the sort of scrutiny and justification of price increases their federal counterparts are expecting of the private sector.

Ms LINDELL (Carrum) — It gives me great pleasure to add to the debate on the National Taxation Reform (Further Consequential Provisions) Bill, although the introduction of the goods and services tax (GST) gives me no pleasure.

The necessity for the bill arises from the introduction of what I believe is a most unfair tax. The GST will weight the tax burden even more unfairly against low-income earners employed under the pay-as-you-earn system, small-business owners, pensioners and self-funded retires, while at the same time it will give unfair income tax cuts to the top 20 per cent of taxpayers. In doing so it will distribute slightly

more than $1 billion a year to low-income groups, but the Australian Council of Social Service, church groups and charitable organisations have argued constantly that $6 billion will need to be raised to improve the equity of the tax package.

Honourable members should not forget that one of the major arguments that is put forward strenuously by advocates of the GST is that an extra means of taxation is required if obligations to welfare services are to continue. However, the result is a tax that will reduce the taxation of high-income earners and leave little extra in the kitty for future welfare funding.

Honourable members have referred to the growth tax effect of the GST. Opposition members have overlooked who it is in the community who will contribute to the growth tax. Most people know that people on low incomes spend the vast majority of their incomes on essential goods and services — food, clothing, gas and electricity. Their income is not spent on the optional extras of theatre tickets and dining out. The most needy in the community will need to find an extra 10 per cent for their power and insurance bills and when paying for their second-hand cars and books.

Opposition members have put the convoluted argument that the wholesale sales tax is a GST in disguise. I refer honourable members to the case of a gentleman who visited my electorate office recently looking for information about when he should purchase an electrically operated recliner chair. Honourable members will be familiar with the made-to-measure recliners designed for older members of the community.

They cost approximately $1000 and are of benefit to people who suffer from arthritis in their backs, hips or knees. They help such people by adjusting to a comfortable sitting or lying position. I made some phone calls and was advised that a 12 per cent wholesale sales tax applied to electrical recliners. I advised my constituent and we had a good-humoured discussion about it because he was having a dispute in the family about the benefits of the GST.

One of his sons suggested that the recliner would be cheaper after the GST was introduced because the rate was only 10 per cent compared with the 12 per cent sales tax. However, once the sums were done it was found the recliner would cost more following the introduction of the GST. The father was happy about that and bought his recliner. In the best spirit of intergenerational competition he had won the argument with his son.

I must mention the fiasco with the sale of Olympic torches. The daughter of a constituent of mine has been given the honour of carrying the Olympic torch and he has already paid $350 to enable her to keep the momento. I assure honourable members they are wrong if they believe people are in favour of the GST. I have not read of there being much support for it, particularly in relation to the purchase of the Olympic torch because the father I spoke of received a bill for about $35 for the GST component. The people selling the Olympic torches had not worked out that they would be subject to the GST.

Members of the Liberal and National parties have an ideological problem in their support of a tax they are proud to trumpet as being a growth tax. The opposition argues that the Bracks government should embrace the GST because it will provide more funds for the state. Opposition members believe the money is being left at the bottom of the garden by the fairies! My fundamental opposition to the GST, the growth tax as the opposition refers to it, will come from the pockets of the people I represent in Carrum — small business people, low-income workers, pensioners, and people like my parents and sister, who have funded their retirements through years of hard work and careful financial management.

My father is 88 years old and is still paying income tax, yet he will now have to pay 10 per cent GST on his insurance premiums, power bills, clothing and most grocery items. He has spent a lifetime contributing to the community and must now pay 10 per cent more in tax for everything he buys. The opposition believes everybody should be overjoyed with the GST because it is a growth tax. They have lost sight of the fact that money raised through taxes is money that has to be paid by the community. After all, it is the community that pays taxes in the first place. In a democracy the role of government is to set fair and reasonable imposts on the community to raise funds for the provision of appropriate infrastructure and community services.

The government is concerned that the GST is an unfair tax and that it disadvantages small business owners, low-income earners, pensioners and people on fixed incomes while providing advantages to the big end of town.

The bill is essential legislation for the implementation of the GST and therefore I support it, but I rue the fact that the tax is necessary, that support for it is necessary and that it is being introduced. The necessity to pass the legislation springs from an agreement signed by the Kennett government that is not supported by the Bracks government. I wonder what the opposition would think

if the legislation had not been introduced. It is all very well for the honourable member for Box Hill to ask about future arrangements. The problem faced by the Bracks government was that the imposition of the unfair GST commences on 1 July, thereby forcing the government to pass the legislation speedily.

Mr PLOWMAN (Benambra) — I could have predicted that during her contribution to debate on the National Taxation Reform (Further Consequential Provisions) Bill the honourable member for Carrum would compare prices prior to and after the introduction of the goods and services tax (GST). However, at no stage did she consider the result of the total tax package. I wonder why government members continue with their biased rhetoric. It does the honourable member for Carrum no justice to look only at prices with or without wholesale sales tax and with or without GST. One needs to consider how the total tax package will affect the income-earners in the Carrum electorate.

Ms Lindell interjected.

Mr PLOWMAN — I take up the honourable member's interjection that it is a growth tax. In her contribution to the debate the honourable member said that what she terms the growth tax will impact on the lower-income families in her electorate. She cannot have it both ways: either the state government will benefit because the GST is a growth tax — and if the government does benefit, that obviates the government's argument about the introduction of the bill; or it is not a growth tax — and if it is not, one wonders how the GST could impact as a growth tax on the constituents of the honourable member for Carrum. I suggest she is incorrect: it is a growth tax, it will benefit Victoria, and that continued benefit to the state overcomes the arguments that have been put forward by the Labor government about the need for the bill.

The bill is the second of two bills and indicates the state's obligation under the intergovernmental agreement on the reform of commonwealth–state relations that was signed off in mid-1999. The bill also deals with the indirect impacts of the introduction of the GST. The Labor government contends that the GST will not lead to any windfall gains for the state, despite the verbal interaction I had with the honourable member for Carrum when she agreed that the GST will actually be a growth tax. The introduction of the GST — a growth tax — will lead to windfall gains for Victoria.

It is also clear that in the medium to long term the goods and services tax is a growth tax and that the state government is taking a short-term view and is politically motivated in its opposition to the GST. It is also clear that the GST will provide a stream of increasing revenue to Victoria over the longer term.

As we have all learnt the goods and services tax is set at the rate of 10 per cent and will be effective from 1 July. Revenue from the tax will flow exclusively to the states and territories. At the same time the wholesale sales tax will be abolished and commonwealth financial assistance grants and revenue replacement payments to the state will end. What a great day it will be day when state premiers no longer have to go cap in hand to the Premiers Conference to ask the Prime Minister for a fair go for their states.

I hope Victoria will be the winner under the GST because it is a growth tax. Instead of having a tax that automatically — for whatever reason — supports other states, with access to a growth tax Victoria will for the first time benefit on an equitable basis as the state grows.

Mr Mildenhall — You don't believe in subsidising Queensland?

Mr PLOWMAN — I take up the interjection of the honourable member for Footscray. I believe Victoria has subsidised the states of Queensland and Western Australia, and one would have to question why the rate of that subsidy has gone up in recent years. The bill will change that to a large extent, particularly as the GST grows and becomes a larger part of total state revenue.

The measures proposed in the bill are designed to be budget neutral. Victoria is obliged to find embedded tax savings of $100 million per annum to flow back to the commonwealth. The current Labor government is stating that as a consequence many taxes and charges may have to be increased to a full 10 per cent. Not only is that debatable, it also puts in question the state government's motive in imposing those increases. On the one hand it says there will be tax increases while on the other hand it says that as a growth tax the GST will not compensate for the $100 million embedded tax savings that the government will be required to meet annually from the time of the introduction of the new tax. The GST is to be applied to government fees and charges that are not declared to be free of GST by the commonwealth.

The bill is the second of two bills that relate to the GST. It deals with amendments to the relevant gambling legislation and the reduction of tax rates relating to Crown Casino and interactive gaming. If I had more time I would go into detail about that aspect, but time limits the detail I can give.

The bill also deals with the increases in statutory fees and charges that are not exempt from GST. I understand the need for that provision because the end result of the introduction of the GST should be one of neutrality. I understand the bill also deals with additional penalty Workcover premiums that will not be subject to GST. That is an important point for the future of Workcover and its cost to employers. I understand the GST portion of prepaid funeral moneys is not subject to the investment requirement and can be remitted to the Australian Tax Office by funeral directors.

The bill includes further changes to the Racing Act as a consequence of the abolition of stamp duty on bookmakers' statements. The initial changes were introduced in the first bill that related to taxation changes consequent on the introduction of the GST as they affect the Victorian government.

Finally, Mr Speaker, I am delighted to have had the opportunity to speak, albeit briefly, on the bill.

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Mr Richardson) — Order! The completion time ordered by the house has arrived. I am required by sessional order 6 to put the relevant questions.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

DISABILITY SERVICES (AMENDMENT) BILL

Second reading

Debate resumed from 2 May; motion of Ms CAMPBELL (Minister for Community Services).

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

VOCATIONAL EDUCATION AND TRAINING (COUNCIL MEMBERSHIP) BILL

Second reading

Debate resumed from 2 May; motion of Ms KOSKY (Minister for Post Compulsory Education, Training and Employment).

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

TRANSPORT (AMENDMENT) BILL

Second reading

Mr BATCHELOR (Minister for Transport) — I move:

That this bill be now read a second time.

The primary purpose of this bill is to repeal or amend various sections of the Transport Act to remove references to the transport functions of the Public Transport Corporation. The bill also makes a number of consequential amendments to other acts.

As a result of the franchising of public transport to private operators, the Public Transport Corporation no longer provides any public transport services or owns land on which tram and train services are provided to the public.

The corporation therefore no longer needs the wide range of powers and functions it exercised when it was the main provider of public transport passenger services in Victoria, nor does it require the enforcement powers which it previously exercised to enforce ticket requirements and other transport offences.

Most amendments contained in the bill remove references to the Public Transport Corporation. However, some amendments insert a reference to the new tram and train operators where that is appropriate. In some instances where the relevant functions have been transferred to another body, such as Victorian Rail Track, which now owns most public transport land, the name of that body has been inserted in the act.

The Public Transport Corporation is the successor at law to the statutory corporations whose assets were franchised to the private operators. The Public

Transport Corporation will continue to be responsible for winding up the residual assets and liabilities of those bodies. In addition, the Public Transport Corporation continues to own some land, which was not required at franchising, and also continues as a party to a number of contracts which have not yet been transferred to other bodies — the most important of these is the contract with Onelink for the automated ticketing system. For these reasons the corporation continues to require certain powers and to exercise relevant functions. The powers and functions it still requires have been inserted by this amendment or have been retained in the Transport Act.

I commend the bill to the house.

Debate adjourned on motion of Mr DOYLE (Malvern).

Debate adjourned until Thursday, 18 May.

PSYCHOLOGISTS REGISTRATION BILL

Second reading

Mr THWAITES (Minister for Health) — I move:

That this bill be now read a second time.

The current Psychologists Registration Act was passed in 1987. It establishes the Psychologists Registration Board, provides for registration and discipline of psychologists and probationary psychologists, and for approval of registered psychologists as specialist psychologists.

Review of the act was undertaken during 1997–98, in accordance with national competition policy requirements and as part of a rolling departmental review of health practitioner regulation. During review of the act, consultation occurred with a large number of organisations and professional groups.

The review recommended that restrictions on statutory registration were necessary to achieve the objectives of the legislation and should be retained. Restrictions on specialist approvals, inoperative provisions relating to psychological tests and consent to use of certain names by bodies corporate and similar entities were not considered necessary to achieve the objectives of the legislation.

In view of the substantial inconsistencies between the act and more modern health practitioner registration acts, the review recommended it be repealed and a new act introduced based on the model contained in the Medical Practice Act 1994 and incorporating the above recommendations.

Accordingly, the principal purpose of this bill is to protect the public by providing for the registration of psychologists and to enable investigations into the professional conduct and fitness to practise of registered psychologists.

The bill regulates advertising relating to provision of psychological services, establishes the Psychologists Registration Board of Victoria and the Psychologists Registration Board Fund and repeals the current Psychologists Registration Act 1987.

The bill reflects the model of health practitioner regulation contained in the Medical Practice Act 1994, together with recent improvements and amendments to that model made pursuant to the Health Practitioner Acts (Amendment) bill 2000.

The bill provides for a nine-member board, whose principal functions will be the registration of psychologists and investigation into the professional conduct and fitness to practise of those persons. The current board is replaced with a new incorporated board of the same name, which may appoint its own staff and administer its own funds.

The bill provides for probationary, specific and general registration, and contains criteria which facilitate mutual recognition. Probationary registration enables persons who have completed approved courses of study to undertake a period of supervised study or training prior to general registration. During the period of probationary registration, these persons must not claim to have, or hold themselves out as having, general registration.

The probationary registration provisions are intended to ensure the new board maintains scrutiny of training and supervision arrangements undertaken by probationary registrants. The bill provides that general registration will usually follow completion of a period of probationary registration.

Specific registration provisions are similar to those contained in other health practitioner registration legislation, and permit limited registration of persons who hold qualifications in psychology which do not qualify them for general registration. While specifically registered, these persons must not claim to have, or hold themselves out as having, general registration. It is an offence against the act for persons who are not generally or specifically registered to use the title ‘registered psychologist’ or ‘psychologist’.

The bill enables the board to impose any conditions, limitations or restrictions it thinks appropriate on the

above grants of registration. It also requires registrants to return current certificates of registration for endorsement with any conditions, limitations or restrictions imposed. The new board will also have powers to require evidence of adequate arrangements for professional indemnity insurance as a condition of general and specific registration and the board can issue guidelines about minimum terms and conditions of insurance.

The bill also provides a mechanism for the board to note qualifications on the register in addition to those required for registration. In view of the complex nature of psychology services, it is the intention that this provision operate to assist consumers who may seek information from the board in relation to registrants with qualifications in specialised areas of psychological practice.

The bill contains a legislative definition of unprofessional conduct, which is consistent with other health practitioner legislation. In addition, core provisions relating to informal and formal hearings and appeals to the Victorian Civil and Administrative Tribunal are consistent with those in other health practitioner legislation.

Advertising restrictions are included in the bill to further ensure protection of the public, and the bill enables the board to prepare guidelines for registrants on minimum acceptable standards for advertising of psychological services. These guidelines are to be published in the *Government Gazette* by order of the Governor in Council. In addition, there are powers for courts to order corrective advertising and impose penalties for continuing offences.

The new board will have powers to require that registered persons and applicants for registration provide information to the board on any criminal convictions and court-ordered settlements in negligence cases and to advise the board if they are committed to stand trial for any indictable offence. These provisions are intended to strengthen the board's ability to address issues which may affect registrants' ability to safely and competently provide psychological services.

In addition, the board will have powers to receive and investigate complaints, conduct hearings and make findings and determinations in relation to practitioners who have let their registration lapse.

A further measure to enhance public safety is the board's ability to issue and publish a code for guidance on recommended standards of practice in consultation with members of the profession. The board may refer to this code as evidence when determining whether unprofessional conduct has occurred.

I commend the bill to the house.

Debate adjourned on motion of Mr DOYLE (Malvern).

Debate adjourned until Thursday, 18 May.

HEALTH PRACTITIONER ACTS (AMENDMENT) BILL

Second reading

Mr THWAITES (Minister for Health) — I move:

That this bill be now read a second time.

The Medical Practice Act 1994 and the Dental Practice Act 1999 provide an effective legislative framework for regulation of these professions.

The purpose of this bill is to update the Medical Practice Act to ensure its compliance with competition policy principles and to ensure a responsive and modern legislative framework which supports the provision of safe and high-quality medical services.

In addition, the bill amends the indemnity provisions in the Dental Practice Act together with the board's power to prevent publication of names of practitioners before the board on disciplinary hearings.

Since the passage of the Medical Practice Act in 1994, there have been a number of revisions to the standard provisions governing regulation of health practitioners, with the passage of legislation regulating optometrists, osteopaths, chiropractors, podiatrists, physiotherapists and dental practitioners.

The national competition policy review process has provided the opportunity to review and, in some cases, strengthen provisions regulating medical practitioners, as well as to introduce modern provisions to regulate advertising of medical services, requirements for professional indemnity insurance, and an updated definition of unprofessional conduct.

The Medical Practitioners Board will have powers to require that registered practitioners and applicants for registration provide information to their board on any criminal convictions, court-ordered settlements in medical negligence cases and if they are committed to stand trial for any indictable offence.

This is intended to strengthen the board's ability to address any issues which might affect the registrant's

ability to provide safe and competent medical services to the community.

The Medical Practitioners Board will also have powers to require evidence of adequate arrangements for professional indemnity insurance as a condition of initial and continuing registration.

The Medical Practitioners Board will have the power to issue guidelines about minimum terms and conditions of these insurance arrangements and to recognise mutual indemnity fund arrangements. Arrangements acceptable to the board may also vary depending on whether registrants are covered by their employer's insurance arrangements or are in non-clinical contact roles and require a lesser level of cover.

The powers of the Medical Practitioners Board are strengthened and streamlined, to receive, investigate and conduct hearings into complaints of unprofessional conduct and to impose sanctions where necessary.

I do not propose to outline these provisions in detail. They are designed to ensure that the board has powers to:

receive and investigate complaints and conduct hearings and make findings and determinations in relation to practitioners who have let their registration lapse;

obtain warrants for the entry and search of premises;

select from a panel of experts appointed by Governor-in-Council members to sit on hearing panels;

require a practitioner undergo further education and training arising from an informal hearing;

in the interests of justice suppress the identity of a practitioner against whom a complaint has been made, until a hearing panel makes a determination;

require practitioners to return their current certificates of registration for endorsement with any conditions, limitations or restrictions imposed.

The bill provides that the Dental Practice Board will only be able to suppress the name of a dental practitioner who is before the board against whom a complaint has been made where the interests of justice require such a suppression.

A further measure to enhance public safety is the Medical Practitioners Board's ability to issue and publish codes for guidance as to recommended standards, in consultation with members of the professions. These codes may outline what are considered by the board to be acceptable minimum standards of practice. The board may refer to these codes as evidence when determining whether unprofessional conduct has occurred.

It is expected that development of these codes will be done with appropriate consultation with the profession and be based on sound evidence.

The bill provides for registration protection for those medical practitioners who cross into Victoria from other states and territories to assist in organ recovery, patient transport or to provide emergency treatment.

The provisions of the Medical Practice Act relating to the establishment, powers and functions of the Intern Training Accreditation Committee (ITAC) are to be repealed.

The Medical Practitioners Board will retain its powers to provisionally register interns and approve intern training positions in hospitals, but it will have the power to delegate those advisory functions previously undertaken by ITAC to an external body, such as the new Postgraduate Medical Council of Victoria.

Strengthened advertising provisions are included in the bill to further ensure protection of the public. The bill amends the prohibitions on advertising in the Medical Practice Act.

The bill creates a power for the Medical Practitioners Board to prepare guidelines for registrants on minimum acceptable standards for advertising of medical services, and for these guidelines to be published by order of Governor in Council in the *Government Gazette*.

There are powers for courts to order corrective advertising and impose penalties for continuing offences, as well as an extension to three years of the limitation period for prosecution of such offences.

The bill introduces a power for the Medical Practitioners Board to require that medical students be registered while undertaking their training, where they have direct clinical contact with patients. The board will have the power to conduct investigations, informal hearings and to impose conditions, limitations or restrictions on the clinical contact roles of medical students who are found to be incapacitated or alcohol or drug dependent.

It is not intended that the board publish the addresses of medical students on that part of the register that is open to the public.

The bill observes Victoria's obligations under the national agreements on mutual recognition and competition policy.

Development of the bill has involved an extensive process of consultation and discussion. The current boards and professional associations have been most helpful and constructive in shaping these amendments.

I commend the bill to the house.

Debate adjourned on motion by Mr DOYLE (Malvern).

Debate adjourned until Thursday, 18 May.

HEALTH SERVICES (GOVERNANCE) BILL

Second reading

Mr THWAITES (Minister for Health) — I move:

That this bill be now read a second time.

This bill is designed to implement a key commitment in the government's health policy. That commitment is to make public health care agencies in the metropolitan area more community focused and responsive to the needs of users of health services, and to reduce the health care network bureaucracy.

The Metropolitan Hospitals Planning Board initially developed the concept of networking health services in the metropolitan area. In 1995, over 30 former separate public hospitals in the metropolitan area were initially combined into seven groups of hospitals, each with a single board of governance.

The government agrees that networking of hospital services provides many benefits for patients, clinicians and the health system as a whole. However, contrary to the vision of the planning board, some health care networks have become too large and unwieldy. Their administration is seen as remote from the people at the very heart of health service delivery — patients and their families, and health care workers.

In order to determine the best way of achieving the government's objectives, last November I established the ministerial review of health care networks, chaired by one of Australia's foremost health policy experts, Professor Stephen Duckett. Professor Duckett was ably assisted by a panel consisting of Mr Stan Capp, the chief executive of Barwon Health; Ms Ella Lowe, director of nursing services at the Peninsula Health Care Network; Dr Allan Zimet, of John Fawkner Oncology; and Ms Meredith Carter, executive director of the Health Issues Centre as well as a small team of departmental officers led by Ms Penny Sharwood. The panel has worked extremely well and I wish to thank all those involved in the review process for their efforts.

The review's principal task was to advise the government on the optimal future configuration, governance and management arrangements for metropolitan public hospitals, and mechanisms to ensure coordination of health services, promotion of consumer involvement and accountability for quality of care.

The review undertook wide public consultation and its work generated an enormous amount of public interest. Over 160 written submissions were received in response to its initial public advertisements. After considering these submissions, the panel published an interim report in February of this year. Public consultation and involvement in the review process was facilitated by the creation of a home page for the review on the Internet. During February alone, the Internet site received 18 695 hits and over 8000 of these visitors downloaded a copy of the interim report.

The interim report outlined the review panel's initial thinking on the optimal configuration of metropolitan hospital structures, new governance arrangements for metropolitan hospitals and proposals for enabling legislation to facilitate the change process. It also contained detailed proposals for legislation to facilitate the reform process in a speedy and efficient manner. This bill is based on those proposals. It is an enabling bill in that it does not identify the new hospital configurations, but provides mechanisms to assist the implementation of change.

I am aware that the review has generated considerable expectation and some apprehension in the public hospital sector. It is therefore vital that the government is positioned to implement change quickly, once the review process is finalised. That is one of the key objectives of this bill.

Metropolitan health services

The bill enables the creation of new public statutory health care agencies to be known as metropolitan health services, and provides mechanisms to enable existing health care networks to be transformed into metropolitan health services. It will insert a new division 9B into part 3 of the Health Services Act 1988 which sets out the governance arrangements, functions and powers of metropolitan health services.

Metropolitan health services are to be governed by boards of directors appointed by the Governor in

Council on the recommendation of the Minister for Health. Directors will be appointed for their capacity to fulfil a governance role.

Each board must include at least one person who is able to reflect the perspectives of users of health services. This is particularly important to ensure that boards are consumer focused and do not lose sight of the interests of the people whom the agency exists to serve.

The functions outlined in the bill reflect the government's vision that metropolitan health services will:

ensure that the needs of patients and clients are met in a responsive manner;

provide high quality care and continually strive to improve quality and foster innovation;

collaborate with each other and a range of other health and welfare agencies and local government; and

minimise unnecessary duplication of public health services and work to maximise system-wide efficiencies.

For the first time, there will be a clear statutory duty on boards to ensure that effective systems are in place to safeguard the overall quality of care provided and to ensure that action is taken to address any problems identified with service quality. The bill also requires boards to establish and maintain effective systems to ensure that health services provided meet the needs of their communities, and that the views of users of health services are taken into account.

The bill requires boards of metropolitan health services to appoint at least one community advisory committee and a primary care and population health advisory committee. These committees will enable metropolitan health services to benefit from active community input and facilitate effective linkages with primary care providers and population health strategies.

Restructuring of health care networks

The bill will insert a new part 9 into the Health Services Act to enable the efficient transformation of health care networks into metropolitan health services. This new part has been designed specifically to facilitate a major system-wide change. It contains mechanisms to deal with two distinct scenarios.

The first scenario involves the transformation of an existing network into a new metropolitan health service, without disaggregating that network. Under proposed new division 2 of part 9, a new metropolitan health service may be created by an order in council. When such an order is made, proposed new division 5 of part 9 enables the staff, property, rights and liabilities of a former network to become staff, property, rights and liabilities of the new metropolitan health service. It also enables the incorporation of the network to be cancelled. In these circumstances, the new metropolitan health service will simply become the successor in law of the former network for all purposes, and will be able to benefit from trusts in relation to the former network and all its predecessor agencies. I will deal specifically with the issue of trusts shortly.

The second scenario is the disaggregation of existing networks and the allocation of staff, property, rights and liabilities to new health care agencies. Aside from enabling the creation of new metropolitan health services, the bill also permits the establishment of new community health centres. This scenario is more complex because staff, property, rights and liabilities will need to be divided and allocated to various newly created agencies.

Proposed new division 6 of part 9 provides for the making of orders and instruments which allocate specified staff, property, rights and liabilities of a network which is being disaggregated to designated health care agencies. Those agencies then become the successors in law of the former network in respect only of the property, rights and liabilities which are actually transferred to them. The designated agency also becomes the employer of staff who are transferred to it. While the bill does enable the existence of multiple concurrent successors in law, it does not enable two or more agencies to be joint successors in law as this is considered to be unworkable.

An administrator may be appointed to a network which is to be disaggregated. In addition, a network which is undergoing disaggregation will continue to exist as a legal entity until it is abolished by order in council under proposed new section 223 of the act. The incorporation of a network will only be cancelled when, as far as practicable, all property, rights and liabilities have been allocated to other agencies. If there are any residual property, rights and liabilities — other than those under trusts — they will revert to the Crown.

This will enable the abolition of the entity to occur efficiently, without the need for a report to be prepared on options for continuing the services of the agency and a period of public consultation. Compliance with this process would otherwise be required under section 62

of the Health Services Act which sets out the ordinary procedures for closure of public health care agencies.

I wish to emphasise that part 9 is intended to be transitional in nature. Accordingly, new metropolitan health services and community health centres can only be created under this part within 12 months from the date of commencement of the bill. Any subsequent changes to hospital structures will need to take place pursuant to the ordinary provisions of the Health Services Act. However, the bill provides sufficient flexibility to enable transfer of property, rights and liabilities to the new health care agencies established under part 9 beyond the initial 12-month period.

In addition, network administrators will have the capacity to operate any health services which are not immediately transferred to another agency, as a transitional measure. This recognises that there may be special circumstances in which not all rights, liabilities and property may be transferred within 12 months from the date of commencement of the bill.

In relation to both of the scenarios I have described, the bill contains provisions which operate to ensure that nothing done under its provisions is to be regarded as, for instance, placing any person in breach of an act or law or any agreement; causing any agreement to be void and unenforceable; or of releasing any party from obligations given simply because there has been a change in the legal status of the health care agencies concerned. The aim of these provisions is to preserve existing legal arrangements as far as possible, despite the change in the legal status and governance arrangements of health care agencies effected by this bill.

Statement under section 85(5) of the Constitution Act 1975

I wish to make a statement under section 85(5) of the Constitution Act 1975.

Clause 11 inserts a new section 226 into the Health Services Act 1988. Section 226 provides that nothing done under divisions 2, 3, 5 or 6 of part 9 or section 190 gives rise to any cause or right of action or application before any court or tribunal. Clause 10 inserts a new section 157G which provides that it is the intention of section 226 to alter or vary section 85 of the Constitution Act 1975.

The reason for altering or varying section 85 is to ensure that nothing done under divisions 2, 3, 5 or 6 of new part 9 or new section 190, including the following:

the creation of new public health care agencies;

the transformation of metropolitan health care networks into metropolitan health services;

the disaggregation and abolition of health care networks; or

the appointment of an administrator

is delayed or prevented by legal proceedings. This provision is considered necessary to enable the essential restructuring of Melbourne's public hospital system to proceed in an effective and coordinated manner, and without disruption to the provision of services.

Trusts

The bill also contains provisions to preserve the operation of trusts, and to transfer their application to the appropriate successor of a health care network. This means that the appropriate successor will be eligible or entitled to benefit from a trust. This is intended to ensure that a trust does not fail simply because of the changes to the legal structures which govern hospital services. Donations for public health care can therefore continue to be used for the benefit of the community.

Over time there have been a series of alterations to the corporate status of public hospitals within Victoria. The act currently contains provisions to ensure that, where an agency is amalgamated or aggregated, trusts in relation to that agency are to be applied in favour of its successor.

Where a trust was created in relation to an agency which was amalgamated, and there has been a sequence of subsequent amalgamations or aggregations involving any of the various successors of that agency, the ultimate successor of all of these former agencies is able to benefit under that trust.

The act currently provides that the health care networks now in existence are, for the purposes of trusts, the successors of the agencies that they immediately replaced, and also of all of the former agencies that, at any time, were amalgamated, as part of the chain of succession leading up to a network.

The bill builds upon these provisions, by applying a similar model in relation to the transition to metropolitan health services. It does this in two ways.

The first situation addressed in this bill is where a network's incorporation is cancelled and it is succeeded by one metropolitan health service. In this instance, all trusts that apply in relation to the network, or its former agencies, will apply to the metropolitan health service.

This is appropriate as it will be assuming responsibility for the services previously provided by the network.

The second situation is where a network is disaggregated, and is therefore succeeded by more than one agency. It would not be appropriate for the bill to transfer the eligibility or entitlements under all relevant trusts to one particular successor. Instead, it creates powers for orders to be made by the Governor in Council, to ensure that trusts are to be applied in relation to the most appropriate successor.

In 1995 the original metropolitan hospitals were established. On 1 August 1995 these original metropolitan hospitals were aggregated, to form new metropolitan hospitals known as health care networks. It is from this date that it became the norm for a number of hospital campuses in the metropolitan area to be governed by one incorporated body.

Therefore new section 214 of the act provides that a new metropolitan health service is to benefit from trusts in relation to a specified original metropolitan hospital. It is also to benefit from trusts that apply to all of the former agencies of that original metropolitan hospital. For this to occur, an order of the Governor in Council must be made specifying which metropolitan health service is to be the successor of each original metropolitan hospital, for the purposes of any trust. Regard must be had by the minister to the campuses which are to be operated by the new metropolitan health service, in recommending that such an order be made. This is intended to enable trust funds or property to follow the campus.

New section 215 applies in the case of metropolitan hospitals which were known as health care networks, and which were created on and after 1 August 1995. Orders may be made which will have the effect of ensuring that trusts specified in the order in relation to a particular network are to be applied in favour of the metropolitan health service which is specified in the order. Again, the minister must have regard to the campuses which are to be operated by the metropolitan health service in recommending that an order be made.

Section 5A of the act will continue to apply to all trusts which are applied in accordance with this act. This makes it clear that, if the person who has created the trust specified the particular purposes of the agency for which the trust was created, such as the treatment of children, then the trust may only be applied to the successor agency for a similar or corresponding purpose.

Conclusion

This bill is designed to improve the effectiveness of Victoria's metropolitan hospital system by bringing public health care agencies closer to the communities they serve, and injecting a renewed spirit of collaboration and cooperation among these agencies. It is vital to ensure that the Victorian health system is responsive to community needs, accessible to the population it serves and continues to provide high quality care.

I commend the bill to the house.

Debate adjourned on motion of Mr DOYLE (Malvern).

Mr THWAITES (Minister for Health) — I move:

That the debate be adjourned for two weeks.

Mr DOYLE (Malvern) — I ask for the minister's guidance on the question of time. I note that it is enabling legislation rather than specific, and therefore it does not identify the new hospital configurations as described in the second-reading speech. Having heard the second-reading speech, that seems to be appropriate and I understand why that is the case.

The second-reading speech also refers to the fact that the review process is not yet finalised in the public sense, and that is because, as the second-reading speech makes clear, the minister has asked Professor Duckett to chair a committee to consider the new configurations. I presume Professor Duckett's committee has reported to the minister and I seek clarification of whether at some time, as I expect, the report will be made public.

Given that the Duckett report will be made public, I ask the minister if the configurations and specific recommendations would therefore be on the table for examination. When the specifics are known it would be appropriate and sensible for opposition members to have a briefing on both the bill and some specific questions. At that point we could then go out to the community and those hospitals for appropriate consultation.

On the matter of time, I am not suggesting that there is not necessarily a need to extend the period of adjournment beyond two weeks, but given that that process is now to be followed, so long as there is an agreement not to bring on this bill as one of the earlier bills to be debated and there is a reasonable time frame within which those steps — the decision on the Duckett report, the briefing to the opposition and the consultation with the community — can take place, the

opposition would not need to argue about a longer or a shorter period of time.

I seek from the minister an undertaking that within a reasonable time frame as long a period as possible be provided before the bill is brought on in the period for debate that will succeed the second reading completed today.

Mr THWAITES (Minister for Health) — I certainly intend to fully brief the opposition both on the bill and on the government's final decision in relation to the Duckett report, when that is made.

The point about this legislation is that, as with the other legislation introduced by the previous government, it is merely enabling legislation; it will not in any sense determine the shape of the structure. Using a number of different mechanisms the previous government changed the shape of the network structure over the years, and the government clearly has that overall role. I emphasise that the two are separate and this is merely enabling legislation.

Mr DOYLE (Malvern) (*By leave*) — I am not trying to be difficult. I understand, particularly about it being enabling legislation, and I agree with the minister. All I am suggesting is that given the house is completing 16 second-reading speeches today, of which this is the fourth, the government has considerable flexibility within its own programming to push it back down the list so that it is not necessarily the fourth one debated when we come back two weeks from now. If by mutual agreement the opposition were able to find that that process has been appropriately followed, it would have no objection to that.

I am asking, given there is a bit of flexibility in the government's business program because 16 bills are commencing the second-reading stage today, whether there could at least be negotiation about when this bill might appropriately be brought on and the opposition briefed.

Mr THWAITES (Minister for Health) (*By leave*) — I cannot give any further undertakings. Obviously I do not determine the program. I can say only this: firstly, that I would want to ensure that the opposition is briefed on the bill as early as possible, and secondly, that the bill relates to the enabling aspect of the legislation, which is a separate issue from the final outcome.

Motion agreed to and debate adjourned until Thursday, 18 May.

TOBACCO (AMENDMENT) BILL

Second reading

Mr THWAITES (Minister for Health) — I move:

That this bill be now read a second time.

I am proud to present this bill today as it represents a major public health initiative and demonstrates how far we have come, as a community, in recognising the significant health threat that smoking poses.

More than 4500 Victorians die each year of smoking related illness and smoking costs Victoria in excess of $3.3 billion each year. About 15 per cent of all deaths in Australia can be attributed to tobacco-related causes such as lung cancer, heart disease and emphysema. These deaths are avoidable.

Reducing smoking rates is the single most effective way to enhance the health status of Victorians, and to impact on rising health care costs.

The efforts of previous governments and health promotion agencies in reducing adult smoking rates from around 35 per cent in the early 1980s, to 26 per cent now, are commendable. But over the 1990s no progress has been made in relation to teenage smoking rates or a number of other high-risk groups.

In 1996 in Victoria 77 000 children aged 12 to 17 years smoked a total of 2 million cigarettes in one week. The younger a person is when they start to smoke the more likely it is they will become a heavier, more addicted smoker and suffer from a smoking-related disease. Further, recent economic modelling by the University of Melbourne shows that if current tobacco policy remains constant, tobacco consumption will rise again.

The amendments contained in this bill represent the most significant achievement in tobacco control since the Victorian Tobacco Act was introduced with bipartisan support in 1987.

In summary, the key tobacco reforms contained in the bill are that:

smoking in Victorian restaurants and eating places will be abolished;

smoking will be banned in specified shopping centres;

point-of-sale advertising of tobacco products in retail outlets will be banned;

limits will be placed on the size, number and type of tobacco displays permitted at tobacco retail outlets;

tobacco retailers will be required to display health warning signs or signs advertising smoking cessation programs;

a negative licensing system for tobacco retail outlets will be introduced;

penalties for selling illegal tobacco products will be introduced for retailers who sell 'black market' tobacco products; and

fines for selling cigarettes to minors will increase from $1000 to $5000.

Local councils will continue to be responsible for enforcing tobacco legislation.

The Bracks government is eager to continue the productive working relationship we have forged with local government since coming to office. We recognise the pivotal role local government will have in ensuring the success of the new tobacco reforms.

There may be some who criticise the tobacco reforms as merely further regulation by government. But tobacco kills 13 Victorians every day. Given the health consequences of this drug, tobacco is precisely the area in which the law must be stringent and watertight.

Over the past 20 years, research has increasingly revealed the harm of second-hand smoke — especially to children. Ill effects from passive smoking include lung cancer, heart disease, underweight babies and respiratory problems in children. Around 1600 deaths each year in Australia are linked directly to passive smoking. About 146 of these deaths are from lung cancer and about 10 times that number are from heart disease.

This government has an obligation to protect the Victorian community from the hazards of second-hand smoke. Industry bodies such as the Restaurant and Catering Association of Victoria have welcomed the moves to regulate passive smoking in restaurants. Many people in the industry have also noted the maintenance and cleaning costs to business which are incurred as a result of the smoking. Protection of staff from passive smoking is also a priority.

The Victorian government does not anticipate that restaurants will lose business because of the changes. Studies in Canada and the USA reported in various health promotion and medical journals in 1998 and 1999 consistently found that restaurant revenues did not decrease after the introduction of smoking bans. Indeed, the majority of people prefer to eat in a smoke-free environment.

In 1997, research undertaken by the Anti-Cancer Council of Victoria found that 97 per cent of restaurant patrons in Victoria supported restrictions of some form in restaurants and 76 per cent preferred to eat in non-smoking areas.

The trend towards smoke-free dining is well under way. In the USA, smoke-free restaurants are common in many states and cities. Smoke-free dining has already been introduced in the Australian Capital Territory, Western Australia and most recently in South Australia.

A key aspect in terms of managing the transition to smoke-free dining will be getting the right information to the right people at the right time. This means getting accurate and timely information to the restaurant sector, to local government and to the broader community. In practice, we know that for restaurants to remain smoke free we will be relying on the cooperation of restaurant owners, those in the community who smoke, and local government, which will be responsible for enforcing the new legislation. Making sure the community understand the changes, and their obligations in relation to smoke-free eating, is an important way in which the state government can support local government to enforce smoke-free dining.

Many Victorian shopping centres are already smoke free and in 1998 research by the Anti-Cancer Council of Victoria showed that 70 per cent of Victorian shoppers surveyed supported smoke-free shopping centres.

There are precedents for smoke-free shopping. Legislation to prevent smoking in shopping centres has been in place in the ACT for several years. Last year, it was introduced in Western Australia.

The Victorian government has forged a strategic alliance with the Shopping Centre Council of Australia to regulate passive smoking in the council's shopping complexes. The shopping centre council has welcomed the application of the smoking bans in its member shopping centres, as the legislation will strengthen enforcement of the council's current smoke-free policy.

The new arrangements will result in 50 of Victoria's large and medium-sized shopping complexes being covered by smoke-free laws. The Bracks government expects that additional shopping centres will be included in the near future. Environmental tobacco smoke is one of the most pressing issues on the tobacco

agenda but a further urgent matter relates to young people taking up a habit that may eventually kill them.

Victorian children spend about $25 million per year on cigarettes and 80 per cent of smokers start before turning 18 years of age. Smoking is essentially a childhood 'habit' that continues into adulthood. In the 1990s no inroads were made into younger adolescent smoking rates in Victoria.

The take-up rate for adolescent women aged 16 and 17 years is of concern and has exceeded that of adolescent males:

in 1993, 32 per cent of boys aged 16 to 17 years were smokers. In 1996, only 29 per cent of boys aged 16 to 17 years smoked;

by contrast, in 1993, 33 per cent of girls aged 16 to 17 years smoked. But in 1996, 37 per cent of girls aged 16 to 17 years smoked.

In an attempt to stem the tide we are proposing to ban tobacco advertising in shops that sell tobacco, place limits on the display of tobacco products in shops, and take tough action against retailers who repeatedly sell cigarettes to children. This builds on the provisions in the current Tobacco Act which are the result of bipartisan action in the past.

International research tells us that advertising may play an even more significant role than peer pressure in influencing teenagers to smoke. Therefore, preventing children's exposure to the remaining forms of tobacco advertising, and large displays of tobacco products, is a vital component of our tobacco control strategy.

Research conducted in the United States in 1998 also suggests the outlets where children most commonly obtained cigarettes displayed the highest proportion of tobacco advertising. Brands most commonly smoked by youth were found to be the most heavily advertised brands.

Turning to the issue of health warnings in tobacco retail outlets, research has shown health warnings on cigarette packets has caused a reduction in smoking. Mandatory health warnings in tobacco retail outlets are an important way to promote key messages about tobacco use and may decrease the likelihood of young people taking up smoking. It is crucial that we act now to limit young people's exposure to positive messages about the leading cause of death and disease in Australia.

There is also evidence that tobacco is a gateway drug to other forms of drug addiction. By preventing or delaying the uptake of smoking, we may also help reduce the uptake of alcohol abuse or illicit drugs. Retailers have an important role to play in protecting the health of our young people by refusing to sell them cigarettes.

The government knows that responsible retailers already take steps to implement the current laws. But research shows that in this state, cigarette sales to adolescents continue to be significant. The surveys suggest that about 40 per cent of retailers are selling tobacco to children on a regular basis. This means there are at least 6400 outlets selling to children across the state.

It is estimated that Victorian retailers who do not comply with the law make around $4 million per year from illegal tobacco sales to children. If cigarette sales to children can be stopped, there is less chance that they will take up smoking.

Nineteen ninety-nine data from the Anti-Cancer Council of Victoria shows that the community feels strongly about the problem of cigarette sales to minors. Sixty-three per cent of those surveyed said that shopkeepers caught twice selling cigarettes to minors should be banned from selling cigarettes in future.

To help control the unacceptably high level of cigarette sales to minors, a negative licensing system will be introduced. The licensing system will apply to all Victorian retailers, and will mean that retailers who consistently flout the law and sell cigarettes to minors can be excluded from the tobacco market. Their privilege to sell tobacco will be removed.

There has been rapid growth in the amount of contraband tobacco on sale in Australia. In some cases this tobacco is brought into the country illegally and in some cases stolen. Contraband tobacco products are unregulated and are potentially even more harmful than legally manufactured tobacco.

Further, contraband tobacco manufacturers evade tax on their product, making it a far cheaper alternative to legal tobacco. Recent economic modelling suggests price is a key determinant of tobacco consumption. This is of concern particularly in relation to young people, whose use of tobacco tends to be extremely price sensitive. Contraband tobacco does not include the required health warning label, which has the function of reminding consumers of the negative health effects of smoking.

The Bracks government will pursue sellers of this illegal product in the same way we pursue the traffickers of other illegal drugs. New penalties

including the loss of the privilege to sell tobacco are planned to discourage retailers from becoming involved with the illegal trade. Therefore triggering offences for the purpose of the negative licensing scheme will relate to cigarette sales to minors, and possession of illegal tobacco. In instances where the breach is a first offence, the arrangements will result in a magistrate being empowered to suspend a retailer's ability to sell tobacco for up to three months.

For a second offence, there will be a mandatory suspension for a minimum of three months or up to 12 months at the discretion of the magistrate. For a third offence, there will be an automatic cancellation of the privilege to sell tobacco for five years. The introduction of the system will send a clear message to retailers that government will not tolerate the sale of cigarettes to children, nor the sale of contraband tobacco. I stress that these provisions will in no way affect those retailers who currently operate within the law, and who do not sell tobacco products to young people, or illegal tobacco.

A negative licensing scheme as proposed does not require retailers to register their business or impose a fee. We have examined the possibility of introducing a positive licensing system, as other states have, but have decided to proceed with this scheme. However, we shall be monitoring the situation carefully and if sustained progress has not occurred in curbing sales to minors, we will consider a further amendment of the bill to introduce a positive licensing scheme.

In addition to these sanctions, the government will also introduce new penalties for retailers who sell cigarettes to minors. The maximum penalty for people found guilty in the Magistrates Court of selling cigarettes to children will increase from $1000 to $5000.

In conclusion, smoking rates have plateaued for the past five years. Twenty-seven per cent of Victorian males and 24 per cent of Victorian females smoke. Take-up rates for young Victorian women are increasing.

Victoria is lagging behind other jurisdictions in relation to tobacco policies. If we do nothing, the research tells us the incidence as well as the economic and social cost of tobacco use will continue to rise. There is no excuse for being complacent about the significant health threat tobacco poses to Victorians.

The bill we are proposing will put Victoria at the forefront again in reducing the toll of tobacco-related disease. Victoria led the world with the 1987 Tobacco Act, which received bipartisan support. We can again lead with this bill.

I commend the bill to the house.

Debate adjourned on motion of Mr DOYLE (Malvern).

Debate adjourned until Thursday, 18 May.

STATE TAXATION ACTS (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Mr BRUMBY (Minister for Finance) — I move:

That this bill be now read a second time.

The purpose of the bill is to make amendments to the employment agency provisions of the Pay-roll Tax Act 1971 and the marketable security and land-rich provisions of the Stamps Act 1958. The bill also repeals the Probate Duty Act 1962 and the Gift Duty Act 1971, and abolishes outstanding liabilities under the Probate Duty Act.

The Pay-roll Tax Act amendments are necessary to clarify the employment agency provisions to overcome an unintended consequence involving members of the same pay-roll tax group.

The Stamps Act amendments focus on the land-rich provisions and are designed primarily to:

remove potential tax avoidance opportunities;

protect state revenue; and

improve the effectiveness of the legislation.

The government has decided to abolish all the outstanding liabilities under the Probate Duty Act 1962, which does not apply to estates of persons dying on or after 1 January 1984. Because there is no further work for that act or the related Gift Duty Act 1971, the government has also taken the opportunity to repeal both these acts.

I will now address specific amendments in greater detail. Currently, the Pay-roll Tax Act deems the gross amount payable by a client for labour services provided under an employment agency contract to be wages. Clause 5 of the bill amends the act so that employment agency contracts do not include those arrangements where the parties to the contract are members of the same group within the meaning of the Pay-roll Tax Act. In such cases, any commission passing between related parties is usually nominal. The effect of the amendment is that only amounts paid or payable between unrelated parties will continue to attract the prescribed 25 per cent

deduction from deemed wages, with this deduction reflecting an employment agency's commission.

Clause 6 of the bill amends the Stamps Act 1958 from 1 July 2000 by removing adhesive stamps as a means of paying duty for transfers of shares in private companies, which have direct or indirect interests in land. This measure complements the land-rich amendments I later describe, and protects revenue by ensuring proper scrutiny of these transactions through lodgement at the State Revenue Office either in person or by mail.

The land-rich provisions are designed to prevent avoidance of conveyance duty where the ownership or effective control of land is altered through the acquisition of shares or units in a private land-owning corporation or trust, rather than by a direct transfer of land. Clause 7 of the bill amends the Stamps Act 1958 from 1 July 2000 by strengthening the land-rich provisions in three ways.

Firstly, the period for aggregation of separate interests acquired by a person or related persons is increased from 12 months to 3 years. The existing 12-month period is ineffective in overcoming sales over time through separate parcels, which can be used to defeat the land-rich provisions. To avoid any retrospective application it is intended to progressively increase the aggregation period from 12 months to 3 years from the date of the acquisition.

Secondly, the bill removes the 12-months limitation on the commissioner to make a declaration in respect of any asset manipulation designed to defeat the land-rich provisions. Such manipulation involves acquisition of assets for the purposes of diluting the required percentage of land property that triggers the land-rich provisions. Again to remove retrospectivity, the bill only lifts the limitation on declarations made after 1 July 2000 in respect of assets acquired after 1 July 1999.

Thirdly, a person who acquires a relevant interest in a land-rich corporation is required to lodge a statement in relation to that acquisition within three months of the dutiable event. There is no penalty for non-lodgment of the statement and therefore this requirement can be avoided until the transaction is detected by compliance activity and an assessment for duty issued. The bill provides a penalty of 500 penalty units for a body corporate and 100 penalty units in other cases as a deterrent for non-lodgment.

Probate duty was progressively abolished by all states following its abolition by Queensland in 1976 to avoid a mass transfer of assets to that state. In Victoria, the abolition was phased in and probate duty was completely abolished as at 1 January 1984 for persons dying on or after that date. For liabilities prior to that date, payment could be postponed if hardship might result for a beneficiary if for example a life tenant was entitled to remain in the deceased's home being the estate's sole asset.

The revenue collected or to be collected since 1984 generally represents amounts payable by pre-1984 estates which have not been administered previously or where collection of such duty has been postponed because of life tenants.

Future revenue is negligible and is estimated to be about $0.5 million. In these circumstances and given the costs associated with recovering these liabilities, the government has decided it would be more efficient to abolish all outstanding and future liabilities, both known and currently unknown, as provided by subclause 4(2) of the bill.

Gift duty was introduced in late 1971 as a measure to prevent people avoiding or reducing their liability to probate duty by gifting away their assets before their death. It was completely abolished with respect to any gift made on or after 1 January 1983. Unlike probate duty, there are no outstanding known liabilities.

Because the Probate Duty Act 1962 and the Gift Duty Act 1971 will now have no further practical operation — yet they will remain on the statute books as pieces of law and regulation, now redundant — the government has decided to remove these acts from the statute book. Clauses 3 and 4 effect their repeal.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 18 May.

SUPERANNUATION ACTS (AMENDMENT) BILL

Second reading

Mr BRUMBY (Minister for Finance) — I move:

That this bill be now read a second time.

The purpose of this bill is to introduce legislation to implement the commonwealth superannuation contributions tax on Victorian public sector superannuation schemes and make miscellaneous amendments to the Emergency Services

Superannuation Act 1986, the government Superannuation Act 1999 and the Parliamentary Salaries and Superannuation Act 1968.

With the passing of commonwealth legislation on 5 June 1997, certain contributions called surchargeable contributions made to a superannuation fund on behalf of high-income earners after 7.30 p.m. on 20 August 1996 became subject to a superannuation contributions tax, known as surcharge. Because the surcharge is imposed on the fund, legislation is being introduced to allow Victorian public sector superannuation schemes to recover the surcharge from members. This legislation will bring Victoria into line with every other state and the commonwealth as this government believes it is only fair and proper that members of Victorian public sector superannuation schemes pay the surcharge like everyone else, and it will save Victorian taxpayers an estimated $3 million a year.

The Victorian public sector superannuation schemes affected by this legislation are the defined benefit schemes of:

the Parliamentary Contributory Superannuation Fund;

the revised, new, transport and state employees retirement benefit schemes of the State Superannuation Fund;

the Emergency Services Superannuation Scheme; and

the accumulation scheme Essplan — including beneficiary accounts held within Essplan.

For defined benefit scheme members, a surcharge debt account will be established by the fund for each member to which interest will be applied to the balance as at 30 June each year. The rate of interest is the same as the rate set by the commonwealth under its surcharge legislation — that is, the 10-year bond rate.

When the benefit is due to be paid to a defined benefit scheme member, provisions are to be inserted to allow trustee discretion to apply to determine how much of the outstanding debt is to be recovered from the member's benefit payment. Trustee discretion is provided to cater for circumstances when a member's final benefit varies substantially from the benefit assumptions that had been used for surcharge assessment each year. The trustee discretion criteria are based on the same criteria that the commonwealth has given its own fund administrators — that is, the trustee must have regard to:

the surcharge debt balance;

the value of the employer-financed component of the benefit;

the values of the benefit that were assumed likely to be payable to the member on exit when working out the surchargeable contributions each year;

whether the person has or had qualified for the maximum benefit; and

any other relevant matters.

Trustee discretion also imposes a cap of 15 per cent of the post-20 August 1996 employer-financed portion of the benefit, with the member liable to pay the lesser of the amount in the surcharge debt account or the 15 per cent cap. Any outstanding surcharge debt balance is paid for by the fund. Trustee discretion guidelines will be put in place by each fund administrator to outline the method of approach for the application of the discretion required under the legislation.

Although Essplan is fully funded, for surcharge purposes it is treated as part of the unfunded defined benefits scheme, the Emergency Services Superannuation Scheme. As a result, surcharge debt accounts will be established by the fund for each Essplan member with interest, at the 10-year bond rate, being applied to the balance as at 30 June each year. When the benefit is due to be paid to the member, the member's benefit will be reduced by the amount outstanding in the member's surcharge debt account. No legislative amendment is required to give the board the power to recover such debt as current provisions already allow any tax paid or payable by the board in respect of contributions to be deducted from an Essplan member's account.

Any defined benefit scheme or Essplan member who has a surcharge debt account may reduce the amount outstanding in his or her debt account by prepaying part or all of the debt at any time. This prepayment will be remitted to the Australian Taxation Office by the fund and the debt account reduced accordingly.

When the legislation is enacted, the surcharge recovery provisions will apply to all current members who have had any surcharge debt assessed on surchargeable contributions since 20 August 1996.

As surcharge liability is calculated on a member's adjusted taxable income for each financial year, surcharge assessments made by the Australian Taxation Office may not be received until at least 1 or 2 years after a member exits a scheme.

Where members have exited their scheme prior to enactment, the commonwealth surcharge legislation requires any surcharge paid by the fund but not recovered from the member's benefit to be reported to the Australian Taxation Office as additional surchargeable contributions for that member as the non-recovery of debt is deemed to be an additional employer-financed benefit to that former member.

It is a particularly unpleasant little tax.

Where a member has already taken or takes all of his or her benefit in cash, any surcharge assessed after exit becomes the responsibility of that former member. If the former member has rolled over his or her benefit into another superannuation fund, it becomes the responsibility of that new superannuation fund to pay the surcharge debt to the Australian Taxation Office and to reduce the member's account balance accordingly. For beneficiary account holders who have rolled over benefits within Essplan, the proposed legislation will allow the beneficiary account to be reduced by the amount paid to the Australian Taxation Office at the same time the payment is made by the fund.

Where benefits have been deferred within the State Superannuation Fund or under the Superannuation (Portability) Act 1989, then the fund is responsible to pay any surcharge assessed after exit to the Australian Taxation Office because the fund is still the 'holder' of the surchargeable contributions. The payment by the fund to the Australian Taxation Office must be within one month of receipt of the assessment. To allow the fund to recover that payment from the member's deferred benefit, legislative amendments are to be inserted to give the fund administrator the power to actuarially reduce a member's deferred benefit for the purposes of surcharge recovery.

Where a former member is in receipt of a pension entitlement, provisions are being inserted into the governing rules of defined benefit schemes to allow that former member to elect to commute a portion of that pension entitlement to pay the debt. A time limit of three months from date of assessment is to be applied to any election request. The fund administrator is provided with the power to actuarially reduce the member's pension entitlement accordingly.

Provisions are being inserted into the Emergency Services Superannuation Act 1986 and the Government Superannuation Act 1999 at the request of the Emergency Services Superannuation Board and the Government Superannuation Office to make a number of miscellaneous amendments relating to minor administrative matters.

In the Emergency Services Superannuation Act 1986, one amendment will insert a provision to apply the standard time limit of 28 days for application for review by the Victorian Civil and Administrative Tribunal. This will bring the Emergency Services Superannuation Act 1986 in line with all other Victorian acts governing public sector superannuation which were amended to apply this 28 day time limit when VCAT became the successor to the Administrative Appeals Tribunal in July 1998.

An amendment is to be inserted in the Emergency Services Superannuation Act 1986 to allow a death benefit payable from a beneficiary account held within Essplan to be paid to either or both the member's legal personal representative and dependant/s. Current provisions only allow the beneficiary account balance to be paid to a legal personal representative. The proposed amendment is in line with all other death benefits payable under the act and with commonwealth superannuation law.

The definition of 'current equivalent of salary on termination of service' in the Emergency Services Superannuation Act 1986 is also to be amended. This definition applies to a number of uncommon benefits for former contributors throughout the act. The proposed amendment will clarify that the word 'salary' in the definition means 'final average salary' — that is, the average over two years — which is the interpretation that the board applies to this definition and is the salary used to calculate benefits to current contributors to the Emergency Services Superannuation Scheme.

In the Government Superannuation Act 1999, amendments are being inserted to provide ongoing cover of the specified standards relating to preservation and early release of benefits to members of the MTA Superannuation Fund. When the Public Sector Superannuation (Administration) Act 1993 was repealed on 1 July 1999, a provision was inserted in the Government Superannuation Act 1999 to provide continuing coverage of benefit provisions for MTA Superannuation Fund members. That substituting provision in the Government Superannuation Act 1999 was also intended to provide continuing coverage for these members in relation to any standards specified for preservation and early release of benefits. The proposed amendments will provide this continuing coverage by linking the reference to 'specified standards' to mean those specified under the Transport Superannuation Act 1988.

Amendments are also being made to the Government Superannuation Act 1999 to allow recovery of surcharge assessed against a member of the MTA Superannuation Fund and to correct an incorrect reference to a subsection under section 8 of that act.

An amendment is being made to the Parliamentary Salaries and Superannuation Act 1968 to make provision for the chairman of the parliamentary Economic Development Committee to receive an additional salary, consistent with the entitlement of a chairman of a joint investigatory committee. The additional salary will be payable to the chairman of the Economic Development Committee from the date the Economic Development Committee was established until that committee ceases to operate.

In conclusion, this bill implements the requirements of the commonwealth's superannuation contributions tax, otherwise known as the surcharge. These changes bring Victoria into line with other states and will save taxpayers up to $3 million per annum. When combined with other changes to superannuation announced in the 2 May budget, they confirm the extent of the government's reform agenda in superannuation.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 18 May.

ELECTRICITY INDUSTRY ACTS (AMENDMENT) BILL

Second reading

Mr BRUMBY (Minister for State and Regional Development) — I move:

That this bill be now read a second time.

The bill represents an important step in the government's commitments to ensure, when competition to sell electricity to domestic and small business customers commences from 1 January 2001, that Victorians benefit from an appropriate consumer protection regime.

The previous government has provided by the Electricity Industry Act 1993 that the group of customers that includes domestic and small business customers — that is, the group that consumes 160 megawatt hours per annum or less — become subject to competition for the sale of electricity from 1 January 2001. However, there is currently no provision in the act for the government or the Office of the Regulator-General to specify and enforce an appropriate consumer protection regime for consumers beyond that date when existing protections fall away.

The bill is drafted on the basis that in the national electricity market, effective competition should be the driver of prices for electricity. However, where a competitive retail market has not yet adequately developed, plainly there is a need to ensure the appropriate mechanisms are in place to address the issues that consequentially arise. The government is conscious that the market for small business and domestic customers may not be adequately competitive from 1 January 2001. In the light of this, the bill contains transitional provisions allowing for, but not requiring, regulation of retail prices. In addition, effective competition for domestic and small business customers must be matched with long-term consumer protections such as minimum standards, supplier of last resort protections, delivery of community service obligations and provision of minimum customer rights. The bill makes provision for both those and other matters too.

Electricity retail prices for domestic and small business customers are currently subject to regulation both by the government and by the Office of the Regulator-General. The government's current regulatory power is derived from section 158A of the Electricity Industry Act 1993, which provides that the Governor in Council may, by order published in the *Government Gazette*, regulate tariffs for the sale of electricity to franchise customers. Because of the staged introduction over the past several years of competition for sale of electricity to larger customers, the only persons now covered by the term 'franchise customers' are the group which includes domestic and small business customers.

An order was made by the Governor in Council under section 158A on 20 June 1995 and has been amended by subsequent orders and statute in 1995, 1997, 1998 and 1999. Clause 2 of the order regulates retail prices for domestic and small business customers by specifying a maximum uniform tariff which may be charged by electricity retailers to those customers. The Office of the Regulator-General is given certain functions, principally enforcement, in relation to retail price regulation by clause 2 of the order but does not otherwise independently regulate retail prices.

By virtue of the definitions of franchise customer and non-franchise customer in section 154 of the Electricity Industry Act 1993 and the operation of the Electricity Industry (Non-Franchise Customers) Regulations 1995, as from 1 January 2001 all domestic and small business

customers will cease to be franchise customers. The result is that the existing regulation of retail prices by orders made under section 158A will end and there will be, unless further provision is made in the Electricity Industry Act 1993, no power either for the government or the Office of the Regulator-General to regulate retail prices.

This government supports the concept that there should be competition in supply of electricity to all customers in Victoria, including domestic and small business customers. It was a Labor government in Victoria that agreed with other Australian governments the first steps that led to creation in 1998 of a competitive national electricity market in Australia. Thus the bill proceeds on the basis that when there is effective competition between electricity retailers, retail prices will be set by that competition. In those circumstances, and as customers will no longer be required to buy their electricity from one of the present five monopoly electricity retailers, the rationale for retail price regulation falls away.

However, the government is concerned that the protection afforded by the competitive market may not be adequate for the last group of franchise customers including domestic and small business customers, particularly in the initial stages of the market's development.

There are two reasons for this concern:

1. the technical systems required to facilitate retail competition for that group of customers may not be fully implemented by 1 January 2001, so that, although legally entitled to choose between retailers from that date, it may not be possible in practice for the customers to do so; and

2. it is likely to take some time for those customers to become adequately informed about the choices available to them and how those choices can be exercised.

As a result of these concerns, the government wishes to ensure that it has the necessary reserve power to regulate retail prices payable by this last group of franchise customers, or, possibly, a subset of those customers, as a transitional measure until a competitive retail market is adequately developed. Whether the power is exercised will depend on the extent to which the government is satisfied with the retail prices offered by the incumbent retailers to apply on and after 1 January 2001.

It is the government's view that the power should only be exercised if a de facto monopoly exists and that the party holding that de facto monopoly has or appears to have set retail prices that result in it obtaining a monopoly rent.

It is not the intention that the government will try to second-guess a competitive market. Nor is it the intention that the reserve power will be used to prevent or inhibit the development of competition. For that reason, the government is not seeking to regulate retail electricity prices where competition has developed or might reasonably be expected to develop.

The government wishes to encourage competition in supply and sale of electricity at retail where that competition delivers benefits to consumers through efficient prices and the long-term provision of sustainable, high quality infrastructure.

As was noted earlier in this speech, Labor played an important role in initiating the process that led to the creation of the national electricity market. In May 1997, Victoria and New South Wales harmonised their formerly separate wholesale electricity markets. In December 1998, the national electricity market commenced. However, Victorian small business and domestic customers continue to pay higher prices than similar customers in New South Wales. Domestic customers in Victoria are paying approximately 22 per cent more per kilowatt hour than domestic customers in New South Wales pay. And small business customers are paying approximately 37 per cent more per kilowatt hour than their equivalents in New South Wales. This is a result of the order under section 158A — and associated contractual arrangements — put in place by the previous government. That regime meant that gains from the competitive wholesale electricity market were not all passed through to small customers in their retail prices as they should have been.

In the market for larger customers, where competition has been possible for some time now, electricity prices in New South Wales and Victoria have for the most part moved down. In a fully competitive electricity market this is to be expected, and any material differentials in electricity prices between similar classes of customer located in Victoria or New South Wales would need to be explained. The national electricity market thus provides — or has the potential to provide — clear benchmarks for retail costs, wholesale electricity costs and retail margins.

The government believes that there is adequate information available to determine whether a de facto

monopoly for specific customer groups exists and whether retailers are charging a monopoly rent.

As was noted before, to address the concern about monopoly rents, the bill provides for a new reserve power whereby an order in council can be made regulating retail prices for domestic and small business customers. Before or after making such an order, the government can refer retail pricing matters to the Office of the Regulator-General under the existing part 4 of the Office of the Regulator-General Act 1994. The bill also provides for the government to refer retail pricing to the office for a more limited inquiry — to be known as a special reference — pursuant to a new part 4A of the Office of the Regulator-General Act. The special reference is designed to ensure that the office is able to undertake an inquiry without undertaking a full competition analysis that it would otherwise have to perform under part 4. A full competition analysis may not be the appropriate vehicle for a review of retail electricity prices.

One possible example of such a limited inquiry is the office advising the government whether proposed retail prices of a particular retailer for domestic customers are comparable to those prevailing for similar domestic customers in other states or with those set by other Victorian retailers for those customers, and if not, why not. Another example might be the office examining the costs and margins that go to make up a retailer's proposed retail price and reporting to the minister on those costs and margins as against benchmarks for comparable retailers in Victoria and elsewhere, giving, as it does so, its opinion on the reasonableness of those costs and margins. Or the inquiry might be as simple as investigating why a retailer is proposing increases in retail prices for domestic and small business customers.

It is important to note that retail electricity prices comprise the regulated network charges plus the wholesale energy charge and a retailing charge. This bill is not concerned with network charges. These charges are currently separately regulated and will continue to be so regulated post-1 January 2001. However, it is expected that savings from the current review of distribution prices by the Office of the Regulator-General will be passed on to consumers by electricity retailers after 1 January 2001. Similarly with savings from reductions in transmission prices when new transmission prices take effect from 31 December 2002.

If it proves necessary to make an order pursuant to the new reserve power, the bill allows for an order to be made regulating retail electricity prices in one or more geographic areas and for one or more classes of customer. In addition an order might be made limited to one retailer if it was only that retailer's prices that needed to be controlled. The bill also allows that orders may vest functions and powers in the Office of the Regulator-General to oversee retail price regulation for the customers who benefit from the orders.

The bill provides that the reserve power to make orders regulating retail electricity prices will lapse on 31 December 2003. Any unexpired orders will also lapse on that date. In the lead-up to that date it is the government's intention that the Office of the Regulator-General will be given a reference to review the way in which competition is impacting on Victorian domestic and small business customers and to advise the government on whether there is a need to extend the capacity for retail price regulation beyond 2003.

The bill also contains provisions in respect of the terms and conditions for supply and sale of electricity to domestic and small business customers as from 1 January 2001. The previous government made no legislative provision for any regulation of those terms and conditions after 31 December 2000. Domestic and small business customers should have the benefit of essential consumer protections. To that end, the bill contains provisions requiring that all contracts with those customers include terms and conditions covering at least the following:

1. disconnection of electricity supply;
2. customer rights and entitlements;
3. access to customer premises; and
4. confidentiality of customer information.

The bill further provides for a supplier-of-last-resort obligation so that no customer will be left in a position that it has no person from whom it can obtain electricity where a retailer ceases to be licensed or is otherwise unable to get electricity from the wholesale market. Additional provisions in the bill provide for deemed customer contracts up to 31 December 2003 and also for amendment of those contracts. These provisions are required as otherwise domestic and small business customers who were franchise customers on 31 December 2000 may be left without any supply contracts with their retailers.

There are also provisions in the bill dealing with customer service standards and compliance with those standards and with community service obligations. Presently customer service standards — for example, quality of supply standards — are set by the businesses themselves. The bill provides for the Office of the

Regulator-General to oversee those standards to ensure that customers are not disadvantaged by unduly lax standards set by the industry. The bill also gives the office the power to set customer service standards if disadvantage is established.

Also at present certain electricity retailers perform various community service obligations pursuant to agreements entered into with government. The government believes that the agreements for performance of these obligations should be put on a firm statutory footing and not left unreferenced in any act. The bill makes provision accordingly and also provides for the renewal of agreements, if necessary pursuant to a determination by the Office of the Regulator-General. Another matter the bill deals with is public lighting. Supply and sale of electricity for public lighting purposes also becomes subject to full competition on 1 January 2001.

The bill contains provisions which are needed in advance of the commencement on 1 January 2001 of competition for the group of customers that includes domestic and small business customers. These provisions are needed in order to facilitate the technical implementation of that competition and they include providing for identification of metering installations and for exchange and use of customer information.

The latter will only occur to the extent that it is needed to allow customers to exercise their right to change retailer. While it is expected that many of these matters will be dealt with at a national level through amendments to the National Electricity Code, in the interim it is necessary to make provision in Victoria for some of these matters to allow for the contingency that those code amendments are not in place by 1 January 2001.

In addition, the bill deals with a number of miscellaneous amendments, including statute law revision, to the Electricity Industry Act 1993 — and to acts amending that act — the Electricity Safety Act 1998 and the National Electricity (Victoria) Act 1997.

The amendments to the Electricity Safety Act 1998 include making provision for bushfire mitigation plans. Under the former State Electricity Commission of Victoria a bushfire mitigation manual was prepared and used. The bill provides for bushfire mitigation plans in lieu and provides for oversight by the independent Office of the Chief Electrical Inspector. As a corollary to that amendment, the bill also provides for distribution companies to inspect from time to time private overhead electric lines to ensure they meet the appropriate safety and other standards. The amendments to the Electricity Safety Act 1998 also clarify that for the purposes of electric line clearance, a 'tree' includes 'vegetation'.

Mr Steggall interjected.

The ACTING SPEAKER (Mr Plowman) — Order! The honourable member for Swan Hill is not helping.

Mr BRUMBY — This is to ensure that there is no doubt that all vegetation must be kept the appropriate distance clear of powerlines.

Other amendments to the Electricity Safety Act 1998 — —

Mr Steggall interjected.

Mr BRUMBY — That is a very interesting issue.

The ACTING SPEAKER (Mr Plowman) — Order! I suggest to the honourable member for Swan Hill that he either stop interjecting or leave the chamber so the second-reading speech can be finished.

Mr BRUMBY — Other amendments to the Electricity Safety Act 1998 amend provisions dealing with what is meant by supply of electrical equipment and provisions dealing with licensed electrical workers, energy efficiency and electricity safety management schemes. Also the amendments validate certain regulations.

The amendments to what is meant by supply of electrical equipment are needed to make clear that both actual supply and offering to supply equipment is subject to the Electricity Safety Act 1998. The amendments to the energy efficiency provisions are intended to give the Office of the Chief Electrical Inspector greater flexibility to determine when energy efficiency labelling should be displayed and when not. Presently the act, by its express exclusion of second-hand electrical equipment, is preventing the office from insisting on labelling in circumstances when it is desirable that there should be such.

The amendments to the National Electricity (Victoria) Act 1997 clarify the Office of the Regulator-General's powers to act under that act and the National Electricity Code when, after 31 December 2000, it regulates under that code tariffs of Victorian electricity distributors.

Lastly, I should foreshadow that it is unlikely this will be the last legislation required to implement full retail competition on 1 January 2001 and beyond. The task of implementation is an extremely complex one which

involves industry, regulators and government not only in Victoria but also in other states and territories and nationally. Work on implementation involving all those groups is ongoing. It is thus likely that further amending legislation will be required. The previous government provided no relevant legislative framework at all to address the issues associated with competition for small and domestic business customers. This government, however, sees it as essential that such a framework be provided to ensure the effective implementation of that competition and to deliver on its commitments to Victoria.

Section 85 Constitution Act statement

Honourable members interjecting.

Mr BRUMBY — I am happy to give the house a detailed explanation of why this is necessary, but I am trying to save the house time.

I wish to make a statement pursuant to section 85 of the Constitution Act 1975 of the reasons why that section should be altered or varied by the bill.

Part 4 of the bill introduces a new part 4A into the Office of the Regulator-General Act 1994. In that new part 4A there is section 34D(7) which excludes civil proceedings for damage that may be suffered in respect of providing information or documents to an investigation conducted by the office under that part. The reason for limiting the jurisdiction of the Supreme Court with respect to section 34D(7) is to give persons who wish to make statements or provide information a degree of confidence that their statements or information can be made or provided without fear of litigation. This is likely to enhance the quality of the submissions and information made available to the office, and thus to contribute to the quality of its reports.

I commend the bill to the house.

Debate adjourned on motion of Mr STEGGALL (Swan Hill).

Debate adjourned until Thursday, 18 May.

VICTORIAN LAW REFORM COMMISSION BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

In 1992 the former government abolished the Law Reform Commission of Victoria. The commission provided Victoria with a transparent public law reform process. It was well known for the quality of its reports on topics ranging from bail to enduring powers of attorney and from the law of rape to road traffic regulations. The commission consulted widely on its references and in turn garnered community recognition and acceptance.

It also earned itself a reputation for its pioneering work and considerable expertise in plain English as a drafting style not only for legislation but also for private legal documents. The work of the commission led to many significant reforms in the law.

This government is strongly committed to the establishment of a law reform commission with a charter to facilitate community-wide debate of law reform issues and to assist members of Parliament in identifying key areas of law reform. The aim is to place Victoria at the cutting edge in law reform across Australia.

There are a range of other sources of advice and ideas for law reform. In addition to law reform commissions other arrangements are often relied upon by government:

subject-specific specialist advice bodies;

special-purpose committees, boards of inquiry and royal commissions;

government departments;

parliamentary committees;

standing bodies such as the Australian Institute of Criminology; and

consultants.

It is the government's intention that the Law Reform Commission established by this bill will provide a focal point for law reform in Victoria and symbolise the government's commitment to a strong program of law reform.

The Victorian Law Reform Commission will closely resemble the former Law Reform Commission of Victoria in its structure, powers and functions. There are many law reform commissions operating in other common-law jurisdictions from which a model may be selected. Although there are any number of ways to construct and operate a law reform commission it is proposed to base the Victorian Law Reform

Commission on the model of the old commission with some minor variations. The old commission operated highly effectively prior to its abolition and was seen to be a leading edge organisation.

The re-established law reform commission will be:

independent of government to enhance the integrity of the advice provided;

permanent in nature to bring a medium-to-long-term perspective to various issues and policies referred to it;

full time in its operation to provide the intellectual energy, commitment, consistency and time for contemplation, consultation and empirical study which are necessary to design and complete major research projects; and

authoritative in the provision of its advice.

Functions and powers of the commission

Part 2 of the bill deals with the establishment, functions and powers of the commission. The functions of the commission are to:

examine, report and make recommendations to the Attorney-General in respect of any proposal or matter relating to law reform in Victoria referred to the commission by the Attorney-General;

examine, report and make recommendations to the Attorney-General on any matter which the commission considers raises relatively minor legal issues which are of general community concern if the commission is satisfied that the examination of that matter will not require a significant deployment of the resources available to the commission;

suggest to the Attorney-General that a proposal or matter relating to law reform in Victoria be referred to the commission by the Attorney-General;

monitor and coordinate law reform activity in Victoria; and

undertake educational programs on areas of the law which are the subject of a reference.

The bill empowers the Attorney-General to grant references to the commission as well as give directions to the commission as to the priority which it is to accord to each reference and the time within which it is to report. The Attorney-General will also be empowered to seek interim reports from the commission.

As Attorney-General, I will be looking to the commission and the general community for suggestions and guidance on what matters should be referred for inquiry by the commission.

Structure of the commission

Part 3 of the bill deals with the constitution and procedure of the commission. The commission will consist of a chairperson who will be a full-time member and as many full-time and part-time members as the Governor in Council considers necessary from time to time to enable the commission to perform its functions. The Governor in Council will appoint all members. Each member will be appointed for up to four years and is eligible for reappointment.

The bill does not set out qualifications necessary for appointment to the commission. This is deliberate. This will allow a great deal of flexibility in making appointments to the commission. Judges, academics and practising lawyers have much to contribute to law reform. However, they should not be the only persons eligible for appointment to a body dealing with major law reform. Much of the information which must be gathered and considered requires the expertise and insights of other disciplines if it is to be properly evaluated.

It is proposed that further flexibility be obtained by allowing the chairperson to appoint consultants to assist the commission with advice and criticism on matters under consideration. This will ensure that the commission has available to it the widest possible sources of information. It will also lead to a consensus approach to law reform with representatives of interested industries, employees and other groups invited to discuss all major initiatives from an early stage in their development until final decisions are reached.

The chief executive officer of the commission may appoint enough employees as is considered necessary for the purposes of the act. All such appointments will of course be subject to the commission's budget.

Finance and reports

Part 4 of the bill deals with finance and reports. The commission will be funded from two sources —

an annual sum from the Law Reform and Research Account already established under the Legal Practice Act 1996; and

an annual sum from consolidated revenue.

Clause 18 of the bill provides for a control on expenditure of the commission. This clause provides that money given to the commission must only be spent by it in defraying expenses incurred by it in performing its functions, including paying any remuneration, salaries or allowance payable to members, staff or consultants. The commission must prepare an annual report each year and is subject to part 7 of the Financial Management Act 1994. To further ensure fiscal responsibility and accountability to Parliament the bill provides in clause 20 that the commission must comply with any information requirement lawfully made of it by a house of the Parliament or a parliamentary committee. Information requirement means a requirement to give information of a specified kind within a specified period relating to —

the performance by the commission of its functions; or

the exercise by the commission of its powers; or

the commission's expenditure or proposed expenditure.

Finally there are also several financial controls on the commission set out in clause 6 of the bill. For example, the commission cannot acquire any property, right or privilege for consideration of more than $250 000 without the approval of the Attorney-General.

The bill provides that the commission may from time to time, and must if required by the Attorney-General under section 5(2)(c), make an interim report on a reference. It also provides that the commission must prepare a final report at the end of its work under a reference. A copy of each interim and final report must be submitted to the Attorney-General. The Attorney-General must table each report before each house of the Parliament within 14 sitting days of that house after he or she receives the report. The commission must make all its reports available to the public whether or not a charge is imposed.

I am committed to openness in government and restoring democracy in this state. I do not want to keep the process of law reform behind closed doors. I want open and robust debate within the community on law reform. The establishment of the commission is a step in the right direction.

I commend the bill to the house.

Debate adjourned on motion of Dr DEAN (Berwick).

Debate adjourned until Thursday, 18 May.

CHILDREN AND YOUNG PERSONS (APPOINTMENT OF PRESIDENT) BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

The Children and Young Persons (Appointment of President) Bill elevates the status and authority of the long-neglected Children's Court and by doing so advances the government's commitment to promoting the position of young people in the Victorian community.

The bill creates the office of President of the Children's Court and establishes the Children's Court as a new court which is separate from the Magistrates Court.

The creation of the office of President of the Children's Court:

reflects the importance, increasing specialisation and authority of the Children's Court; and

will allow the Children's Court to develop its specialist responsibilities autonomously. The president will be able to promote the adoption of a consistent philosophy and set standards for the consistent treatment of young people in courts across the state. This advances the government policy of growing the whole of the state of Victoria and providing increased services to rural and regional Victoria.

The establishment of the Children's Court as a freestanding, separately recognised court also underlines its increased importance and specialisation. This change clearly demonstrates the government's recognition of the important role played by the Children's Court in our judicial system in providing a specialised court catering for children and young people in both the criminal and family jurisdictions.

The president will be a County Court judge appointed as president for a fixed term of five years by the Governor in Council. The appointment of the president of the new Children's Court will be on the recommendation of the Attorney-General after consultation with the Chief Judge of the County Court. The president will hold office in accordance with any terms and conditions specified in his or her instrument of appointment.

The bill provides for the appointment of an acting president who is a magistrate during any period when the office of president is vacant or the president is on

leave or for any reason is temporarily unable to perform the duties of the president.

Appeals from decisions of the president

Appeals in Children's Court cases — except where a question of law is involved — lie to the County Court. Appeals on questions of law lie to the Supreme Court.

County Court appeals proceed as de novo hearings and the decision of the judge in the case is in most instances final. The issue arises as to how to deal with potential appeals from decisions of the president, because clearly it would be inappropriate for decisions of a County Court judge to be reviewed by the County Court.

The bill proposes that appeals from matters heard at first instance by the president will be heard in the trial division of the Supreme Court on both issues of fact and law and that such decisions will be final. Appeals from past decisions of the Children's Court Senior Magistrate will continue to be heard in the same way that they were heard prior to the passage of this bill. The bill does not otherwise propose any alterations to the appeal path in relation to decisions of Children's Court magistrates.

Section 85 statement

It is intended that the new section 13B inserted by clause 8 of the bill will alter or vary section 85 of the Constitution Act 1975 to the extent necessary to provide the president in the performance of his or her duties as president with the same protection and immunity as a judge of the Supreme Court has in the performance of his or her duties as a judge.

This gives the president the same immunities that the County Court Act 1958 confers on judges of the County Court and the Children and Young Persons Act 1989 confers on Children's Court magistrates. As a matter of public policy, it is appropriate for the legislature to confer such protections on the holders of judicial office and important that those protections be consistent.

Clauses 11 and 12 amend sections 116, 197 and 198 of the Children and Young Persons Act 1989 to ensure that appeals from decisions of the president lie to the Supreme Court, rather than to the County Court. It is the intention of sections 116, 197 and 198, as amended by this bill, to alter or vary section 85 of the Constitution Act.

The bill replicates the current system whereby the decision of the court hearing the appeal is final, and in most cases no further appeal rights lie. This is appropriate, for such appeals proceed as de novo hearings, where the appellant can in effect have a full second hearing of his or her case. It is desirable that a consistent appeal stream be adopted for appeals from decisions of the president.

Clause 17 amends sections 20 and 21 of the Crimes (Family Violence) Act 1987 to make similar amendments in respect of appeals from decisions of the president made under that act. It is the intention of sections 20 and 21, as amended by this bill, to alter or vary section 85 of the Constitution Act.

Again, the bill replicates the current process for appeals in family violence cases, except that the appellate court will be the Supreme Court. These appeals are also de novo hearings, and it is again appropriate that no further appeal rights lie.

Conclusion

Increasing the status and authority of the Children's Court demonstrates the government's commitment to ensuring that children who appear before the court, either by reason of offending or because of their vulnerable family situation, receive justice and compassion. These reforms recognise the need to treat young persons consistently with the notions of equity and social justice which are the foundations of our justice system.

I commend the bill to the house.

Debate adjourned on motion of Dr DEAN (Berwick).

Debate adjourned until Thursday, 18 May.

DAIRY BILL

Second reading

Mr HAMILTON (Minister for Agriculture) — I move:

That this bill be now read a second time.

When this government came into power, we committed to reviewing the previous government's decision to deregulate the Victorian dairy industry. We wanted to know the impact of deregulation on the future viability of the dairy industry. We also needed to consider the impact of deregulation on regional communities and jobs in Victoria and the national impact of deregulation. And we wanted a guarantee that Victorian dairy farmers would have access to the national package.

The government therefore committed to giving every Victorian dairy farmer the opportunity to tell us his or her view.

They were asked whether they should accept the $1.7 billion dairy industry adjustment package proposed by the commonwealth government and agree to the repeal of Victorian legislation controlling the farm-gate price and supply of milk.

Of the 9262 dairy farmers enrolled to vote, a surprising 84 per cent took the opportunity to tell us what they thought. Some 89 per cent of these Victorian dairy farmers agreed that Victoria should deregulate its market milk arrangements, provided the dairy industry adjustment package was available.

As a result of this exercise in agricultural democracy, the Victorian government agreed to proceed with the deregulation of the price and supply of market milk. The commonwealth government has already established its legislation to facilitate the $1.7 billion dairy industry adjustment package. Furthermore, all state governments are in the process of amending their dairy legislation to deregulate market milk in their states.

The United Dairyfarmers of Victoria and key manufacturers and processors have welcomed this national move toward deregulation. They saw the sunsetting of the commonwealth government's domestic market support scheme on 30 June 2000 as an opportunity to create a single market for Australian milk by removing the plethora of state-based marketing arrangements which limited the opportunities for Victorian milk to be traded interstate.

The Victorian government is proposing a package of reforms in this Dairy Bill to allow the Victorian dairy industry to continue to grow and compete on world markets. This bill is part of reforms occurring across Australia which will result in orderly, managed deregulation. As a result of this bill:

Victorian dairy farmers, manufacturers and processors will be able to compete in a single national milk market;

Victorian dairy farmers will have an additional $740 million over eight years from the dairy industry adjustment package to make meaningful decisions about their future — perhaps to improve their business or decide to retire or create another business;

a new dairy food safety authority will be established which will be focused solely on providing the appropriate services, at lowest cost, to maintain the industry's excellent reputation in food safety;

significant funds will be allocated by industry to worthwhile projects that will benefit the industry and its communities.

I now turn to the main provisions of the bill, which will:

repeal the Dairy Industry Act 1992;

provide for a new dairy food safety authority to replace the Victorian Dairy Industry Authority; and

transfer residual VDIA assets to the Victorian dairy industry.

A key element of the bill is the deregulation of price and supply controls on Victorian market milk. As a first step, certain powers and functions of the VDIA related to controls on market milk will be repealed. It is proposed that, with the other states, this will occur on 30 June 2000.

The VDIA will continue for a short period after this date in order to wind up pools and make final payments for milk received, facilitate the establishment of a new dairy food safety authority and facilitate the transfer of the residual assets of the VDIA to a company established to invest the assets for the benefit of the Victorian dairy industry and its communities.

This transition period will also allow the VDIA to manage its wind-up in a professional and orderly manner. May I say at this point, that the board, management and staff of the VDIA have done a magnificent job under trying circumstances to manage their operations to ensure a smooth transition to deregulation.

The Victorian dairy industry, through the VDIA, has worked hard to develop and maintain an excellent reputation for safe food. A government-industry dairy food safety working group has provided the government with a detailed report on proposed new arrangements for dairy food safety. This bill implements the working group's recommendations.

The bill establishes Dairy Food Safety Victoria, a statutory authority responsible to the Minister for Agriculture which will take over the VDIA's dairy food safety functions. The new authority will focus on ensuring the safety of dairy food products for consumers. This will maintain a strong confidence in the safety of Victoria's dairy produce, guaranteeing farmers ongoing markets.

The legislation will continue to rely on powers under the Victorian Food Act in relation to emergencies and recall of unsafe product.

The bill has been drafted to be consistent with the Victorian Food Act and, as far as is possible, with the principles of the proposed national model Food Act. This includes the use of food safety programs, preventative methods of food safety management and audit arrangements which are determined by the authority but which can be either conducted by the authority or by approved third party auditors. The authority will continue to have a memorandum of understanding with the Department of Human Services to ensure a coordinated approach to the implementation of the government's food safety responsibilities.

The bill also addresses national consistency for the dairy industry through the inclusion of ice cream as a dairy food and through the use of codes of practice. This provides the necessary framework for existing national dairy industry standards to be adopted, simplifying compliance requirements across Australia and facilitating exports.

The board of the authority will be a skills-based board of seven persons. The Minister for Agriculture will appoint the chairperson and an officer of the Department of Natural Resources and Environment. The other five members will be appointed after consideration of the recommendations of a selection committee consisting of three people appointed by the minister based on the nominations of the organisations which he believes best represent farmers, processors and manufacturers. In the first instance, this will be the United Dairyfarmers of Victoria, the Milk Processors Association of Victoria and the Victorian Dairy Products Association.

The industry currently fully funds the food safety services provided by the Victorian Dairy Industry Authority through a market milk levy. The government-industry working group I referred to earlier, which included dairy farmers, processors and manufacturers, recommended that the same sectors of the industry continue to be licensed for the purpose of food safety and that the proposed new Victorian dairy food safety authority be funded through licence fees and fees for service.

While the production of safe milk and dairy products is paramount, cost-efficient service provision is an important issue. The industry should pay no more per litre of milk for its food safety services after deregulation than it currently pays. With the removal of the market milk levy, licence fees will need to increase, particularly to post-farm-gate businesses which have been paying, up to now, very low licence fees.

The government will ensure that dairy farmer licence fees do not increase in the next licence period from December 2000. The government-industry working group adopted the principle that businesses should contribute to the costs of food safety services in proportion to the benefits they receive. The government endorses this general approach. The working group noted that 'the level of revenue raised in total from current farm licence fees is realistic in relation to the criteria of benefits received' by farmers.

To ensure a smooth transition to the new arrangements, the Victorian government has agreed to transfer from the VDIA assets $1.8 million to establish Dairy Food Safety Victoria and to allow the new authority to conduct its functions while increasing licence fees and fees for service over two years to replace the revenue from the market milk levy.

It will be up to the board of the new dairy food safety authority to determine the most appropriate mix of licence fees and fees for service within and between the pre and post-farm-gate sectors. The proposed new arrangements for funding of dairy food safety services will provide more transparency and accountability in charging for services.

The bill enables the government to transfer all the remaining assets and liabilities of the VDIA, following the establishment of Dairy Food Safety Victoria, to a new industry-owned company limited by guarantee which will use the residual assets for the benefit of the Victorian dairy industry and dairy communities.

The majority of the assets, consisting of the proceeds from the sale of the VDIA brands — Big M, Rev, Skinny Milk and Farm House Milk — will be used to invest in industry development activities in order to maximise benefits to all sectors of the Victorian dairy industry.

The specific objects to be included in the company's constitution will be consistent with those proposed by an industry-government dairy industry services working group chaired by the United Dairyfarmers of Victoria. These are:

(i) the gathering, analysis and dissemination of appropriate dairy industry information;

(ii) appropriate research, development and technology transfer activities;

(iii) education and training activities where benefits will accrue to the whole Victorian dairy industry as well as the individual;

(iv) management of intellectual property generated from funding activities; and

(v) transitional activities associated with the winding up of the VDIA including management of any VDIA contracts transferred to the company as a result of the winding up of the VDIA.

In addition to these functions, $3 million of the VDIA's residual assets will be used over three years for the purpose of assisting dairy communities adjust to the impact of deregulation of the dairy industry. These funds may be put to such activities as dairy farm family support activities, community change management programs and regional economic development projects.

The company will be independent of government, but changes to principal elements of its constitution will require the approval of the Minister for Agriculture. The government does not intend to have an involvement in the day-to-day decisions of the entity. However, the company's annual report will be tabled in Parliament.

It is intended that these funds will become a major source of assistance for the dairy industry and the communities that rely on the dairy industry in adjusting to a deregulated environment in the short and longer terms.

Although deregulation of market milk arrangements will present many challenges to the dairy industry, the changes outlined in this bill will ensure the Victorian dairy industry maintains its competitive advantage and can continue to grow and prosper.

I commend the bill to the house.

Debate adjourned on motion of Mr STEGGALL (Swan Hill).

Debate adjourned until Thursday, 18 May.

ARTS LEGISLATION (AMENDMENT) BILL

Second reading

Ms DELAHUNTY (Minister for the Arts) — I move:

That this bill be now read a second time.

The bill will amend both the Victorian Arts Centre Act and the National Gallery of Victoria Act to give to the council of trustees of the National Gallery of Victoria responsibility for the care, improvement and maintenance of the National Gallery building.

To enable this the bill will revoke the Crown grant over the land on which the National Gallery and part of the Victorian Arts Centre are situated and will give the trust and council control and management over the land they each occupy.

Consequently this will remedy the current situation whereby multimillion-dollar improvements to the National Gallery appear in the annual financial statements of the Victorian Arts Centre Trust — a change supported by the Auditor-General's office.

The bill will also update the powers and functions and improve the operation of the trust and the council. It will empower the council to enter into Crown land lease or licensing arrangements to give effect to this new responsibility.

Additionally the bill will remove redundant functions of the trust such as the completion of construction of the centre, and the trust's functions will be expanded to contribute to the enrichment of the cultural life and cultural heritage of the people of Victoria and provide a leadership role in the promotion and development of the performing arts.

Consistent with the powers of other statutory arts bodies, the bill will remove the requirement that the trust obtain the minister's consent to enter agreements for the provision of services or hire of plant and equipment and the granting of a lease or licence or other commercial arrangements, update the powers and functions and improve the operation of the trust and the council.

Consistent with the government's policy that Victoria's visual arts collections should be innovative, accessible and protected as public assets, the bill provides for the trust's Performing Arts Museum collection to be established as a state collection within the Victorian Arts Centre Act.

I commend the bill to the house.

Debate adjourned on motion of Mrs ELLIOTT (Mooroolbark).

Debate adjourned until Thursday, 18 May.

LAND (REVOCATION OF RESERVATIONS) BILL

Second reading

Ms GARBUTT (Minister for Environment and Conservation) — I move:

That this bill be now read a second time.

The bill provides for the revocation of permanent reservations of land 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. I turn now to the particulars of the bill.

Clause 3 of the bill deals with a 12.8 hectare racecourse and public recreation reserve on the Boort–Kerang Road in Boort. Approximately 3.5 hectares of the land comprises a racecourse, showgrounds and recreation facilities, with the remainder of the land used for cropping. The majority of the racecourse is located on adjoining freehold land that is owned by the Boort Park Trust.

The Shire of Loddon will transfer the ownership of the land currently used for the racecourse, showgrounds and recreation facilities to the Boort Park Trust. Council plans to use the remainder of the site for experimental horticultural activities.

Clause 4 of the bill deals with approximately 7.8 hectares of land reserved for hospital purposes in Playford Street, Stawell. The land makes up a substantial proportion of the former Pleasant Creek training centre for the disabled. The Department of Human Services has relocated the residents into community-based housing and decommissioned the site. The land does not possess any public land values that warrant its retention in the Crown estate.

Clause 5 deals with a site of a public hall and free library reserve located on the corner of Smith and Williams Streets in Lorne. The public hall had fallen into disrepair and was demolished in the early 1980s. Since that time the site has been partially occupied by the State Emergency Service.

The land, together with adjoining freehold land, is the site for a new Lorne emergency services complex comprising police station, SES, Country Fire Authority and ambulance service.

Clause 6 deals with a small part of a public park reserve at Albert Park, located to the east of the former St Kilda railway station. The long, narrow piece of land is required to allow the relocation of Balluk William Court in order to provide access to the proposed commercial and residential development on adjoining land and also to maintain access to housing owned by the Office of Housing.

The subject land is currently occupied by the St Kilda Sports Club under a permissive occupancy agreement and forms part of the St Kilda Bowling Club. The proposed relocation of Balluk William Court will not disturb sporting activities currently undertaken by the bowling club. A heritage assessment of the St Kilda Sports Club site has indicated that the site is of national significance, but the proposed road does not affect the heritage status of the site.

Funds have been made available to acquire land to be added to Albert Park to ensure there is no net loss of public parkland. The land falls within the definition of Albert Park as described in the Australian Grands Prix Act 1994. Therefore, the bill provides for a consequential amendment to that act to remove the land from the definition of Albert Park.

Clause 8 deals with the Borough Chambers Reserve in Clunes. The land contains the former town hall and police residence. The site is currently being used and developed by Wesley College as a residential village for students. Revocation of the Crown grant is required to allow formal arrangements to be put in place for Wesley College to continue to occupy the site. The town hall will continue to be available for community use.

I commend the bill to the house.

Debate adjourned on motion of Mr PERTON (Doncaster).

Debate adjourned until Thursday, 18 May.

NATIONAL PARKS (AMENDMENT) BILL

Second reading

Ms GARBUTT (Minister for Environment and Conservation) — I move:

That this bill be now read a second time.

I am delighted to be able to introduce the first bill of this government to amend the National Parks Act 1975 to implement several of its key policy commitments in relation to national parks, in particular the Alpine National Park. The bill reinforces the government's commitment to protecting and enhancing Victoria's outstanding parks system, which plays a key role in the

conservation of the state's rich natural heritage and biodiversity. It also reflects the government's commitment to the commonwealth Native Title Act.

In summary, the key elements of the bill are:

to add 285 hectares on the slopes of Mount McKay and the northern shore of Rocky Valley storage, and the Wongungarra area, to the Alpine National Park — two key policy commitments;

to add over 100 hectares of former freehold land to Organ Pipes and Yarra Ranges national parks, Kamarooka State Park and Gippsland Lakes Coastal Park; and

to empower the National Parks Advisory Council to advise on proposed park excisions.

Additions to the Alpine National Park

The Alpine National Park is Victoria's largest national park and one of its most significant. The addition of the two areas mentioned above, which total over 13 000 hectares, will enhance the conservation significance of the park.

Mount McKay–Rocky Valley addition

This addition covers 285 hectares and extends from the west of Mount McKay to the northern shore of Rocky Valley storage. It includes some of the undeveloped slopes of Mount McKay, a significant area of undisturbed alpine bog community and significant landscape and recreation values.

The area was recommended for inclusion in the Alpine National Park by the former Land Conservation Council in 1983 after an extensive public consultation process, and legislation to effect this was passed in 1989. However, in 1997, without any prior public consultation or proper explanation, a bill was introduced into Parliament to excise the area from the park and include it in Falls Creek Alpine Resort. The current bill will restore the area's rightful national park status.

Later in this speech I shall outline the government's approach to park excisions and refer to additional measures which aim to ensure that such an excision never happens again.

Wongungarra addition

The Upper Wongungarra addition is an essentially undisturbed, remote and deeply dissected valley located south of the Great Dividing Range south-west of Mount Hotham. The addition covers nearly 13 000 hectares and comprises areas which are recognised as part of the reserve system in the north-east and Gippsland regional forest agreements. It includes high quality stands of old growth forest, important flora and fauna habitat, and the nationally endangered spotted tree frog. The valley also has high landscape values, being visible from the higher ridges of the surrounding park.

The bill provides for deer hunting by stalking to occur in the area, recognising that this activity is permitted in contiguous areas of the surrounding park.

Other park additions

Several areas of former freehold land will be added to four parks, as follows:

Organ Pipes National Park — the addition of 13 hectares of land along Jackson Creek, which has been generously donated to the Crown by the City of Brimbank, will consolidate the 1997 park additions in the eastern section of the park. In addition to the City of Brimbank's generous donation, I would like also to acknowledge the extensive revegetation and other work which the Friends of Organ Pipes National Park have carried out on this land.

Yarra Ranges National Park — the addition of four small inlying areas in the Armstrong Creek and Upper Yarra catchments will increase the protection afforded to those water supply catchments. The bill includes these additions in the designated water supply catchment area of the park.

Kamarooka State Park — the addition of 94 hectares, which were purchased with the generous assistance of the City of Greater Bendigo, will further enhance the value of this significant park on the edge of the northern plains.

Gippsland Lakes Coastal Park — the addition of 16 hectares on the Boole Poole Peninsula will add a further area of purchased land to this part of the park.

Excisions

As previously stated, the bill provides for the inclusion in the Alpine National Park of an area of 285 hectares that was excised in 1997. The government's policy is to prevent such excisions from parks and my government, when in opposition, strongly opposed the excision of the 285 hectares from the Alpine National Park.

This excision by the former government was a significant attack on the integrity of the National Parks Act. It struck at one of the fundamental principles of national parks — that they should, in the words of the

preamble to the act, be reserved and preserved and protected permanently'. Furthermore, the proposal was developed without any public consultation, and the second reading speech for the Alpine Resorts (Management) Bill did not even mention that the bill provided for land to be excised from a national park.

I now wish to state this government's position on excisions from parks under the National Parks Act and set the approach that my government will follow when dealing with any proposed park excision. It does recognise that from time to time there may be justifiable reasons for excising small areas from parks. For example, previous excisions have included small, modified sites containing government houses on park boundaries; areas in connection with the realignment of major roads through part of a park; and the correction of small errors on park plans.

The government is therefore committed to:

dealing with any proposed park excision openly and through a proper process; and

limiting excisions to those that can be clearly justified as minor and as having minimal impact on the park.

To ensure that any proposed excision is properly considered, the minister responsible for the National Parks Act will:

seek the advice of the National Parks Advisory Council on any proposed excision;

table that advice in Parliament; and

include a proper justification for any proposed excision in the second-reading speech for the relevant bill.

This bill assists in implementing those commitments by providing for the National Parks Advisory Council to advise on any proposed excision which the minister may refer to it and for the tabling of the council's advice in Parliament.

Conclusion

The bill will enhance the state's outstanding parks system by adding several significant areas, particularly to the Alpine National Park. It also provides a role for the National Parks Advisory Council in relation to proposed park excisions so that there is greater transparency in dealing with such matters in the future.

I commend the bill to the house.

Debate adjourned on motion of Mr PERTON (Doncaster).

Debate adjourned until Thursday, 18 May.

EMERGENCY MANAGEMENT (AMENDMENT) BILL

Second reading

Mr HAERMEYER (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

This bill implements an election policy commitment made by the Bracks government to establish, within the Department of Justice, an Emergency Services Commissioner who shall establish and monitor performance standards for our emergency services.

The Emergency Services Commissioner will also oversee more effective utilisation of the common resources of the Metropolitan Fire and Emergency Services Board, the Country Fire Authority and the State Emergency Services of Victoria.

The proposed role of the new commissioner will be to:

advise, make recommendations and report to the minister on matters relating to emergency management;

establish and monitor performance standards for the emergency services organisations;

encourage cooperation and the effective utilisation of resources;

act as the executive officer of the Victoria Emergency Management Council; and

carry out any other function given to the commissioner.

While Victoria undoubtedly had three fine firefighting organisations in the Metropolitan Fire Brigade, the Country Fire Authority and the Department of Natural Resources and Environment there was an opportunity for improvement through greater cooperation and coordination which could be advanced through the Emergency Services Commissioner. In particular an emphasis on the utilisation of common resources such as training, finance and administrative services and systems as well as buildings and equipment could lead to improved and more effective services for all Victorians.

The commissioner will develop and publish standard models of fire cover in the state of Victoria so that areas of similar risk and hazard profiles will operate to a similar standard of fire cover.

The commissioner will also provide emergency management leadership as the executive officer of the Victoria Emergency Management Council.

The bill provides the necessary powers for the commissioner to seek and obtain information to set, monitor and report on service standards and to promote cooperation in service delivery and resource sharing.

I expect the new Emergency Services Commissioner to be a key ingredient in the development of a more integrated, cooperative and successful emergency management system for Victoria.

I commend the bill to the house.

Debate adjourned on motion of Mr LEIGH (Mordialloc).

Debate adjourned until Thursday, 18 May.

CONTROL OF WEAPONS (AMENDMENT) BILL

Second reading

Mr HAERMEYER (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time:

As one of its election commitments, the government promised to toughen Victoria's weapons laws to combat an increase in the number and use of weapons within the community.

By amending the Control of Weapons Act 1990 this bill will give effect to that commitment by renaming the most dangerous category of weapons as 'prohibited weapons'. This will avoid confusion in relation to such weapons as flick-knives and knuckledusters, and better reflect their purpose, which is a principally offensive one. The bill will also more accurately describe the second category of weapons, by renaming them 'controlled weapons' rather than merely regulated weapons. The regulations will continue to prescribe weapons by category. Significantly, the bill will also:

- further restrict the sale, display and marketing of the most dangerous category of weapons;
- severely restrict the sale of weapons to those under 18 years of age;
- move the administration of body armour from the act to the regulations;
- provide for the levying of an administrative fee to cover the costs of processing exemptions and approvals; and
- extend the concept of prohibited persons from the Firearms Act 1996 into the Control of Weapons Act.

Additionally, the bill will also clarify the position in relation to the lawful excuse to otherwise possess controlled weapons. The proposed amendments will ensure that the context in which a weapon is discovered in public is relevant in determining whether an excuse is indeed lawful — for example, it will be deemed not to be a lawful excuse for a person to be found with a fishing knife outside a night club at 2.00 a.m.

The bill will transfer responsibility for the granting of exemptions for individuals to possess prohibited weapons from the Governor in Council to the Chief Commissioner of Police. These will be called approvals under the bill. This will bring non-firearms weapons into line with the regime for firearms. Exemptions for groups and classes of persons will remain the responsibility of the Governor in Council. This is important because it will ensure that the government retains control over weapons employed in the administration of the criminal law.

It is further proposed that the Control of Weapons Act adopt the category of prohibited persons used in the Firearms Act 1996. Prohibited persons include:

- persons serving a term or imprisonment for serious offences; or
- persons the subject of a domestic violence intervention order or a supervised community-based order.

Such people will not be eligible for either an exemption or approval under the act.

The bill creates a specific offence to sell a prohibited weapon to a person who has neither an exemption under the act nor an approval under the bill. The creation of this offence will reinforce the government's election policy commitment to restrict the availability of weapons in the community by ensuring tighter control over the sale of prohibited weapons.

The bill will also require all persons who sell a prohibited weapon to record certain details about each weapon sold. Any purchaser of a prohibited weapon will be required to prove their identity and their

entitlement to purchase the weapon. This requirement will assist Victoria Police in the enforcement of the regulatory regime for prohibited weapons.

As evidence of the government's commitment to reduce their use in criminal enterprises, the bill will increase penalties for offences involving prohibited weapons.

The bill also varies the procedure for the return of seized weapons. If not charged with an offence, a person must be informed of his or her right to have a weapon returned. Any person under 18 years of age seeking the return of a weapon must be accompanied by parent or guardian when they present themselves to police to collect it. If a person does not seek to have the weapon returned it will automatically be forfeited to the Crown.

I commend the bill to the house.

Debate adjourned on motion of Mr LEIGH (Mordialloc).

Debate adjourned until 18 May.

Remaining business postponed on motion of Mr HAERMEYER (Minister for Police and Emergency Services).

ADJOURNMENT

Mr HAERMEYER (Minister for Police and Emergency Services) — I move:

That the house do now adjourn.

Medical Practitioners Board

Mr DOYLE (Malvern) — I direct to the attention of the Minister for Health his answer to a question without notice asked by the honourable member for Essendon regarding a breach of infection control procedures at the Royal Melbourne Hospital in which he said he would refer the matter to the Medical Practitioners Board for investigation to see whether any professional misconduct had been involved. I ask him to reconsider that course of action. In fact, for reasons I will make clear later, I ask him not to do that. I emphasise that that is not because the matter is not serious, because it is serious, as is any breach of infection control, particularly in surgery.

I raise with the minister whether it is appropriate or wise for the Minister for Health to refer a practitioner to the Medical Practitioners Board. After all, it is the Minister for Health who through the Governor in Council appoints the board, appoints the chairman of the board and determines the remuneration of the board. The minister also has responsibility for the act under which the board is constituted. I believe it is inappropriate for the Minister for Health to refer matters of professional misconduct of practitioners to the board.

I am not suggesting that the Medical Practitioners Board would in any way be swayed by the stature of the person who is referring the complaint. I know the members of the board well, and I have the highest respect for them individually and for the processes of the board. However, there is a possibility it may affect the processes of the board. For instance, imagine a situation in which a practitioner before the board complained that natural justice was not being served because procedural fairness principles dictated he could not be treated fairly if the minister were the complainant. Often these matters are about perceptions or impressions, particularly publicly, and it is for those reasons I ask the minister to think again before going down that path.

Should it be necessary perhaps a senior clinician, the hospital itself, the family of a patient or anybody connected with the medical profession could refer the matter to the board. I believe the profession itself should regulate this matter. It should be independent of the political process. Politicians should stay out of the regulation of such serious matters.

My suggestion is that because we need to make sure that an inappropriate impression is not given it would be appropriate for the hospital, senior clinicians, or other people to refer such matters to the Medical Practitioners Board, and that it would not be appropriate for the minister to do it. I ask the minister to reconsider the statement he made yesterday that he would refer the matter to the board.

Seymour Technical High School

Mr HARDMAN (Seymour) — I refer the Minister for Education to the policy of the previous Kennett government of selling off education department land that it regarded as surplus to requirements. Specifically I direct the minister's attention to the predicament of Seymour Technical High School.

In its typical arrogant and uncaring way the Kennett government advertised the sale of the land the school used for its agricultural programs. Teachers from the school were absolutely frustrated by the ideologically driven process of selling anything the Kennett government could get its hands on but were gagged by the government under teaching service order 140 and

were therefore unable to speak out at the time. The land was used to run rural industry programs for agriculture students.

It provided vocational education and training opportunities and a curriculum that allowed it to cater for students who may not be academically inclined. Such programs help schools to retain students by providing interesting subjects that encourage them to remain at school longer. Available information shows that the longer students stay at school the better are their long-term job prospects. Despite that the Kennett government still wanted money for the land and eventually agreed to sell it to the school for $75 000. That is a lot of money to a country high school with a large number of students who receive the education maintenance allowance. A school has to sell a lot of lamingtons to raise that sort of money — probably $150 000 worth.

The school had lost so much faith in the former government that it decided to set up a trust to buy the land to prevent that from again trying to sell it. Fortunately the process of the government selling land back to one of its own schools has not finished. There is a chance to address this situation and put right a terrible wrong. I ask the minister for an assurance that Seymour Technical High School will allowed to retain both the land, which will continue in its present worthwhile use, and the $75 000, which the school raised itself and wishes to use to improve access to other high-quality education programs for its students.

Wandong and Heathcote Junction: sewerage

Mr McARTHUR (Monbulk) — I refer the Minister for Environment and Conservation to a small-town sewerage scheme at Wandong and Heathcote Junction. The honourable member for Seymour should be well aware of it because he has had a crack at fixing the problem but has so far failed.

The scheme is one of the those that were in the process of being constructed or completed throughout the state until last November, when the minister put a freeze on them. This particular scheme is of concern because its construction has effectively been completed and all that remains to be decided is what fees are to be assessed, and if they are to be levied, how they will be paid.

Some people in the Wandong–Heathcote Junction area have already paid a fee of about $2500 per residence, some have paid part and others have paid nothing. The effect of the minister's freeze has left them wondering what will happen in the long term, particularly those who have paid all or part of the $2500. Those people wish to know whether if the scheme goes ahead and the minister decides eventually to abolish up-front fees they will receive refunds, or whether there will be two classes of people — those who have paid and will receive no refund and those who have not paid and will receive free access.

The minister should make a decision and advise the residents of Wandong and Heathcote Junction of it. The minister called for a review and has had the recommendations for some two months. The residents are demanding an answer about what will happen to the money they have already paid and when they will be connected to the scheme. They are entitled to an answer and should be treated even-handedly. If the minister is to provide free connection, people who have paid all or part of the fee should receive refunds. The residents of Wandong and Heathcote Junction should know what is happening with their sewerage scheme.

GST: employment

Ms OVERINGTON (Ballarat West) — I direct to the attention of the Minister for Manufacturing Industry the job losses that will occur in my electorate because of the impending implementation of the goods and services tax. A major Ballarat employer has announced the retrenchment of casual staff due to a manufacturing downturn caused by the impending introduction of the GST. Maxitrans Manufacturing has been forced to retrench casual staff from its Freighters Australia plant in Wendouree because buyers are deferring purchases until after the introduction of the GST.

Today's Ballarat *Courier* reports that 50 casual staff have been retrenched because of the anticipated effects of the GST. As the minister is aware, manufacturing is one of the key economic activities in my electorate. Ballarat's future depends on the continuing success of its manufacturing operations. For that reason I am concerned about the impact of the GST on Ballarat's economic prosperity.

Overall economic activity is important, and it is a key concern of the government, but also important is the impact of economic decision making on individual workers and their families. The retrenchment of Freighters Australia workers reveals the truth behind the GST — this unfair tax is bad for business and bad for employment.

The minister will also be aware of the adverse impact of the GST on small business. Small business in my electorate has been left for dead by the federal government's GST plan. The extraordinary cost of compliance, together with the complexity of the tax,

has created an absolute nightmare for small business in Ballarat and across Victoria.

The GST is having an adverse impact on business and employment across many industry sectors. I urge the minister to raise the matter with the federal government, where the responsibility rests for the implementation of this unfair and regressive tax system.

Schools: asbestos

Mr HONEYWOOD (Warrandyte) — I direct to the attention of the Minister for Education the ongoing asbestos fiasco in her department. There is a complete lack of guidelines and information about asbestos for staff of the 100 or more schools who have probably been using portable classrooms without realising the danger. They do not realise that if they put a thumbtack in a wall that is lined with asbestos or if in some way they disturb the internal arrangement and structure of the classroom, the health of staff and students could be put in danger.

The Minister for Post Compulsory Education, Training and Employment laughs about the situation. She is precious today, but she laughs about the health and safety of children in Victoria.

The government and the Minister for Education have a duty of care in this matter, but we are not aware of when the audits of the portable classrooms actually occurred. We do not know whether they were undertaken at the host schools before portables were shifted to the new recipient schools or whether audits were done at the Port Melbourne store yard on the 18 classrooms — which were never meant to be used again as classrooms — before they went to the recipient schools.

If the audits occurred beforehand, the minister stands twice condemned because disruption can be caused in the transportation of buildings — walls and ceilings can crack and internal structural rearrangements can occur — and when staff at the recipient school reassemble the portable and perhaps make some local alterations, asbestos particles could well be released and exposed to the air.

The minister has a duty of care and it is incumbent on her to inform the house and the school communities that have been left in the dark for so long as to when the audits actually occurred — at the point of delivery or when they were being discharged. Who conducted the audits? Were they done by brown-cardiganed public servants, or were the audits conducted objectively by an expert? Who did the audits? Will the minister now allow objective audits to be done, given that the potential for negligence will arise, particularly when the workmen have also not been informed?

I point out that the minister has had no funds allocated in the current budget for portable classrooms.

The ACTING SPEAKER (Mr Loney) — Order! I did not wish to interrupt the honourable member for Warrandyte while he was speaking. However, I remind all honourable members that the adjournment debate is an opportunity not to ask a series of questions but to seek action.

Kew Cottages

Mr STENSHOLT (Burwood) — My request for action is addressed to the Minister for Community Services. I ask the minister to investigate the current conditions at Kew Cottages and take the necessary action to ensure the best possible quality of life for the residents. The minister takes her duty of care seriously and is a fine Minister for Community Services. She is clearly a caring person who takes seriously her responsibilities in respect of people in need, such as the residents of Kew Cottages. It is a serious responsibility not to be taken lightly or laughed about. Kew Cottages are in the City of Boroondara not far from my electorate. The families and friends of the residents come from all over Victoria, including Burwood.

All Victorians were deeply shocked several years ago at the appalling and heart-rending loss of life that resulted from a fire at Kew Cottages. I am sure honourable members would have welcomed many of the recommendations made to improve conditions for residents subsequent to that tragedy.

The lives of many Victorians are touched by disabilities, either directly or indirectly. Many changes have occurred in the views held in society about the best form of care and lifestyle for disabled people. Over recent years there has been a strong move towards housing such people in small community residential units. However, many people have remained in long-term residential care at Kew Cottages.

The cottages have enjoyed the long involvement and commitment of families of residents. The long-term future of Kew Cottages is under consideration, and I would appreciate the minister's checking and advising the house of current progress. It is important to both the residents and their families. The appropriate care and welfare of the current residents should be the paramount consideration. I would appreciate the minister taking action to ensure that the current and continuing care provided to those people is the best possible.

Sandringham and District Memorial Hospital

Mr THOMPSON (Sandringham) — I seek an assurance from the Minister for Health that prior to the implementation of any recommendations of the network review conducted by Professor Duckett the minister will consult with the various interest groups who may be affected by the final outcome of the review.

Numbers of my parliamentary colleagues have earlier made representations in the chamber on behalf of their electorates, including the honourable members for Bentleigh and Mordialloc. The honourable member for Brighton is also concerned about the implications of the network review for the Sandringham and District Memorial Hospital.

The hospital serves a number of constituencies. One constituent who required renal dialysis went on an 18-year odyssey through the Melbourne hospital network before she found an oasis at the Sandringham hospital. She is very comfortable with the treatment she receives there. One of Melbourne's leading orthopaedic surgeons, Mr John Griffiths, is of the view that any relocation of Sandringham hospital outside the Southern Health Care Network, where it has prospered over the past three years, would be detrimental and adverse to the throughput of orthopaedic patients in the region. The staff at the hospital also have a high level of concern about relocation.

I seek an undertaking from the Minister for Health that those groups and others who have had a long-term interest in the hospital's administration and the operation of its casualty department will have the opportunity to present their cases so that the services offered through the hospital will not be placed in jeopardy in the future.

The review of the network has been undertaken in the context of a number of the network groupings not flourishing. That may be contrasted with the outstanding performance of the Sandringham hospital, where there has been a 30 per cent increase in throughput in orthopaedics, general surgery and midwifery, where throughput has been operating at record levels. All these features have served to underpin one of the most important features of the Sandringham hospital — that is, the operation of its emergency service unit.

For those reasons I seek an undertaking from the minister that he will be prepared to consult with the relevant interest groups prior to the final implementation of the Duckett report.

Schools: asbestos

Mr MILDENHALL (Footscray) — I raise for the attention of the Minister for Education an issue relating to the transfer of portable classrooms to the Somerville Rise Primary School. The matter was raised by the honourable members for Mornington and Warrandyte in this house yesterday. They have obviously set out to whip up alarm in the community about safety in our schools.

Honourable members interjecting.

Mr Smith — On a point of order, Mr Acting Speaker, my recollection of the standing orders is that an honourable member cannot raise a matter that has already been raised in an earlier debate.

Mr MILDENHALL — On the point of order, Mr Acting Speaker, I suggest it is premature to judge the request I am about to make until it is heard. The action I am seeking may well be totally different from the guidelines sought by the honourable member for Warrandyte.

The ACTING SPEAKER (Mr Loney) — Order! The honourable member for Warrandyte raised a matter in debate which related to — I think these were his words — some hundreds of classrooms statewide that were affected by asbestos and the effect that would have on students across the state. As I understand from what the honourable member for Footscray has raised so far, he is referring to a specific instance of portable classrooms at a specific school. He has not yet begun to outline the precise nature of the issue he wishes to raise. I will continue to hear him on the basis that he is raising a matter relating specifically to that school and not the same general matter that was raised by the honourable member for Warrandyte.

Mr MILDENHALL — Thank you, Mr Acting Speaker. The issue I raise relates particularly to the two portable classrooms that were moved to the Somerville Rise Primary School — about which the honourable members for Mornington and Warrandyte have sought to whip up community alarm with comments such as the education department having dredged up the decommissioned portables and other relocatable classrooms that were unsafe.

Mr Honeywood — On a point of order, Mr Acting Speaker, at no point has the school at Somerville Rise been accused by me of — —

An honourable member interjected.

Mr Honeywood — No, of having received portable classrooms from Port Melbourne. The honourable member for Footscray — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Loney) — Order!

Mr Honeywood — On the point of order, Mr Acting Speaker, a moment ago you pulled up the honourable member for Footscray for not being specific in relation to a particular school. He is now mentioning Somerville Rise Primary School and suggesting that the classrooms came from Port Melbourne. That is not the case; they came from another school.

The ACTING SPEAKER (Mr Loney) — Order! There is no point of order. If the honourable member claims to have been or believes he has been misrepresented he has a course of action to take. There is no point of order. The honourable member for Warrandyte may have missed the fact that earlier I asked the honourable member for Footscray to make sure that he dealt with a specific instance and not the general one the honourable member for Warrandyte raised previously. I have listened to the honourable member for Footscray carefully, and he has related his remarks to the specific instance.

Mr Smith — On a further point of order, Mr Speaker, I refer to the notes prepared by Speaker Coghill on adjournment debates, which state specifically that questions similar to questions without notice are inadmissible. In other words, where questions on any area are seeking information of the same type on the same subject, they are inadmissible.

The ACTING SPEAKER (Mr Loney) — Order! I believe the honourable member for Glen Waverley is raising a point of order I have already dealt with.

Mr MILDENHALL — It is obvious that we need to assist the honourable member for Warrandyte not only to work out to which minister he should address the question but also with his hearing! I did not mention Port Melbourne.

The ACTING SPEAKER (Mr Loney) — Order! The comments made by the honourable member for Footscray are not relevant to the matter he raised.

Mr MILDENHALL — I am seeking the minister's assistance, and I ask her to take whatever action she needs to take to deal with the specific issue of Somerville Rise Primary School. Technical and facility resource issues, communication strategies and many other matters are involved. There is an obvious need for clear common or garden sense to be brought to the matter. In the face of the cynical political opportunism the opposition has displayed, I seek the minister's further involvement to provide that calm and thoughtful approach for which she is becoming known.

It is a bit rich. Schools right around the state still have Bristol classrooms — 1947 iron-walled portable classrooms that the former government left there, saying, 'That is all right for our kids'. Those iron-walled classrooms are like ovens in summer and fridges in winter — and that was all right for the kids! Now the opposition tries to whip up a storm over this. I ask the minister to bring some commonsense into this debate and take whatever action is necessary.

Rowville Primary School

Mr WELLS (Wantirna) — I ask the Minister for Education to lift the ban on school visits to Indonesia. Rowville Primary School is in my electorate and over the past several years has had a successful language exchange program with its sister school in Yogyakarta. A delegation from that school came to Rowville in March this year and visited me in Parliament. Students from Rowville Primary School were to undertake a reciprocal visit in September this year. However, the ban imposed by the Department of Education, Employment and Training is putting the trip in doubt.

In September last year after the problems in East Timor the Department of Education, Employment and Training took the responsible step and banned all visits by Victorian schools. It was a responsible act. However, now that the situation has changed significantly I believe the department needs to update its information. Travel advice bulletins from both the Department of Foreign Affairs and Trade and the Australian Embassy in Jakarta dated 25 February and 6 March note that in many areas in Indonesia that were previously of concern things have returned to normal.

The bulletins note that:

> … the situation in Lombok for tourists and citizens has returned to normal.

They also state:

> Bali is calm and the tourist services are operating normally.

However, Yogyakarta, where Rowville Primary School's sister school is located, has never been listed as a problem area and remains peaceful and normal. Currently there is no negative advice from the Department of Foreign Affairs and Trade about that area. Rowville Primary School has contacted the Minister for Education seeking a review of the ban.

However, a decision must be made quickly to assist the school in its planning and allow the trip to go ahead in September.

Considering the positive information about Indonesia released by the Department of Foreign Affairs and Trade over the past few months, I ask the Minister for Education to intervene so that the school can make the trip. The Department of Education took the appropriate action in September last year, but it is now time to update that policy given the information coming from the Department of Foreign Affairs and Trade and to allow the trip to proceed.

The ACTING SPEAKER (Mr Loney) — Order! The time for raising matters on the adjournment has expired.

For the clarification of the house on matters which were the subject of a point of order during the adjournment — that is, matters already raised in debate — I refer the house to a ruling by Speaker Delzoppo.

A point of order was raised with Speaker Delzoppo concerning the prohibition against raising a matter more than once in an adjournment debate. Speaker Delzoppo directed the attention of the house to that fact but allowed the member who was interrupted to continue. The same person had been mentioned in three contributions but each reference was to a different aspect. It is clear that Speaker Delzoppo ruled that provided the member was raising a different aspect the matter could be heard.

Responses

Ms DELAHUNTY (Minister for Education) — Thank you for that clarification, Mr Acting Speaker. It is obvious that the honourable member for Warrandyte was trying to apply the gag in the Parliament.

The honourable member for Seymour raised the matter of Seymour Technical High School. In 1978 Seymour Technical High School began to use for an agricultural and horticultural facility some land owned by the former Department of Education. As the honourable member outlined, that facility has been used for some time and the school has been running fantastic programs for rural students to keep them in an educational environment while giving them some sort of vocational training. The best governments around the world insist that their education facilities provide such programs, and the school was doing exactly that at Seymour.

However, the people at Seymour Technical High School did not trust the last government — is that any surprise to members? They did not trust the previous government because it considered the land to be vacant land which it could flog off! The honourable member for Warrandyte knows this well because he was a senior education minister in the last government — to his enduring shame. He knows the previous government was trying to sell that land; it said the land was surplus to requirements and decided it could make a quid out of it.

Ms Kosky interjected.

Ms DELAHUNTY — He was definitely surplus to requirements — and that is what the electorate thought!

The Seymour school community was so anxious about losing the facility that it told the last government it would find the money to buy the property to retain it for the use of the students who need it so desperately. The Seymour school community did not trust the last government, and why should it have done so?

I have had a close look at the situation. There is no need for the school community to put more funds into something the government is providing and should provide. I can assure the Seymour school community that it will not lose the property. It is a great educational resource. I have great pleasure in announcing that the Bracks Labor government is saving the land. It will be returned to its rightful owners, the students of Seymour.

The honourable member for Wantirna raised a serious matter concerning the anticipated visit by Rowville Primary School to Indonesia in September. He was speaking on behalf of the school community because some confusion has been caused about whether it is safe to go to Indonesia at this time. I am informed that the Department of Foreign Affairs and Trade has advised that the area in Indonesia the school wishes to visit to cement its sister school relationship is a safe area to visit.

However, the state Department of Education, Employment and Training has advised caution. That has caused some anxiety because the school community wishes to book for the trip. The honourable member for Wantirna is doing absolutely the right thing in raising the matter in good faith. I will discover why the education department has recommended caution, see whether the situation can be clarified and provide a definitive decision, hopefully supporting the trip.

Much has been said tonight about duty of care. As the honourable member for Wantirna would be well aware, it is the responsibility of the education department to be

absolutely certain there is no risk to those students while in Indonesia. We need to be absolutely sure there is no risk.

The excellent honourable member for Footscray is a great asset to the government; he has a long and enduring interest in education and much knowledge about education issues. The honourable member raised for my attention an occurrence at Somerville Rise Primary School, which the honourable members for Mornington and Warrandyte have been whipping up into a great storm. I will advise the honourable member for Footscray what occurred at Somerville Rise and what the government has done to assure parents at the school that their children are not at risk in those portables.

Two portables were moved to Somerville Rise over the summer break. Those portables were in use by other schools, as the honourable members for Warrandyte and Mornington well know. They were used by the previous government. They were not and have never been decommissioned.

The honourable member for Warrandyte has been running around the state saying the government is using decommissioned portables. That is wrong. He and the education department well know that the portables have been used as teaching spaces in other schools. They are now surplus to requirements at those schools. They have been audited, and they have been deemed fit for use by students.

The honourable member for Warrandyte has whipped up a storm, saying the government has dredged up decommissioned portables. Under this government anything that is decommissioned goes to the tip. I do not know what the former government had sitting around and used, but when this government has a decommissioned portable it goes straight to the tip.

As I said, the portables were sent to Somerville Rise. They were audited by occupational health and safety auditors and declared fit for occupancy by the students.

Mr Leigh — On a point of order, Mr Acting Speaker, what is the relevance of this speech being made when the honourable member for Footscray has not even bothered to stay in the chamber? He has left. I cannot see the point of the minister continuing if the honourable member for Footscray thinks the matter is of so little interest that he has left the chamber.

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

Ms DELAHUNTY — Precisely. Thank you, Mr Acting Speaker. They do not want to hear the truth.

Honourable members interjecting.

Ms DELAHUNTY — The honourable member for Footscray is listening in his office and taking notes.

What happened at Somerville Rise Primary School? The portables were duly delivered. They were audited by ESP Laboratories, which was under contract from the previous government to audit every portable for health and safety reasons. The former government hired that group and now its members are questioning the audit.

ESP Laboratories had no hesitation in stating that the portables could be reoccupied by students. That advice was given to the department on 16 February. On 17 February the principal at Somerville Rise Primary School issued a newsletter.

Mr Honeywood — On a point of order, Mr Acting Speaker, my question related to portables that were moved over Christmas when the minister was in government. It has nothing to do with who the previous government hired or did not hire. Did the minister hire those consultants, because the portables were moved over the Christmas break when she was minister?

The ACTING SPEAKER (Mr Loney) — Order! As I recall, the matter raised by the honourable member for Warrandyte involved hundreds of classrooms across the state. The minister has been dealing with the issue the honourable member for Footscray raised about the fitness of those specific classrooms for occupation, and to this stage I believe her response to be relevant to that.

Ms DELAHUNTY — ESP Laboratories, which was under an existing contract signed by the previous government, audited those classrooms and declared them safe for habitation by students and staff. The portables at Somerville Rise were declared fit. The buildings contained the lowest level of detection — 0.01. ESP Laboratories had no hesitation in stating that the portables could be reoccupied. That advice was given to the department on 16 February. On 17 February the principal broadcast this information to all parents at Somerville Rise Primary School by way of a newsletter.

It is true that a parent expressed concern about the issue. He raised the matter with the department. He also raised it with his local member, the honourable member for Mornington. When did he raise the matter with his local member?

Mr Hulls — Just yesterday!

Ms DELAHUNTY — The Attorney-General is wrong. I believe the parents raised the matter with their local member at the end of February.

Mr Leigh — On a point of order, Mr Acting Speaker, the minister is now impugning the reputation of another member of Parliament for not doing his job. The honourable member is not here to defend himself, so the minister should be very careful. She took six weeks and did not bother to get back to the people concerned, so she should be careful about impugning the reputations of other members trying to do their jobs, particularly those who have been in this chamber a lot longer than she has.

The ACTING SPEAKER (Mr Loney) — Order! At this stage I believe the honourable member has no point of order. However, I remind all honourable members of the standing orders. The only way of dealing with an honourable member making a reflection on another honourable member is through a substantive motion.

Ms DELAHUNTY — I am informed that the parent raised the matter with the education department and also raised it in February with the local member, the honourable member for Mornington. The departmental officer who spoke to the parent explained that a health and safety audit had been undertaken and, according to the audit, the portables were suitable for children. However, he suggested if the parent had continuing concerns he should raise the matter with the closest departmental office to that school, which is the regional office.

However, the parent decided not to do that but rather put his faith in the honourable member for Mornington. One can ask why the honourable member for Mornington did not raise the matter with me or my department. He sat on his hands until yesterday. If there has been concern about the health of those children, the opposition did nothing about it. Its members sat on the issue until yesterday.

The government knows what the motives of opposition members are. They do not care about the health and safety of our kids. They drove down education spending until Victoria was the lowest spending state in Australia. They are quite rightly ashamed.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Loney) — Order! The honourable member for Mordialloc might feel passionately about the subject, but I ask him to observe the protocols and forms of the house so the adjournment debate can be completed without further interruption.

Ms DELAHUNTY — The honourable member for Mordialloc should be terribly careful. He would have tried to shirt front us if there had not been a table — —

Mr Leigh interjected.

The ACTING SPEAKER (Mr Loney) — Order! I ask the minister not to make statements that may draw a reaction from the honourable member for Mordialloc; I ask her to address the matters raised.

Mr Honeywood interjected.

The ACTING SPEAKER (Mr Loney) — Order! The Chair also seeks the cooperation of the honourable member for Warrandyte.

Ms DELAHUNTY — Now that everyone is calm I will get back to the issues affecting the students.

I have presented to the house the facts surrounding the Somerville Rise Primary School and pointed out that in February the opposition had the information it is now whipping up alarm about around the state, yet did nothing.

The honourable member for Warrandyte raised with me specifically the duty of care. Apart from his party's cynical political opportunism on the issue he has shown no duty of care — and certainly not during the past seven years when he was an education minister and his government drove down spending and broke the hearts of school communities as it closed their schools.

The honourable member asked who undertook the audit. The audit was done by the company under a contract to the education department signed by his government! It was not a brown-cardiganed public servant, as the honourable member so dismissively referred to senior public servants in Victoria. When in government the opposition hired the audit team, and if opposition members have a problem with that team they ought to say so.

On the subject of negligence, the government knows where the negligence has been for the past seven years. I will more broadly clarify some of the background the honourable member for Warrandyte refuses to discuss.

The Department of Education, Employment and Training has an asbestos management program and has engaged a program manager to arrange for the removal

of existing asbestos items that could be hazardous in schools.

Mr Honeywood interjected.

Ms DELAHUNTY — It is interesting that the honourable member for Warrandyte does not want to hear this information, because I am presenting the facts.

All schools have been provided with a detailed asbestos audit outlining the condition of asbestos items in school buildings. The documents are used to identify asbestos items prior to undertaking minor or major works in schools in accordance with the regulations.

The department has provided an asbestos management plan to all schools to assist with the management of asbestos. The asbestos management program is ongoing to ensure that potentially hazardous items are removed. That is the program. That is what the government is trying to do.

The opposition raised the issue of some of the old portables. None of the portables that were moved to schools over the summer was ever decommissioned. As I said — —

Mr Honeywood interjected.

Ms DELAHUNTY — You said they were decommissioned, and you were wrong. You know you're wrong, Phil.

The ACTING SPEAKER (Mr Loney) — Order! Through the Chair, please, Minister.

Ms DELAHUNTY — The honourable member for Warrandyte knows he is wrong. None of those portables was ever decommissioned. Every portable had been in use and had been audited for safety. The honourable member for Warrandyte knows that. He should hang his head in shame. He knows his claim is not true.

The honourable member knows that some of the portables are old. What did he do about it when he was in government? He did absolutely nothing. He washed his hands like Pontius Pilate.

Opposition members interjecting.

Ms DELAHUNTY — You had a policy! Tell me about your policy. Tell the people of Victoria about your policy. They didn't know you had a policy.

The ACTING SPEAKER (Mr Loney) — Order! Minister, I think it would be a lot better if we did not ask the shadow minister to tell us about previous policies. Honourable members may get out of here a lot quicker if we remain on the issue raised on the adjournment.

Ms DELAHUNTY — It would be a short answer if we asked about the opposition's policy.

The former government knew about the old portables but did not give a damn about them. The current government has allocated $28 million in this budget to start to upgrade — —

Honourable members interjecting.

Ms DELAHUNTY — Yes, you are right — over four years. It is a great policy, isn't it? An amount of $28 million over four years has been allocated to begin the upgrading of the stock of portables, compared with nothing. The government will then be able to phase out the old portables that the former government kept hanging around. The government will send the decommissioned portables straight to the tip. I think the honourable member for Warrandyte used to keep them piled up in some secret storage area. He loved them and could not say goodbye to them. That is why he has raised this furphy about decommissioning. Perhaps it is some sort of military analogy.

Let me clarify the position. The portables have been moved. They have been audited and cleared by independent auditors who were employed under contract by the previous government. The portables were in use by the previous government. None of them has been decommissioned and they have all been cleared for safety. However, the government will not leave it there but will spend $28 million so that the stock of portables can be upgraded and some can be got rid of.

The government is serious about quality education, unlike the opposition. The honourable members for Warrandyte and Mornington have cynically exploited the situation and have whipped up alarm. They knew about Somerville Rise in February, but did nothing.

Mr HULLS (Minister for Manufacturing Industry) — The honourable member for Ballarat West raised the very important issue of a company called Maxitrans in Ballarat that laid off 50 casual staff yesterday. I understand the laying off of the staff had been expected by the company given a background of employment there increasing from 272 to 450 over the past couple of years. The company is a great regional employment success story that has now hit a brick wall, and that brick wall is the goods and services tax (GST).

Federal Treasurer Peter Costello and the federal Minister for Industry, Science and Resources, Nick Minchin, have said there is no GST buyers strike, but the evidence in Victoria, and particularly in the electorate of the honourable member for Ballarat West, suggests otherwise. Perhaps federal Treasurer Peter Costello should get out a map, find Ballarat, drive there and tell those workers that there is no GST buyers strike. Maybe he could convince those workers that they now have virtual jobs — there is virtually no work and virtually no pay.

Clearly, when it comes to the GST the federal government is not on the same planet as Victorians. The company knew orders were being deferred because of the GST, and it employed many staff on a casual basis because it knew it would ultimately be forced to let the staff go. The company has been unable to avoid the severe downturn in fleet orders caused by the GST, but it was able to take some measures in an attempt to soften the blow. However, the blow cannot be softened for the 50 workers in Ballarat who now no longer have their jobs.

The only GST compensation the workers will receive from the mean-spirited Howard government is an increase of $5 to $10 in their unemployment payments. That does not compare to a full-time job. Had they retained their jobs they would have paid as much in taxes as the federal government will pay in social security payments.

The situation is disgraceful, and I will take it up with the federal government as recommended by the honourable member for Ballarat West. I invite honourable members opposite who have an interest in country Victoria to do the same and take the opportunity of explaining to their federal colleagues the adverse impact the GST is having and will have on regional Victoria. Unfortunately, the company referred to is one only of many already feeling the adverse effects of the GST.

I thank the honourable member for Ballarat West for raising the matter, and I will report back to her upon receiving advice from the federal coalition government.

Ms CAMPBELL (Minister for Community Services) — I thank the honourable member for Burwood for his continued interest in Kew residential services. The Kew residents are lucky to have so close to their home an honourable member who continues to prod and remind me and my department of the importance of a proper home and facilities for them.

Since the election of the Bracks government fortunes have considerably improved for the people at Kew as the result of a funding injection in the current financial year which has brought about measurable benefits in their quality of life. It is important that the improvements take place now and are not put off until the never-never.

One of the first organisations I had the pleasure of meeting with after being sworn in as the Minister for Community Services was the Kew Parents Association. The parents were advocating for improved services and facilities for their sons and daughters long before I became a minister. I had tried to visit Kew when I was in opposition but was unable to gain entry without a prolonged argument. Even after the argument I could not gain entry!

After speaking with the parents I was told things were particularly bad during peak times at 7.30 a.m. I went there at that time and spoke to the residents and staff and had the opportunity to view for myself exactly what occurred. I must admit it was extremely alarming, and I wanted to make sure that improvements in both the facilities and the programs began immediately.

The honourable member for Burwood is aware, as a result of continued interest, that last Friday I sent my ministerial adviser to check on continuing improvements at Kew. I was pleased to advise residents, parents and staff that the Bracks government was providing additional funding of $1.45 million to enhance the residents' lifestyle opportunities, and I am glad to say that the tangible benefits from that increased expenditure are already becoming evident.

For a start, access to structured day programs has been significantly enhanced. When I visited Kew I learnt that not all residents had the opportunity to attend day programs and some were getting only 9 hours activity per week. I have since ensured that all residents receive 15 hours per week in their day programs.

The importance of the residents enjoying leisure opportunities was another issue raised during my visit. The evening and weekend leisure opportunities at Kew have been extended and residents are able to enjoy improved leisure, as do members of the rest of the community who have a different environment in which to enjoy their leisure time.

The physical environment, particularly in two of the units, harked back to the 19th century. I visited one of the units that had a large family room. It was bare except for a two-seater couch. I have made sure furniture has been purchased for that unit, and

interesting additions such as paintings, prints or other items have been hung on the walls to create a more homely environment.

Planning and construction of a sensory motor garden is about to begin in one of the units to allow pleasant therapeutic activities in that unit. Some honourable members may not be familiar with what a sensory motor garden is. It is a garden that enables people to enjoy swings, for example, has aromatic flowers and provides different tactile opportunities. That is an explanation of the quite exciting features that will be available at the units where some of the people, because of their behaviour, are limited to their immediate environment.

My department is also in the process of assessing the sporting needs of all the residents at Kew Residential Services. That will ensure ongoing work is based upon the needs of the residents. The honourable member for Burwood can be assured that I will continue to take a personal interest in improving the lives of the residents at Kew.

The honourable member for Malvern raised with the Minister for Health the regulations of the medical profession concerning referral to the Medical Practitioners Board. I will direct that matter to the attention of the Minister for Health and ensure he provides an answer to the honourable member.

The honourable member for Sandringham raised a matter with the Minister for Health about consultation prior to the implementation of the recommendations of the Duckett review. I will pass that matter on to the minister.

The honourable member for Monbulk raised a matter for the Minister for Environment and Conservation in relation to small-town sewerage schemes at Wandong and Heathcote Junction, particularly in regard to a levy and a freeze. That will also be passed on to the minister.

Motion agreed to.

House adjourned 7.35 p.m. until Tuesday, 9 May.

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